HOUSING AUTHORITY
OF THE COUNTY OF SAN DIEGO

PUBLIC HOUSING AGENCY PLANS

Five Year Plan for Fiscal Years 2006-2010
Annual Plan for Fiscal Year 2007-2008

HOUSING AUTHORITY
OF THE COUNTY OF SAN DIEGO

Public Housing Admissions
And Occupancy Policy

HOUSING AUTHORITY
OF THE COUNTY OF SAN DIEGO

Section 8 Administrative Plan

COUNTY OF SAN DIEGO

DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT

April 2007

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PHA Plans

Streamlined 5-Year/Annual Version

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

OMB No. 2577-0226
(exp 08/31/2009)

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 to certain 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.

Streamlined 5-Year Plan for Fiscal Years 2006 - 2010
Streamlined Annual Plan for Fiscal Year 2007 - 2008

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. Full reporting for each component listed in the streamlined Annual Plan submitted with the 5-year plan is required.

RESERVED

Streamlined Five-Year PHA Plan
Agency Identification

PHA Name: HOUSING AUTHORITY OF THE COUNTY OF SAN DIEGO
PHA Number: CA108

PHA Fiscal Year Beginning: 07/2007 (updated)

PHA Programs Administered:

☒**Public Housing and Section 8**
Number of public housing units: 121
Number of S8 units: 10454

☐**Section 8 Only**
Number of S8 units:

☐**Public Housing Only**
Number of public housing units:

☐**PHA Consortia: (check box if submitting a joint PHA Plan and complete table)**

Participating PHAs	PHA Code	Program(s) Included in the Consortium	Programs Not in the Consortium	# of Units Each Program
Participating PHA 1:				
Participating PHA 2:				
Participating PHA 3:				

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

☒ Main administrative office of the PHA, 3989 Ruffin Rd., San Diego, CA 92123
☐ PHA development management offices
☐ PHA local offices

Display Locations For PHA Plans and Supporting Documents
The PHA Plans and attachments (if any) are available for public inspection at: (select all that apply)

☒ Main administrative office of the PHA, 3989 Ruffin Rd., San Diego, CA 92123
☒ PHA development management offices
Towncentre Manor, 434 F St., #101, Chula Vista, CA 91910
Melrose Manor, 1678 Melrose Ave., #19, Chula Vista, CA 91911
L Street Manor, 584 L St., Apt. F, Chula Vista, CA 91911
Dorothy St. Manor, 778 Dorothy St., Apt. A, Chula Vista, CA 91911
☐ PHA local offices
☐ Main administrative office of the local government
☐ Main administrative office of the County government
☐ Main administrative office of the State government

☒ Public library – four locations
El Cajon Branch, 201 E. Douglas Ave., El Cajon, CA 92020
County of San Diego, 5555 Overland Ave., 15 M/S 070, San Diego, CA 92123
Lincoln Acres Branch, 2725 Granger Ave., Lincoln Acres, CA 91950
Vista Branch, 700 Eucalyptus, Vista, CA 92084

☒ PHA website, www.sdhcd.org

☐ Other (list below)

PHA Plan Supporting Documents are available for inspection at: (select all that apply)
☒ Main business office of the PHA, 3989 Ruffin Rd., San Diego, CA 92123
☐ PHA development management offices
☐ Other (list below)

Streamlined Five-Year PHA Plan

PHA FISCAL YEARS 2006 - 2010

[24 CFR Part 903.12]

A. Mission

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

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

☐ The PHA's mission is: (state mission here)

B. Goals

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

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

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

Progress Statement:

There have been no additional vouchers awarded, although the PHA intends to apply for any vouchers that it is eligible to receive.

☒ PHA Goal: Improve the quality of assisted housing
Objectives:
- ☒ Improve public housing management: (PHAS score) Achieve High Performer
- ☒ Improve voucher management: (SEMAP score) Maintain High Performer
- ☒ Increase customer satisfaction: Maintain a 3-point average or better on customer service surveys.

- ☒ Concentrate on efforts to improve specific management functions:
  (list; e.g., public housing finance; voucher unit inspections) Inspections of Public Housing in accordance with UPCS. Random quarterly file audits and apartment inspections in public housing.
- ☐ Renovate or modernize public housing units:
- ☐ Demolish or dispose of obsolete public housing:
- ☐ Provide replacement public housing:
- ☐ Provide replacement vouchers:
- ☐ Other: (list below)

☒ PHA Goal: Increase assisted housing choices
Objectives:

- ☐ Provide voucher mobility counseling:
- ☒ Conduct outreach efforts to potential voucher landlords
- ☐ Increase voucher payment standards
- ☐ Implement voucher homeownership program:
- ☐ Implement public housing or other homeownership programs:
- ☐ Implement public housing site-based waiting lists:
  Convert public housing to vouchers:
- ☒ Other: (list below)
  Maintain or increase vouchers to 98% utilization within funding levels.

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

☒ PHA Goal: Provide an improved living environment
Objectives:

- ☐ Implement measures to deconcentrate poverty by bringing higher income public housing households into lower income developments:
- ☐ Implement measures to promote income mixing in public housing by assuring access for lower income families into higher income developments:
- ☒ Implement public housing security improvements:
- ☐ Designate developments or buildings for particular resident groups (elderly, persons with disabilities)
- ☒ Other: (list below)
  Implement energy savings measures in public housing

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

☒ PHA Goal: Promote self-sufficiency and asset development of assisted households
Objectives:

- ☐ Increase the number and percentage of employed persons in assisted families:
- ☒ Provide or attract supportive services to improve recipients' employability:
- ☒ Provide or attract supportive services to increase independence for the elderly or families with disabilities.
- ☐ Other: (list below)

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

☒ PHA Goal: Ensure equal opportunity and affirmatively further Fir Housing
Objectives:

- ☐ Undertake affirmative measures to ensure access to assisted housing regardless of race, color, religion national origin, sex, familial status, and disability:
- ☐ Undertake affirmative measures to provide a suitable living environment for families living in assisted housing, regardless of race, color, religion national origin, sex, familial status, and disability:
- ☐ Undertake affirmative measures to ensure accessible housing to persons with all varieties of disabilities regardless of unit size required:
- ☒ Other: (list below)
  Regularly evaluate waiting lists and assisted households to determine if affirmative measures are necessary to assure equal access to all groups of people regardless of race, color, religion, national origin, sex, familial status, and disability

Other PHA Goals and Objectives: (list below)

Maintain program size and quality of services and manage program within allocated funding/revenue levels.

PHA Goals, Objectives, Policies, or Programs that will Enable the Housing Authority to Serve the Needs of Child and Adult Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking

Expedite the transfer of assistance for victims of domestic violence, dating violence, or stalking to protect the health and safety of the victim. Waive the Housing Choice Voucher Program policy of transferring no more than once in a 12-month period and allow the family to transfer during the term of the lease in order to protect the health and safety of the victim.

Not terminate assistance and/or tenancy, if the reason for the criminal activities, lease violations or other violations is a direct result of a family member being the victim of domestic violence, dating violence, or stalking. Provide ample time to the victim so that the victim can either move or port away from the perpetrator of the violence or so that the victim can remove the perpetrator of the violence from the household.

Refer the victims of domestic violence, dating violence, sexual assault or stalking to agencies that provide services.

Allow a victim to be admitted to the program, providing the perpetrator of the abuse will not be residing in the assisted unit.

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Streamlined Annual PHA Plan
PHA Fiscal Year 2007
[24 CFR Part 903.12(b)]

Table of Contents
Provide the following table of contents for the streamlined Annual Plan submitted with the Five-Year Plan, including all streamlined plan components, and additional requirements, together with the list of supporting documents available for public inspection.

A. ANNUAL STREAMLINED PHA PLAN COMPONENTS

☒ 1. Housing Needs
☒ 2. Financial Resources
☒ 3. Policies on Eligibility, Selection and Admissions
☒ 4. Rent Determination Policies
☒ 5. Capital Improvements Needs
☐ 6. Demolition and Disposition
☒ 7. Homeownership
☒ 8. Civil Rights Certifications (included with PHA Certifications of Compliance)
☒ 9. Additional Information
  a. PHA Progress on Meeting 5-Year Mission and Goals
  b. Criteria for Substantial Deviations and Significant Amendments
  c. Other Information Requested by HUD
    i. Resident Advisory Board Membership and Consultation Process
    ii. Resident Membership on the PHA Governing Board
    iii. PHA Statement of Consistency with Consolidated Plan
    iv. (Reserved)
☒ 10. Project-Based Voucher Program
☒ 11. Supporting Documents Available for Review
☒ 12. FY 2007 Capital Fund Program and Capital Fund Program Replacement Housing Factor, Annual Statement/Performance and Evaluation Report
☒ 13. Capital Fund Program 5-Year Action Plan
☐ 14. Other (List below, providing name for each item)

B. SEPARATE HARD COPY SUBMISSIONS TO LOCAL HUD FIELD OFFICE

Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulations*: *Board Resolution to Accompany the Standard Annual, Standard Five-Year, and Streamlined Five-Year/Annual Plans*;
Certification by State or Local Official of PHA Plan Consistency with Consolidated Plan.
For PHAs APPLYING FOR CAPITAL FUND PROGRAM (CFP) GRANTS:
Form HUD-50070, *Certification for a Drug-Free Workplace*;
Form HUD-50071, *Certification of Payments to Influence Federal Transactions*;
Form SF-LLL & SF-LLLa, *Disclosure of Lobbying Activities.*

Executive Summary (optional)

[903.7(r)]. If desired, provide a brief overview of the contents of the streamlined 5-Year/Annual Plan.

N/A Optional

1. Statement of Housing Needs [24 CFR Part 903.12 (b), 903.7(a)]

The PHA has analyzed the housing needs of low-income and very low-income families who reside in the PHA's jurisdiction. The housing needs of these groups continue to be great considering the high cost of rental housing in the PHA's jurisdiction. Although the vacancy rate has increased a bit over the last year, the rents have not yet declined. According to the 2000 census, over 35,000 families have income at or below 30% of the area median income and almost 77,000 families have income above 30% and at or below 50% of the area median income.

The PHA's jurisdiction encompasses more than one Consolidated Plan jurisdiction. Consolidated Plans for the Cities of Chula Vista, Escondido, and El Cajon describe the housing needs for those cities. In addition, the County of San Diego has taken a regional approach and developed a Consortium Consolidated Plan which contains a comprehensive affordable housing strategy for the unincorporated areas of San Diego County and the cities of Carlsbad, Coronado, Del Mar, Encinitas, Imperial Beach, La Mesa, Lemon Grove, Poway, Santee, San Marcos, Solana Beach and Vista. The cities of Carlsbad, Encinitas, Oceanside, San Diego and National City operate their own housing authorities.

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

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

Housing Needs of Families on the PHA's Waiting Lists			
Waiting list type: (select one) ☒ Section 8 tenant-based assistance ☐ Public Housing ☐ Combined Section 8 and Public Housing ☐ Public Housing Site-Based or sub-jurisdictional waiting list (optional) If used, identify which development/subjurisdiction:			
	# of families	% of total families	Annual Turnover
Waiting list total	26,835		932
Extremely low income <=30% AMI	19,961	74.4%	
Very low income (>30% but <=50% AMI)	5,962	22.2%	
Low income (>50% but <80% AMI)	912	3.4%	
Families with children	15,871	59%	
Elderly families	2,924	11%	
Families with Disabilities	8,040	30%	
White/Hispanic	8,024	29.9%	
White/Non-Hispanic	13,443	50.1%	

Housing Needs of Families on the PHA's Waiting Lists			
	# of families	% of total families	
Black/Hispanic	100	0.4%	
Black/Non-Hispanic	3,761	14.0%	
Am. Indian/Alaska Native	315	1.2%	
Asian/Pacific Islander	1,192	4.4%	
Characteristics by Bedroom Size (Public Housing Only)			
1BR			
2 BR			
3 BR			
4 BR			
5 BR			
5+ BR			

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

Housing Needs of Families on the PHA's Waiting Lists			
Waiting list type: (select one) ☐ Section 8 tenant-based assistance ☒ Public Housing ☐ Combined Section 8 and Public Housing ☐ Public Housing Site-Based or sub-jurisdictional waiting list (optional) If used, identify which development/subjurisdiction:			
	# of families	% of total families	Annual Turnover
Waiting list total	9,164		16
Extremely low income <=30% AMI	6,695	73.6%	
Very low income (>30% but <=50% AMI)	2,077	22.9%	
Low income (>50% but <80% AMI)	317	3.5%	
Families with children	6,252	68.2%	
Elderly families	674	7.4%	
Families with Disabilities	2,238	24.4%	
White/Hispanic	3,251	35.5%	
White/Non-Hispanic	3,615	39.5%	
Black/Hispanic	51	0.5%	
Black/Non-Hispanic	1,694	18.5%	
Am. Indian/Alaska Native	138	1.5%	
Asian/Pacific Islander	415	4.5%	
Characteristics by Bedroom Size (Public Housing Only)			
1BR	3,144	34.3%	7
2 BR	4,956	54.1%	3

Housing Needs of Families on the PHA's Waiting Lists			
3 BR	835	9.1%	6
4 BR	195	2.1%	N/A
5 BR	27	0.3%	N/A
5+ BR	7	0.1%	N/A

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

B. Strategy for Addressing Needs

Provide a brief description of the PHA's strategy for addressing the housing needs of families on the PHA's public housing and Section 8 waiting lists **IN THE UPCOMING YEAR**, and the Agency's reasons for choosing this strategy.

The Housing Authority of the County of San Diego's (HACSD) strategy to address the housing needs of families on the PHA's public housing and Section 8 waiting lists is to ensure through appropriate eligibility verification, fraud, and program abuse investigations, that all families currently being assisted are eligible for assistance and are receiving the correct amount of assistance. In addition, the HACSD is committed to maintaining its voucher utilization near the 100% level while managing its programs within available funding levels.

The HACSD's reasons for these strategies are to ensure that only eligible families receive assistance, therefore, reducing the wait time for families on the waiting list. In addition, the management of the HACSD's programs within its anticipated revenue assures the eventual opportunity for assistance to be provided to eligible families on the HACSD's waiting lists.

(1) Strategies

Need: Shortage of affordable housing for all eligible populations

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

Select all that apply

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

☒ Maintain or increase section 8 lease-up rates by marketing the program to owners, particularly those outside of areas of minority and poverty concentration
☒ Maintain or increase section 8 lease-up rates by effectively screening Section 8 applicants to increase owner acceptance of program
☒ Participate in the Consolidated Plan development process to ensure coordination with broader community strategies
☐ Other (list below)

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

☒ Apply for additional section 8 units should they become available
☐ Leverage affordable housing resources in the community through the creation of mixed - finance housing
☐ Pursue housing resources other than public housing or Section 8 tenant-based assistance.
☐ Other: (list below)

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

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

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

Encourage alternative living arrangements, such as shared housing and SROs, and restrict increases in program costs by strictly limiting increases in initial voucher size, therefore, ensuring that families at or below 30 of AMI can be targeted and served within available funding levels.

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

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

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

This population will be served within available funding levels after income-targeting

requirements are met. The HACSD has a substantial number of families on its waiting list that are at or below 50% of AMI and above 30% of AMI, thus, no special activities are necessary to reach this population.

Need: Specific Family Types: The Elderly

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

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

Need: Specific Family Types: Families with Disabilities

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

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

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

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

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

Evaluate program waiting lists and participants to determine the necessity of affirmative marketing to races/ethnicities that have disproportionate housing needs. If a need is indicated, develop an affirmative marketing campaign.

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

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

Provide information to Section 8 participants regarding units available in areas of low-poverty/low-minority concentration and recruit rental units in these lower poverty/minority concentration areas, if available funds are sufficient to support assistance in these higher cost areas.

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

Need: Assist Child or Adult Victims of Domestic violence, Dating Violence, Sexual Assault, or Stalking

Strategy 1: Any activities, services, or programs provided or offered by an agency, either directly or in partnership with other service providers to child or adult victims of domestic violence, dating violence, sexual assault, or stalking:

☒ A Housing Resources Directory with information on the above types of agencies is available on the PHA's website and is provided on request.

Strategy 2: Any activities, services, or programs provided or offered by the PHA that helps child and adult victims of domestic violence, dating violence, sexual assault, or stalking, to obtain or maintain housing.

☒ Available unit listing of Section 8 friendly rental units is provided to participants upon request.
☒ Information on special services is available in the PHA's Housing Resources Directory.

Strategy 3: Any activities, services, or programs provided or offered by the PHA to prevent domestic violence, dating violence, sexual assault, and stalking, or to enhance victim safety in assisted families.

☒ Waiver of policies limiting the transfer of assistance to allow victims of domestic violence, dating violence, or stalking to transfer assistance during the terms of their leases
☒ Information on special services is available in the PHA's Housing Resources Directory for victims of domestic violence, dating violence, sexual assault, or stalking.
☒ Voucher Super Preference for Public Housing residents who are victims of domestic violence, dating violence, or stalking.

(2) Reasons for Selecting Strategies

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

☒ Funding constraints
☒ Staffing constraints
☒ Limited availability of sites for assisted housing
☒ Extent to which particular housing needs are met by other organizations in the

community
☒ Evidence of housing needs as demonstrated in the Consolidated Plan and other information available to the PHA
☒ Influence of the housing market on PHA programs
☐ Community priorities regarding housing assistance
☒ Results of consultation with local or state government
☒ Results of consultation with residents and the Resident Advisory Board
☐ Results of consultation with advocacy groups
☐ Other: (list below)

2. Statement of Financial Resources

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

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

As required by the Quality Housing and Work Responsibility Act of 1998, the PHA is submitting a Statement of Financial Resources. This statement includes projected income and expenses for the operation of public housing and tenant-based assistance programs for fiscal year beginning July 1, 2007 and ending June 30, 2008.

Financial Resources: Planned Sources and Uses		
Sources	**Planned $**	**Planned Uses**
1. **Federal Grants (FY 2007 grants)**		
a) Public Housing Operating Fund	$142,477	
b) Public Housing Capital Fund	$160,000	
c) HOPE VI Revitalization	N/A	
d) HOPE VI Demolition	N/A	
e) Annual Contributions for Section 8 Tenant-Based Assistance	$ 89,441,652	
f) Resident Opportunity and Self-Sufficiency Grants	$ 83,333	
g) Community Development Block Grant	$ 500,000	Housing Preservation
h) HOME	$ 746,000	Rental Assistance
i) HOME (DCCA & ADDI)	$ 1,000,000	Homeownership
Other Federal Grants (list below)		
FSS Coordinator	$ 65,000	Section 8 FSS Coordinator
HOPWA	$ 590,000	Rental Assistance
Shelter Plus Care	$ 372,000	Rental Assistance
2. Prior Year Federal Grants (unobligated funds only) (list below)		
Public Housing Capital Fund	$134,432	Public Housing Improvements

Financial Resources: Planned Sources and Uses		
Sources	**Planned $**	**Planned Uses**
3. Public Housing Dwelling Rental Income	$ 538,552	Public Housing Operations
4. Other income (list below)		
Interest—Section 8	$200,000	Section 8 Administration
Interest – Public Housing	$30,000	Public Housing Operations
Laundry	$ 5,580	Public Housing Operations
4. Non-federal sources (list below)		
N/A		
Total Resources	$ 93,470,442	

3. PHA Policies Governing Eligibility, Selection, and Admissions

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

A. Public Housing

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

(1) Eligibility

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

☒ When families are within a certain number of being offered a unit: (state number) 3
☐ When families are within a certain time of being offered a unit: (state time)
☐ Other: (describe)

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

☒ Criminal or Drug-related activity
☒ Rental history
☐ Housekeeping
☐ Other (describe)

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

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

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

(2)Waiting List Organization

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

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

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

☒ PHA main administrative office, 3989 Ruffin Rd., San Diego Ca 92123
☐ PHA development site management office
☒ Other (list below)

Via the internet, telephone, mail, or fax.

c. Site-Based Waiting Lists-Previous Year N/A

1. Has the PHA operated one or more site-based waiting lists in the previous year? NO If yes, complete the following table; if not skip to d.

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

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:

d. 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 subsection **(3) Assignment**

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

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

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

4. Where can interested persons obtain more information about and sign up to be on the site-based waiting lists (select all that apply)?
☐ PHA main administrative office
☐ All PHA development management offices
☐ Management offices at developments with site-based waiting lists
☐ At the development to which they would like to apply
☐ Other (list below)

(3) Assignment

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

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

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

The PHA has four public housing sites; however, only one site has one-bedroom units. Therefore, applicants eligible for one-bedroom assignments have only one site to select.

(4) Admissions Preferences

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

b. Transfer policies:
In what circumstances will transfers take precedence over new admissions? (list below)
☒ Emergencies

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

Under-housed if overcrowded

c. Preferences

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

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

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

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

Families with dependent children

Families on the Disaster Voucher Program administered by the HACSD.

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

☒ 1 Date and Time

Former Federal preferences:
☐ Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition)
☐ Victims of domestic violence
☐ Substandard housing
☒ 2 Homelessness
☐ High rent burden

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

2 Families with dependent children
1 Families on the Disaster Voucher Program administered by the HACSD.

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

(5) Occupancy

a. What reference materials can applicants and residents use to obtain information about the rules of occupancy of public housing (select all that apply)
☒ The PHA-resident lease
☒ The PHA's Admissions and (Continued) Occupancy policy
☐ PHA briefing seminars or written materials
☐ Other source (list)

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

(6) Deconcentration and Income Mixing

a. ☐ Yes ☒ No: Does the PHA have any general occupancy (family) public housing developments covered by the deconcentration rule? Each one of the HACSD family developments has less than 100 units and is not subject to 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 on the following table:

Deconcentration Policy for Covered Developments			
Development Name	**Number of Units**	**Explanation (if any) [see step 4 at §903.2(c)(1)(iv)]**	**Deconcentration policy (if no explanation) [see step 5 at §903.2(c)(1)(v)]**

B. Section 8

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

(1) Eligibility

a. What is the extent of screening conducted by the PHA? (select all that apply)
☐ Criminal or drug-related activity only to the extent required by law or regulation
☒ Criminal and drug-related activity, more extensively than required by law or regulation
☐ More general screening than criminal and drug-related activity (list factors):
☒ Other (list below)

Criminal history screening upon initial screening, upon a participant's move, and all new family members admitted.

Screening for members subject to the state sex offender registration requirement.

Screening for previous debt to a PHA, previous program violations, and previous fraud.

Screening for threats to the health, safety, or right to peaceful occupancy to residents or those residing in the immediate vicinity.

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

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

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

e. Indicate what kinds of information you share with prospective landlords? (select all that apply)
☐ Criminal or drug-related activity
☒ Other (describe below)

The PHA will provide prospective landlords, upon request along with the participant's release of information, any documentation in the file that reflects a participant's tenancy history. Also, the PHA will provide landlords, upon request, the current address of the family, as well as the current and previous landlords' names, addresses, and phone numbers, if known.

(2) Waiting List Organization

a. With which of the following program waiting lists is the section 8 tenant-based assistance waiting list merged? (select all that apply)

☐ None
☐ Federal public housing
☐ Federal moderate rehabilitation
☐ Federal project-based certificate program
☒ Other federal or local program (list below)
Mainstream and various HOME-funded tenant-based rental assistance programs

b. Where may interested persons apply for admission to section 8 tenant-based assistance? (select all that apply)

☒ PHA main administrative office
☒ Other (list below)

Applicants may apply by contacting the PHA main administrative office by telephone, may apply via the internet, in writing, or by fax.

(3) Search Time

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

If yes, state circumstances below:

Depending on funding and the availability of vouchers, the PHA may grant extensions as a reasonable accommodation, or due to other valid extenuating circumstances, such as an illness. Currently, the PHA gives the family a total of 90 days to search for a unit prior to any extensions.

(4) Admissions Preferences

a. Income targeting

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

b. Preferences

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

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

Former Federal preferences

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

Other preferences (select all that apply)

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

Families with dependent children

Families on the Disaster Voucher Program administered by the HACSD.

HACSD Public Housing residents who must move due to being the victims of domestic violence, dating violence, sexual assault, or stalking.

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

☒ 1 Date and Time

Former Federal preferences:

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

Other preferences (select all that apply)

☒ **2** Working families and those unable to work because of age or disability

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

2 Families with dependent children

1 Families on the Katrina Disaster Housing Assistance Program administered by the HACSD.

1 HACSD Public Housing residents who must move due to being the victims of domestic violence, dating violence, sexual assault, or stalking.

4. Among applicants on the waiting list with equal preference status, how are applicants selected? (select one)
☒ Date and time of application
☐ Drawing (lottery) or other random choice technique

5. If the PHA plans to employ preferences for "residents who live and/or work in the jurisdiction" (select one)
☒ This preference has previously been reviewed and approved by HUD
☐ The PHA requests approval for this preference through this PHA Plan

6. Relationship of preferences to income targeting requirements: (select one)
☒ The PHA applies preferences within income tiers
☐ Not applicable: the pool of applicant families ensures that the PHA will meet income-targeting requirements

(5) Special Purpose Section 8 Assistance Programs

a. In which documents or other reference materials are the policies governing eligibility, selection, and admissions to any special-purpose section 8 program administered by the PHA contained? (select all that apply)
☒ The Section 8 Administrative Plan
☐ Briefing sessions and written materials
☒ Other (list below)

Written amendments to the Section 8 Administrative Plan.

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

If the waiting list has an inadequate number of qualified candidates for the program

☒ Other (list below)
The PHA selects for its special-purpose Section 8 Mainstream program from its Section 8 waiting list

4. PHA Rent Determination Policies

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

A. Public Housing

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

(1) Income Based Rent Policies

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

a. Use of discretionary policies: (select one of the following two)

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

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

b. Minimum Rent

1. What amount best reflects the PHA's minimum rent? (select one)

☒ $0
☐ $1-$25
☐ $26-$50

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

3. If yes to question 2, list these policies below**:**

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

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

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

d. Which of the discretionary (optional) deductions and/or exclusions policies does the PHA plan to employ (select all that apply)

☐ For the earned income of a previously unemployed household member
☐ For increases in earned income
☐ Fixed amount (other than general rent-setting policy)
If yes, state amount/s and circumstances below:

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

☐ For household heads
☐ For other family members
☐ For transportation expenses
☐ For the non-reimbursed medical expenses of non-disabled or non-elderly families
☐ Other (describe below)

e. Ceiling rents

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

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

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

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

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

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

f. Rent re-determinations:

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

☐ Never
☐ At family option
☒ Any time the family experiences an income increase
☐ Any time a family experiences an income increase above a threshold amount or percentage: (if selected, specify threshold)_____
☒ Other (list below)

Anytime the family experiences an income decrease.
Anytime the family's household composition changes and there is an income change.
The family must always report within 14 days all changes in income, assets, and family composition.

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

(2) Flat Rents

a. In setting the market-based flat rents, what sources of information did the PHA use to establish comparability? (select all that apply.)
☐ The section 8 rent reasonableness study of comparable housing
☒ Survey of rents listed in local newspaper
☒ Survey of similar unassisted units in the neighborhood
☐ Other (list/describe below)

B. Section 8 Tenant-Based Assistance

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

(1) Payment Standards

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

a. What is the PHA's payment standard? (select the category that best describes your standard)
☐ At or above 90% but below 100% of FMR
☐ 100% of FMR
☒ Above 90% but at or below 110% of FMR
☐ Above 110% of FMR (if HUD approved; describe circumstances below)

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

all that apply)

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

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

☐ FMRs are not adequate to ensure success among assisted families in the PHA's segment of the FMR area
☐ Reflects market or submarket
☒ To increase housing options for families
☐ Other (list below)

d. How often are payment standards reevaluated for adequacy? (select one)

☐ Annually
☒ Other (list below)

Whenever necessary to maintain program within funding levels and improve viability of the program.

e. What factors will the PHA consider in its assessment of the adequacy of its payment standard? (select all that apply)

☒ Success rates of assisted families
☐ Rent burdens of assisted families
☒ Other (list below)

Program Funding

(2) Minimum Rent

a. What amount best reflects the PHA's minimum rent? (select one)

☒ $0
☐ $1-$25
☐ $26-$50

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

5. Capital Improvement Needs

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

Exemptions from Component 5: Section 8 only PHAs are not required to complete this component and may skip to Component 6.

A. Capital Fund Activities

Exemptions from sub-component 5A: PHAs that will not participate in the Capital Fund Program may skip to component 5B. All other PHAs must complete 5A as instructed.

(1) Capital Fund Program

a. ☒ Yes ☐ No Does the PHA plan to participate in the Capital Fund Program in the upcoming year? If yes, complete items 12 and 13 of this template (Capital Fund Program tables). If no, skip to B.

b. ☐ 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.).

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

Applicability of sub-component 5B: 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) Hope VI Revitalization

a. ☐ Yes ☒ No: Has the PHA received a HOPE VI revitalization grant? (if no, skip to next component; if yes, provide responses to questions on chart below for each grant, copying and completing as many times as necessary)

b. Status of HOPE VI revitalization grant (complete one set of questions for each grant)
Development name:
Development (project) number:
Status of grant: (select the statement that best describes the current status)
☐ Revitalization Plan under development
☐ Revitalization Plan submitted, pending approval
☐ Revitalization Plan approved
☐ Activities pursuant to an approved Revitalization Plan underway

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

d. ☐ 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:

e. ☐ 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:

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.)

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

7. Section 8 Tenant Based Assistance--Section 8(y) Homeownership Program

[24 CFR Part 903.12(b), 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? 10 While the PHA may limit its program size to approximately 10 'searching' families at a time, it has no limit on the number of home purchase closings.

b. PHA-established eligibility criteria

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

- The family has no family-caused violations of HUD's housing quality standards within the last year.
- The family is not within the initial term of the lease.
- The family does not owe money to the HACSD.
- The family has not committed any serious or repeated violations of a HACSD-assisted lease within five years.
- The family has not had any arrests for violent or drug-related criminal activities over the last five years.
- The family may not refinance its assisted property for more than they currently owe.

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

The PHA will work with area housing counseling agencies, lenders, and realtors to act as a resource in the implementation of this program. The PHA will also work with cities within the PHA's jurisdiction to identify Section 8 participants in units undergoing condominium conversion to evaluate their suitability for purchasing their units.

(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):
a. ☒ Establishing a minimum homeowner downpayment 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.
b. ☐ 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.
c. ☐ Partnering with a qualified agency or agencies to administer the program (list name(s) and years of experience below).
d. ☐ Demonstrating that it has other relevant experience (list experience below).

8. Civil Rights Certifications

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

Civil rights certifications are included in the *PHA Plan Certifications of Compliance with the PHA Plans and Related Regulations*: *Board Resolution to Accompany the Standard Annual, Standard Five-Year, and Streamlined Five-Year/Annual Plans*, which will be submitted to the Field Office in hard copy—see Table of Contents.

9. Additional Information

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

A. PHA Progress in Meeting the Mission and Goals Described in the 5-Year Plan

(Provide a statement of the PHA's progress against the goals and objectives established in the previous 5-Year Plan for the period FY 2006 - 2010.)

The PHA continues to administer the County of San Diego Downpayment and Closing Costs Assistance (DCCA) program, which provides 3% deferred interest loans to eligible low-income first-time homebuyers. The DCCA program annually assists approximately 15-20 households in the purchase of their first homes. The DCCA program is funded through the HOME Investment Partnerships program and the American Dream Downpayment Initiative.

The PHA administers several Tenant Based Rental Assistance (TBRA) Programs for low-income and special needs individuals including: the HOME funded Tuberculosis Program, the HOME funded Emancipated Foster Youth Program, the HOME funded Mentally Ill Young Adult Program, the HOME funded Dependency Court's Substance Abuse Recovery Management System (SARMS) Program, the HOME funded Urban County Program, a HOPWA funded TBRA Program, a Redevelopment Agency funded TBRA and a Shelter Plus Care funded TBRA. The TBRA programs assisted approximately 279 households during FY 2005-2006.

The PHA continues to administer a Youth Employment Preparation Program to provide Emancipated Foster Youth with a six-month paid work experience that includes job coaching, and work readiness education. The participants are assigned a job coach and placed in each department within the County of San Diego's Community Services Group (Housing and Community Development, Animal Services, Registrar of Voters, Library, Purchasing and Contracting, and General Services).

The PHA administers a scholarship program for public housing youth entering or about to enter college. The program provides computers and funds for tuition and other school expenses.

The PHA provides rehabilitation services to low-income homeowners. Eligible properties include single-family homes and mobile homes. During FY 2005-2006, 24 units were rehabilitated under this program.

The PHA has contracted for a web-based on-line waiting list applications system to provide better customer service and to better accommodate applicants with disabilities. The web-based application is available in both English and Spanish.

On July 1, 2005, the PHA awarded a new public housing property management contract. This contract, unlike previous contracts, has a fixed price component for property management and routine maintenance services to limit costs. Unlike the previous property management company, the property management company will be handling occupancy duties.

The PHA has applied for all grants it is eligible for and successfully received a FSS Coordinator grant. The FSS Coordinator grant is an increase in funding to a full-time position. Prior fiscal years were funded at a part-time position.

In 2005 the PHA was awarded a three year ROSS Family grant to provide educational and vocational services that will enhance the opportunities for economic independence for the residents of the PHA's public housing developments. The PHA has partnered with the University of California San Diego, Center for Research in Educational Equity, Assessment & Teaching Excellence (CREATE) to provide these services. To date, more than 35% of the targeted families are receiving services through this grant.

The PHA has maintained its high performer status for SEMAP, along with its MTCS reporting rate.

The PHA has an active program abuse investigation unit and is diligent in ensuring families comply with program regulations, as well as the PHA's zero tolerance policy for drug and violent criminal activities

The PHA's Section 8 Homeownership Program continues with an active recruitment of new candidates. There continues to be available HOME funds for closing costs and downpayment expenses for the Section 8 Homeownership families.

The PHA screens all its families for violent and drug related criminal activities, as well as for registered sex offender status.

The PHA maintains a listing of rental housing in areas of greater opportunity for selection by Section 8 program participants. This list is available on the PHA's website and updated weekly.

The PHA lobby has a Kiosk connected to the internet that provides employment, training and educational information, housing information, community information, as well as the available rental housing listing.

The PHA is maintaining a 98% voucher utilization rate for its Section 8 program.

The PHA is providing ongoing program information to rental property owners and managers.

The PHA continued to operate a resource center at the Dorothy Street Public Housing site in partnership with an educational institution to provide computer classes to Public Housing residents. The resource center was developed with capital funds and it was opened on October 25, 2004.

Provided work experience and training for area college students in the Public Housing field. Maximizing utilization of PHA staff dollars and successfully marketing program to a wide range of future professionals.

Completed improvements to the public housing stock with funding from the Capital Fund Program. Among the improvements were upgrades to the living areas, parking lots, and common areas, as well as installation of energy efficient appliances to meet energy conservation goals of the PHA.

In 2005, all Public Housing sites were certified Crime Free by local law enforcement.

B. Criteria for Substantial Deviations and Significant Amendments

(1) Amendment and Deviation Definitions

24 CFR Part 903.7(r)

PHAs are required to define and adopt their own standards of substantial deviation from the 5-year Plan and Significant Amendment to the Annual Plan. The definition of significant amendment is important because it defines when the PHA will subject a change to the policies or activities described in the Annual Plan to full public hearing and HUD review before implementation.

a. Substantial Deviation from the 5-Year Plan

Any change that will substantially negatively impact a majority of Section 8 or Public Housing participants or waiting list applicants, unless that change is necessary because of funding constraints or regulatory changes.

b. Significant Amendment or Modification to the Annual Plan

Any change that will substantially negatively impact a majority of Section 8 or Public Housing participants or waiting list applicants, unless that change is necessary because of funding constraints or regulatory changes.

C. Other Information

[24 CFR Part 903.13, 903.15]

(1) Resident Advisory Board Recommendations

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

If yes, provide the comments below:

MEETING WITH PUBLIC HOUSING RESIDENTS ON NOVEMBER 13, 2006 REGARDING THE CAPITAL FUNDS PLANS

The capital funds meeting began at 1:30 p.m. Attendees included: 33 public housing residents, resident managers from Melrose and Dorothy Street, Manuel Galvan and Hugo Mora of the Housing Authority of the County of San Diego.

After introductions, an open discussion was held on needed capital items and other issues. The residents discussed items and identified the following capital news:

Towncentre Manor

- Don Mitchell: Asked if the County could add Solar Tinting to the capital funds plan.
- Doris Harris and Cathy Mitchell: Stated that there is no adequate hallway lighting.
- Maria Banuelos: Asked if patio screen doors could be replaced.
- Stan: Indicated that carpet needs to be replaced in the common areas of the 2nd and 3rd floor.
- Resident Mgr: Asked if it was possible to make Towncentre a gated community.
- Jose A. Oceda: Wants carpet replaced in his unit.
- Phyllis Mesker: Wants additional washers and dryers installed.

Melrose Manor

- Mary Estrada: Asked if it was possible to make Melrose Manor a gated community.
- Emma Alvares: Indicated there is a spider and mice problem.
- Margarita Ochoa: Asked if security door could be repainted.
- Candelario Garcia: Would like fencing around the playground area.

Dorothy Street Manor

- Annette James: Asked if it was possible to make Dorothy Street Manor a gated community.

Conclusion

- No other important issues were addressed.

INITIAL RESIDENT ADVISORY BOARD MEETING ON SEPTEMBER 12, 2006, 1:30 PM

Attendees:

Lorene Kellogg, Housing Authority
Manuel Galvan, Housing Authority
Hugo Mora, Housing Authority
Debra Dyar, Housing Authority
Catherine Trout Lichterman, Housing Authority
Mary Jo Ingalls, Housing Authority
E. Hollander, Section 8 participant
Annemarie Bierler, Section 8 participant
Janna Stein, Section 8 participant
Jose Manuel Lopez Amez, Section 8 participant
Sandi Marsh, HA Commissioner, Section 8 participant
Annette Hamby, Section 8 participant
Teresa Torres, Section 8 participant
Margrit A. Jay, Section 8 participant
Barbara Wambolt, Section 8 participant
The initial Resident Advisory Board meeting began at 1:30 p.m.

- Lorene Kellogg welcomed the group, facilitated introductions and explained the purpose of the meeting.
- Hugo Mora presented on Capital Funds for public housing improvements. The anticipated Capital Funds Budget for fiscal year 2007 is $160,000.
- Towncenter Manor to install energy efficient windows.
- Dorothy Street to improve ventilation in two units and perform repairs to tot lot.
- L Street Manor to improve drainage, sidewalk repairs/improvements, tenting and fumigating.
- Roof repairs for Melrose Manor.
- Debbie Dyar presented on the ROSS Grant Programs, FSS and the Dorothy Street Learning Center.
- Margrit A. Jay: Indicated she is an expert grant writer, She believes that we should send in more requests for grants to receive more funding.
- Several participants wanted to be added to the FSS program.
- Another participant asked for information on obtaining used computers.
- Some participants were interested in becoming Tenant Commissioners.
- After the meeting some of the questions were clarified.

SECOND RESIDENT ADVISORY BOARD MEETING ON JANUARY 25, 2007, 1:30 PM

Attendees:

Lorene Kellogg, Housing Authority
Manuel Galvan, Housing Authority
Hugo Mora, Housing Authority
Debbie Dyar, Housing Authority
Catherine Trout Lichterman, Housing Authority
Todd Henderson, Housing Authority
Mary Jo Ingalls, Housing Authority
Dawn Marquardt, Housing Authority
Babette Baltazar, Housing Authority
Sandi Marsh, HA Commissioner, Section 8 participant
Celia Perez, HA Commissioner, Section 8 participant
Jose Manuel Lopez Amez, Section 8 participant
Barbara Wambolt, Section 8 participant
Dolores Cabrera, Section 8 participant
Iliana Brealey, Section 8 participant
Michelle Wise, Section 8 participant
Gary Colborn, Section 8 participant
Nighisti Jones, Section 8 participant
Warren E. Lindsley, Section 8 participant
Krystyna Vallier, Section 8 participant
Delexstine Kendricks, Section 8 participant

Heather Sterling, Section 8 participant
Candelario Garcia, Public Housing resident
Janis Scanlon, Section 8 participant

The initial Resident Advisory Board meeting began at 1:30 p.m.

- Lorene Kellogg welcomed the group, explained the purpose of the meeting. She indicated that we would have an opening for someone to serve as a Tenant Commissioner; She explained the requirements and the process to be a Tenant Commissioner.
- Hugo Mora gave a Capital Funds update.
- Debbie Dyar presented on the FSS program, the ROSS program and the Dorothy Street Learning Center
- Babette Baltazar discussed the Public Housing budget.
- Some participants were interested in becoming Tenant Commissioners.
- One participant wanted to know how she could be considered for the FSS program
- One participant wanted to know more about portability.
- Another participant wanted to know why we could not just ask for more funding.
- One participant wanted more funding to be able to provide housing for the homeless.
- The Board was advised that no public comments have been received, thus far, on the Agency Plan. The deadline for public comments is February 5, 2007. The resident board was advised that the final Agency Plan will go to the Housing Authority Board of Commissioners March 14, 2007.
- After the meeting some of the questions were clarified.

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

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

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

The PHA considered comments made at the Resident Advisory Board meeting, but determined that no changes to the PHA Plan were necessary.

☐ Other: (list below)

(2) Resident Membership on PHA Governing Board

The governing board of each PHA is required to have at least one member who is directly assisted by the PHA, unless the PHA meets certain exemption criteria. Regulations governing the resident board member are found at 24 CFR Part 964, Subpart E.

a. Does the PHA governing board include at least one member who is directly assisted by the PHA this year?

☒ Yes ☐ No:

If yes, complete the following:

Names of Resident Member of the PHA Governing Board: Sandra Marsh

Method of Selection:

☒ Appointment
The term of appointment is (include the date term expires): 06/01/2005 -- 05/31/2007

☐ Election by Residents (if checked, complete next section--Description of Resident Election Process)

Description of Resident Election Process N/A

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

☐ Candidates were nominated by resident and assisted family organizations
☐ Candidates could be nominated by any adult recipient of PHA assistance
☐ Self-nomination: Candidates registered with the PHA and requested a place on ballot
☒ Other: (describe) Candidates are not elected, but are nominated by the Deputy Director of the Housing Authority and appointed by the Board of Supervisors of the County of San Diego

Eligible candidates: (select one)

☐ Any recipient of PHA assistance
☐ Any head of household receiving PHA assistance
☒ Any adult recipient of PHA assistance
☐ Any adult member of a resident or assisted family organization
☐ Other (list)

Eligible voters: (select all that apply) N/A

☐ All adult recipients of PHA assistance (public housing and section 8 tenant-based assistance)
☐ Representatives of all PHA resident and assisted family organizations
☐ Other (list)

b. If the PHA governing board does not have at least one member who is directly assisted by the PHA, why not?

☐ The PHA is located in a State that requires the members of a governing board to be salaried and serve on a full time basis

☐ The PHA has less than 300 public housing units, has provided reasonable notice to the resident advisory board of the opportunity to serve on the governing board, and has not been notified by any resident of their interest to participate in the Board.

☐ Other (explain):

Date of next term expiration of a governing board member: 05/31/2007

Name and title of appointing official(s) for governing board (indicate appointing official for the next available position): Board of Supervisors of the County of San Diego

(3) 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).

Consolidated Plan jurisdiction: (provide name here)

a. 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 list 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)

- Apply for additional Section 8 units, should they become available.
- Apply for special-purpose vouchers targeted to elderly or disabled, should they become available.
- Market the Section Rental Assistance Program to owners
- Develop strategies to manage program within funding levels while maintaining the viability of the program.

☐ Other: (list below)

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

It is the general policy of the County of San Diego Consolidated Consortium to give top

priority to assist extremely low-income groups to locate affordable rental housing, as well as homeownership opportunities to low or moderate income qualifying families. The Consortium's Plan supports the PHA Plan by pursuing the creation of housing opportunities that maintain affordability for the longest possible time period. With the exception of the cities of Carlsbad and Encinitas, the PHA operates the Section 8 Program for all participating cities of the Consolidated Plan Consortium. The PHA's Section 8 Program is the most comprehensive rental assistance program available in the jurisdiction of the Consolidated Plan.

(4) (Reserved)

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

10. Project-Based Voucher Program

a. ☐ Yes ☒ No: Does the PHA plan to "project-base" any tenant-based Section 8 vouchers in the coming year? If yes, answer the following questions.

b. ☐ 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:)

c. Indicate the number of units and general location of units (e.g. eligible census tracts or smaller areas within eligible census tracts):

11. List of Supporting Documents Available for Review for Streamlined Five-Year/ 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.

List of Supporting Documents Available for Review		
Applicable & On Display	**Supporting Document**	**Related Plan Component**
***	*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.*	Standard 5 Year and Annual Plans; streamlined 5 Year Plans
***	State/Local Government Certification of Consistency with the Consolidated Plan.	5 Year 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	5 Year and Annual Plans

List of Supporting Documents Available for Review		
Applicable & On Display	**Supporting Document**	**Related Plan Component**
	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.	
***	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
***	Most recent board-approved operating budget for the public housing program	Annual Plan: Financial Resources
***	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
***	Any policy governing occupancy of Police Officers and Over-Income Tenants in Public Housing. ☒ Check here if included in the public housing A&O Policy.	Annual Plan: Eligibility, Selection, and Admissions Policies
***	Section 8 Administrative Plan	Annual Plan: Eligibility, Selection, and Admissions Policies
***	Public housing rent determination policies, including the method for setting public housing flat rents. ☒ Check here if included in the public housing A & O Policy.	Annual Plan: Rent Determination
***	Schedule of flat rents offered at each public housing development. ☒ Check here if included in the public housing A & O Policy.	Annual Plan: Rent Determination
***	Section 8 rent determination (payment standard) policies (if included in plan, not necessary as a supporting document) and written analysis of Section 8 payment standard policies. ☒ Check here if included in Section 8 Administrative Plan.	Annual Plan: Rent Determination
***	Public housing management and maintenance policy documents, including policies for the prevention or eradication of pest infestation (including cockroach infestation).	Annual Plan: Operations and Maintenance
***	Results of latest Public Housing Assessment System (PHAS) Assessment (or other applicable assessment).	Annual Plan: Management and Operations
N/A	Follow-up Plan to Results of the PHAS Resident Satisfaction Survey (if necessary)	Annual Plan: Operations and Maintenance and Community Service & Self-Sufficiency
***	Results of latest Section 8 Management Assessment System (SEMAP)	Annual Plan: Management and Operations
***	Any policies governing any Section 8 special housing types ☒ check here if included in Section 8 Administrative Plan	Annual Plan: Operations and Maintenance
***	Consortium agreement(s).	Annual Plan: Agency Identification and Operations/ Management
***	Public housing grievance procedures ☒ Check here if included in the public housing A & O Policy.	Annual Plan: Grievance Procedures
***	Section 8 informal review and hearing procedures. ☒ Check here if included in Section 8 Administrative Plan.	Annual Plan: Grievance Procedures
***	The Capital Fund/Comprehensive Grant Program Annual Statement /Performance and Evaluation Report for any active grant year.	Annual Plan: Capital Needs
***1	Most recent CIAP Budget/Progress Report (HUD 52825) for any active CIAP grants.	Annual Plan: Capital Needs
N/A	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
	Self-evaluation, Needs Assessment and Transition Plan required by regulations	Annual Plan: Capital

List of Supporting Documents Available for Review		
Applicable & On Display	**Supporting Document**	**Related Plan Component**
***	implementing Section 504 of the Rehabilitation Act and the Americans with Disabilities Act. See PIH Notice 99-52 (HA).	Needs
N/A	Approved or submitted applications for demolition and/or disposition of public housing.	Annual Plan: Demolition and Disposition
N/A	Approved or submitted applications for designation of public housing (Designated Housing Plans).	Annual Plan: Designation of Public Housing
N/A	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
N/A	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 16 of the Section 8 Administrative Plan)	Annual Plan: Homeownership
***	Public Housing Community Service Policy/Programs ☒ Check here if included in Public Housing A & O Policy	Annual Plan: Community Service & Self-Sufficiency
***	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
***	FSS Action Plan(s) for public housing and/or Section 8.	Annual Plan: Community Service & Self-Sufficiency
***	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
***	Policy on Ownership of Pets in Public Housing Family Developments (as required by regulation at 24 CFR Part 960, Subpart G). ☒ Check here if included in the public housing A & O Policy.	Pet Policy
***	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
N/A	Consortium agreement(s), if a consortium administers PHA programs.	Joint PHA Plan for Consortia
N/A	Consortia Joint PHA Plans ONLY: 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 PHA Plan for Consortia
N/A	Other supporting documents (optional). List individually.	(Specify as needed)

RESERVED

Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)
Part 1: Summary

PHA Name: The Housing Authority of the County of San Diego	**Grant Type and Number** Capital Fund Program Grant No: CA16-P108-501-03 Replacement Housing Factor Grant No:	**Federal FY of Grant:** 2003

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

Line No.	**Summary by Development Account**	**Total Estimated Cost**		**Total Actual Cost**	
		Original	**Revised**	**Obligated**	**Expended**
1	Total non-CFP Funds	$0	$0	$0	$0
2	1406 Operations	$0	$85,511.000	$85,511.00	$84,726.00
3	1408 Management Improvements Soft Costs	$0	$12,470.00	$12,470.00	$12,470.00
	Management Improvements Hard Costs	$0	$0	$0	$0
4	1410 Administration	$20,000.00	$20,000.00	$20,000.00	$20,000.00
5	1411 Audit	$1,000	$0	$0	$0
6	1415 Liquidated Damages	$0	$0	$0	$0
7	1430 Fees and Costs	$1,000	$0	$0	$0
8	1440 Site Acquisition	$0	$0	$0	$0
9	1450 Site Improvement	$22,000.00	$0	$0	$0
10	1460 Dwelling Structures	$63,000.00	$0	$0	$0
11	1465.1 Dwelling Equipment Nonexpendable	$0	$0	$0	$0
12	1470 Non-dwelling Structures	$59,048.00	$43,167.00	$43,167.00	$43,167.00
13	1475 Non-dwelling Equipment	$0	$0	$0	$0
14	1485 Demolition	$0	$0	$0	$0
15	1490 Replacement Reserve	$0	$0	$0	$0
16	1492 Moving to Work Demonstration	$0	$0	$0	$0
17	1495.1 Relocation Costs	$0	$4,900.00	$4,900.00	$4,900.00
18	1499 Development Activities	$0	$0	$0	$0
19	1502 Contingency	$0	$0	$0	$0
20	Amount of Annual Grant: (sum of line 1 thru 19)	$166,048.00	$166,048.00	$166,048.00	$165,263.00
	Amount of line 20 Related to LBP Activities	$0	$0	$0	$0
	Amount of line 20 Related to Section 504 compliance	$0	$0	$0	$0
	Amount of line 20 Related to Security –Soft Costs	$0	$0	$0	$0
	Amount of Line 20 related to Security-- Hard Costs	$63,000.00	$0	$0	$0
	Amount of line 20 Related to Energy Conservation Measures	$0	$0	$0	$0
	Collateralization Expenses or Debt Service	$0	$0	$0	$0

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

PHA Name: The Housing Authority of the County of San Diego		**Grant Type and Number** Capital Fund Program Grant No: CA16-P108-501-03 Replacement Housing Factor Grant No:				**Federal FY of Grant:** 2003			
Development Number Name/HA-Wide Activities	General Description of Major Work Categories		Dev. Acct No.	Quantity	Total Estimated Cost Original	Revised	Total Actual Cost Obligated	Expended	Status of Work
PHA-Wide	Administration		1410	LS	$20,000.00	$20,000.00	$20,000.00	$20,000.00	Completed
PHA-Wide	Public housing operations		1406	LS	$0	$55,047.00	$55,047.00	$54,262.00	On going
PHA-Wide	Resident Services		1408	LS	$0	$12,470.00	$12,470.00	$12,470.00	Completed
PHA-Wide	Audit		1411	LS	$1,000.00	$0	$0	$0	
PHA-Wide	Fees and Costs		1430	LS	$1,000.00	$0	$0	$0	
Melrose Manor CA18-P108-001	Design new community building (Portion)		1470	1,000 s. f.	$48,048.00	$43,167.00	$43,167.00	$43,167.00	Completed
Dorothy Street CA16-P108-04	New bathroom/HVAC/security screen windows (Portion)		1406	500 sq. ft.	$0	$11,293.00	$11,293.00	$11,293.00	Completed
Melrose Manor CA16-P108-001	Enlarge existing laundry building		1470	100 s. f.	$11,000.00	$0	$0	$0	Deleted
Melrose Manor CA18-P108-001	Install security screen windows		1460	525 sq. ft.	$12,000.00	$0	$0	$0	
Melrose Manor CA18-P108-001	Install double security screen windows		1460	24 doors	$14,000.00	$0	$0	$0	
Town Center CA16-P108-02	Install new lighting in parking lot		1450	2 each	$11,000.00	$0	$0	$0	
Dorothy Street CA16-P108-04	Tenting and fumigating for termites (Portion)		1406	24 units	$0	$19,171.00	$19,171.00	$19,171.00	Completed
Dorothy Street CA16-P108-04	Relocation Costs (Tenting and fumigating for termites)		1495.1	24 tenants	$0	$4,900.00	$4,900.00	$4,900.00	Completed
Dorothy Street CA16-P108-04	Install double security screen door		1460	1,050 sq. ft.	$25,000.00	$0	$0	$0	
Dorothy Street CA16-P108-04	Install security screen windows		1460	22 doors	$12,000.00	$0	$0	$0	
“L” Street CA16-CA16-P108-05	New lighting in rear of 3 buildings		1450	6 each	$8,000.00	$0	$0	$0	Deleted
“L” Street CA16-	Install fencing around landscape areas		1450	250 lineal ft.	$2,500.00	$0	$0	$0	

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

PHA Name: The Housing Authority of the County of San Diego		**Grant Type and Number** Capital Fund Program Grant No: CA16-P108-501-03 Replacement Housing Factor Grant No:					**Federal FY of Grant:** 2003		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories		Dev. Acct No.	Quantity	Total Estimated Cost Original	Revised	Total Actual Cost Obligated	Expended	Status of Work
CA16-P108-05									
"L" Street CA16-CA16-P108-05	New patio furniture		1450	6 each	$500	$0	$0	$0	
				Total CFP Budget	$166,048.00	$166,048.00	$166,048.00	$165,263.00	

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

PHA Name: The Housing Authority of the County of San Diego	**Grant Type and Number** Capital Fund Program No: CA16-P108-501-03 Replacement Housing Factor No:	**Federal FY of Grant:** 2003

Development Number Name/HA-Wide Activities	All Fund Obligated (Quarter Ending Date)			All Funds Expended (Quarter Ending Date)			Reasons for Revised Target Dates
	Original	Revised	Actual	Original	Revised	Actual	
HA-Wide	6/30/05		6/30/05	6/30/07			
1410 Administration HA-Wide	6/30/05		9/30/03	6/30/07		9/30/04	
Melrose CA16-P108-001	6/30/05		6/30/05	6/30/07		6/30/06	
Dorothy Street CA16-P108-004	6/30/05		6/30/05	6/30/07		6/30/06	

Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)
Part 1: Summary

PHA Name:	**Grant Type and Number**	**Federal FY of Grant:** 2003
The Housing Authority of the County of San Diego	Capital Fund Program Grant No: CA16-P108-502-03 Replacement Housing Factor Grant No:	

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

Line No.	**Summary by Development Account**	**Total Estimated Cost**		**Total Actual Cost**	
		Original	**Revised**	**Obligated**	**Expended**
1	Total non-CFP Funds	$0	$0	$0	$0
2	1406 Operations	$6,619.00	$23,165.00	$23,165.00	$0
3	1408 Management Improvements Soft Costs	$6,619.00	$6,619.00	$6,619.00	$6,619.00
	Management Improvements Hard Costs	$0	$0	$0	$0
4	1410 Administration	$3,309.00	$3,309.00	$3,309.00	$3,309.00
5	1411 Audit	$0	$0	$0	$0
6	1415 Liquidated Damages	$0	$0	$0	$0
7	1430 Fees and Costs	$0	$0	$0	$0
8	1440 Site Acquisition	$0	$0	$0	$0
9	1450 Site Improvement	$0	$0	$0	$0
10	1460 Dwelling Structures	$0	$0	$0	$0
11	1465.1 Dwelling Equipment Nonexpendable	$0	$0	$0	$0
12	1470 Non-dwelling Structures	$8,273.00	$0	$0	$0
13	1475 Non-dwelling Equipment	$8,273.00	$0	$0	$0
14	1485 Demolition	$0	$0	$0	$0
15	1490 Replacement Reserve	$0	$0	$0	$0
16	1492 Moving to Work Demonstration	$0	$0	$0	$0
17	1495.1 Relocation Costs	$0	$0	$0	$0
18	1499 Development Activities	$0	$0	$0	$0
19	1502 Contingency	$0	$0	$0	$0
20	Amount of Annual Grant: (sum of line 1 thru 19)	$33,093.00	$33,093.00	$33,093.00	$9,928.00
	Amount of line 20 Related to LBP Activities	$0	$0	$0	$0
	Amount of line 20 Related to Section 504 compliance	$0	$0	$0	$0
	Amount of line 20 Related to Security –Soft Costs	$0	$0	$0	$0
	Amount of Line 20 related to Security-- Hard Costs	$0	$0	$0	$0
	Amount of line 20 Related to Energy Conservation Measures	$0	$0	$0	$0
	Collateralization Expenses or Debt Service	$0	$0	$0	$0

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

PHA Name: The Housing Authority of the County of San Diego		**Grant Type and Number** Capital Fund Program Grant No: CA16-P108-502-03 Replacement Housing Factor Grant No:					**Federal FY of Grant:** 2003		
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	Obligated	Expended	
PHA-Wide	Administration		1410	LS	$3,309.00	$3,309.00	$3,309.00	$3,309	Completed
PHA-Wide	Public housing operations		1406	LS	$6,619.00	$23,165.00	$0	$0	On going
PHA–Wide	Resident services		1408	LS	$6,619.00	$6,619.00	$6,619.00	$6,619.00	Completed
Dorothy Street Project-004	Install new bathroom/HVAC system/security screens in community building		1470	500 sq. ft.	$8,273.00	$0	$0	$0	Deleted
Dorothy Street Project-004	Install computer equipment in community building		1475	12 each	$8,273.00	$0	$0	$0	Deleted
				Total CFP Budget	$33,093.00	$33,093.00	$33,093.00	$9,928.00	

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

PHA Name: The Housing Authority of the County of San Diego	**Grant Type and Number** Capital Fund Program No: CA16-P108-502-03 Replacement Housing Factor No:	**Federal FY of Grant:** 2003

Development Number Name/HA-Wide Activities	All Fund Obligated (Quarter Ending Date)			All Funds Expended (Quarter Ending Date)			Reasons for Revised Target Dates
	Original	Revised	Actual	Original	Revised	Actual	
1406 PHA-Wide	02/12/2006	9/16/05	9/15/05	02/12/2008	09/16/07		
1410 PHA-Wide	02/12/2006	9/16/05	09/17/03	02/12/2008	09/16/07	11/30/04	
1408 PHA-Wide	02/12/2006	9/16/05	09/17/03	02/12/2008	09/16/07	11/30/04	

Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)
Part 1: Summary

PHA Name: Housing Authority of the County of San Diego	**Grant Type and Number** Capital Fund Program Grant No: CA16-P108-501-04 Replacement Housing Factor Grant No:	Federal FY of Grant: 2004

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

Line No.	**Summary by Development Account**	**Total Estimated Cost**		**Total Actual Cost**	
		Original	**Revised**	**Obligated**	**Expended**
1	Total non-CFP Funds	$0	$0		
2	1406 Operations	$0	$54,000.00	$54,000.00	$0
3	1408 Management Improvements-Soft Costs	$0	$0	$0	$0
	Management Improvements-Hard Costs	$0	$0	$0	$0
4	1410 Administration	$20,000.00	$19,586.00	$19,586.00	$19,586.00
5	1411 Audit	$0	$0	$0	$0
6	1415 Liquidated Damages	$0	$0	$0	$0
7	1430 Fees and Costs	$0	$0	$0	$0
8	1440 Site Acquisition	$0	$0	$0	$0
9	1450 Site Improvement	$150,000.00	$44,585.00	$44,585.00	$44,585.00
10	1460 Dwelling Structures	$0	$74,547.00	$69,479.00	$65,577.00
11	1465.1 Dwelling Equipment—Nonexpendable	$0	$0	$0	$0
12	1470 Non-dwelling Structures	$0	$0	$0	$0
13	1475 Non-dwelling Equipment	$0	$0	$0	$0
14	1485 Demolition	$0	$0	$0	$0
15	1490 Replacement Reserve	$0	$0	$0	$0
16	1492 Moving to Work Demonstration	$0	$0	$0	$0
17	1495.1 Relocation Costs	$0	$3,151.00	$3,151.00	$3,151.00
18	1499 Development Activities	$0	$0	$0	$0
19	1502 Contingency	$0	$0	$0	$0
	Amount of Annual Grant: (sum of lines 1 - 19)	$170,000.00	$195,869.00	$190,801.00	$132,899.00
	Amount of line XX Related to LBP Activities				
	Amount of line XX Related to Section 504 compliance				
	Amount of line XX Related to Security –Soft Costs	$96,500.00	$0	$0	$0

Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)
Part 1: Summary

PHA Name: Housing Authority of the County of San Diego	**Grant Type and Number** Capital Fund Program Grant No: CA16-P108-501-04 Replacement Housing Factor Grant No:	Federal FY of Grant: 2004

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

Line No.	**Summary by Development Account**	**Total Estimated Cost**		**Total Actual Cost**	
	Amount of Line XX related to Security-- Hard Costs				
	Amount of line XX Related to Energy Conservation Measures				
	Collateralization Expenses or Debt Service				

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

PHA Name: Housing Authority of the County of San Diego			**Grant Type and Number** Capital Fund Program Grant No: CA16-P108-501-04 Replacement Housing Factor Grant No:				Federal FY of Grant: 2004		
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	Obligated	Expended	
PHA-Wide	Administration		1410	LS	$20,000.00	$19,586.00	$19,586.00	$19,586.00	Completed
PHA-Wide	Operations		1406	LS	$0	$54,000.00	$54,000.00	$0	On going
PHA-Wide	Site improvements		1450	LS	$0	$44,585.00	$44,585.00	$44,585.00	Completed
Melrose CA16-P108-001	Design and Construction of Community Room (portion)		1470	1,000 s. f.	$0	$0			Deleted
Melrose CA16-P108-001	Replace flooring		1460	24 Each	$0	$20,442.00	$20,442.00	$20,442.00	Completed
Melrose CA16-P108-001	Replace stoves and refrigerators (portion)		1460	24 Each	$0	$5,777.00	$5,777.00	$4,777.00	On going
Melrose CA16-P108-001	New kitchen cabinets		1460	24 Each	$0	$2,068.00	$0	$0	On going
"L" Street CA16-P108-005	Installation of security gates and fencing for parking lot		1450	8,500 s. f.	$90,000.00	$0			Deleted
"L" Street CA16-P108-005	Replace flooring (portion)		1460	16 Each	$0	$3,000.00	$0	$0	On going
"Dorothy" Street CA16-P108-004	Install security lighting in rear of each building		1450	6 each	$6,500.00	$0			Deleted
"Dorothy" Street CA16-P108-004	Tenting and fumigating for termites (portion)		1495.1	24 units	$0	$3,151.00	$3,151.00	$3,151.00	Completed
"Dorothy" Street CA16-P108-004	Replace stoves and refrigerators		1460	22 Each	$0	$19,563.00	$19,563.00	$19,563.00	Completed
Town Center CA16-P108-002	Replace stoves and refrigerators (portion)		1460	59 Each	$0	$2,902.00	$2,902.00	$0	On going

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

PHA Name: Housing Authority of the County of San Diego		**Grant Type and Number** Capital Fund Program Grant No: CA16-P108-501-04 Replacement Housing Factor Grant No:					Federal FY of Grant: 2004		
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	Obligated	Expended	
Town Center CA16-P108-002	Replace flooring in units and common areas		1460	59 Each	$0	$20,795.00	$20,795.00	$20,795.00	Completed
Town Center CA16-P108-002	Install ADA improvements for parking lot and sidewalk & lighting (portion)		1450	7,200 s. f.	$53,500.00	$0			Deleted
				Total CFP Budget	$170,000.00	$195,869.00	$190,801	$132,899	

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

PHA Name: Housing Authority of the County of San Diego	**Grant Type and Number** Capital Fund Program No: CA16- P108-501-04 Replacement Housing Factor No:	Federal FY of Grant: 2004

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	6/30/06	9/6/06		6/30/08	9/05/08		
Melrose CA16-P108-001	6/30/06	9/06/06		6/30/08	9/05/08		
Town Center CA16-P108-002	6/30/06	9/06/06		6/30/08	9/05/08		
“Dorothy” Street CA16-P108-004	6/30/06	9/06/06		6/30/08	9/05/08		
“L” Street CA16-P108-005	6/30/06	9/06/06		6/30/08	9/05/08		

Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)
Part 1: Summary

PHA Name: Housing Authority of the County of San Diego	**Grant Type and Number** Capital Fund Program Grant No: CA16-P108-501-05 Replacement Housing Factor Grant No:	Federal FY of Grant: 2005

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

Line No.	**Summary by Development Account**	**Total Estimated Cost**		**Total Actual Cost**	
		Original	**Revised**	**Obligated**	**Expended**
1	Total non-CFP Funds	$0	$0		
2	1406 Operations	$34,000.00	$47,964.00	$47,964.00	$0
3	1408 Management Improvements-Soft Costs	$34,000.00	$10,214.00	$0	$0
	Management Improvements-Hard Costs	$0	$0	$0	$0
4	1410 Administration	$17,000.00	$16,607.00	$16,607.00	$16,607.00
5	1411 Audit	$0	$0	$0	$0
6	1415 Liquidated Damages	$0	$0	$0	$0
7	1430 Fees and Costs	$0	$0	$0	$0
8	1440 Site Acquisition	$0	$0	$0	$0
9	1450 Site Improvement	$49,000.00	$91,287.00	$0	$0
10	1460 Dwelling Structures	$6,500.00	$0	$0	$0
11	1465.1 Dwelling Equipment—Nonexpendable	$0	$0	$0	$0
12	1470 Non-dwelling Structures	$29,500.00	$0	$0	$0
13	1475 Non-dwelling Equipment	$0	$0	$0	$0
14	1485 Demolition	$0	$0	$0	$0
15	1490 Replacement Reserve	$0	$0	$0	$0
16	1492 Moving to Work Demonstration	$0	$0	$0	$0
17	1495.1 Relocation Costs	$0	$0	$0	$0
18	1499 Development Activities	$0	$0	$0	$0
19	1502 Contingency	$0	$0	$0	$0
	Amount of Annual Grant: (sum of lines 1 - 19)	$170,000.00	$166,072.00	$64,571.00	$16,607.00
	Amount of line XX Related to LBP Activities				

Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)
Part 1: Summary

PHA Name: Housing Authority of the County of San Diego	**Grant Type and Number** Capital Fund Program Grant No: CA16-P108-501-05 Replacement Housing Factor Grant No:	Federal FY of Grant: 2005

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

Line No.	**Summary by Development Account**	**Total Estimated Cost**		**Total Actual Cost**	
	Amount of line XX Related to Section 504 compliance				
	Amount of line XX Related to Security –Soft Costs	$17,000.00	$12,213.00	$0	$0
	Amount of Line XX related to Security-- Hard Costs				
	Amount of line XX Related to Energy Conservation Measures				
	Collateralization Expenses or Debt Service				

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

PHA Name: Housing Authority of the County of San Diego	Grant Type and Number Capital Fund Program Grant No: CA16-P108-501-05 Replacement Housing Factor Grant No:	Federal FY of Grant: 2005

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	Obligated	Expended	
PHA- Wide	Operations		1406	LS	$34,000.00	$47,964.00	$47,964.00	$0	On going
PHA-Wide	Administration		1410	LS	$17,000.00	$16,607.00	$16,607.00	$16,607.00	Completed
PHA-Wide	Resident Services		1408	LS	$34,000.00	$10,214.00			
Dorothy Street CA16-P108-004	Repair parking lot asphalt		1450	200 s. f.	$4,000.00	$7,000.00			
Dorothy Street CA16-P108-004	Replace Sliding Glass Doors		1450	22 each	$0	$37,000.00			
Melrose CA16-P108-001	Seal coat new wood fence		1450	1490 lineal feet	$6,500.00	$1,000.00			
Melrose CA16-P108-001	Expand playground area		1450	250 s. f.	$5,000.00	$1,074.00			
Melrose CA16-P108-001	Construction of new community room (portion)		1470	1,000 s. f.	$29,500.00	$0			
Town Center CA16-P108-002	Asphalt resurfacing in parking lot		1450	8,500 s. f.	$17,000.00	$20,000.00			
Town Center CA16-P108-002	Install new lighting in hallways (Portion)		1450	40 each	$4,000.00	$5,000.00			
Town Center CA16-P108-002	Upgrade Plumbing in boiler room		1450	20 l. f.	$8,000.00	$8,000.00			
Town Center CA16-P108-002	Upgrade security System		1450	1 each	$6,000.00	$7,213.00			
Town Center CA16-P108-002	Install new monument sign		1450	1 each	$5,000.00	$5,000.00			
				Total CFP Budget	$170,000.00	$166,072.00	$64,571.00	$16,607.00	

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

PHA Name: Housing Authority of the County of San Diego	**Grant Type and Number** Capital Fund Program No: CA16- P108-501-05 Replacement Housing Factor No:	Federal FY of Grant: 2005

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	9/30/07			9/30/09			
Dorothy Street CA16-P108-004	9/30/07			9/30/09			
Melrose CA16-P108-001	9/30/07			9/30/09			
Town Center CA16-P108-002	9/30/07			9/30/09			

Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part 1: Summary

PHA Name: Housing Authority of the County of San Diego	**Grant Type and Number** Capital Fund Program Grant No: CA16-P108-501-06 Replacement Housing Factor Grant No:	Federal FY of Grant: 2006

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

Line No.	**Summary by Development Account**	**Total Estimated Cost**		**Total Actual Cost**	
		Original	**Revised**	**Obligated**	**Expended**
1	Total non-CFP Funds				
2	1406 Operations	$30,000.00		$30,000.00	
3	1408 Management Improvements Soft Costs	$0		$0	
	Management Improvements Hard Costs	$0		$0	
4	1410 Administration	$14,937.00		$14,937.00	
5	1411 Audit	$0		$0	
6	1415 Liquidated Damages	$0		$0	
7	1430 Fees and Costs	$0		$0	
8	1440 Site Acquisition	$0		$0	
9	1450 Site Improvement	$9,100.00		$0	
10	1460 Dwelling Structures	$95,332.00		$0	
11	1465.1 Dwelling Equipment—Nonexpendable	$0		$0	
12	1470 Non-dwelling Structures	$0		$0	
13	1475 Non-dwelling Equipment	$0		$0	
14	1485 Demolition	$0		$0	
15	1490 Replacement Reserve	$0		$0	
16	1492 Moving to Work Demonstration	$0		$0	
17	1495.1 Relocation Costs	$0		$0	
18	1499 Development Activities	$0		$0	
19	1502 Contingency	$0		$0	

Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part 1: Summary

PHA Name: Housing Authority of the County of San Diego	**Grant Type and Number** Capital Fund Program Grant No: CA16-P108-501-06 Replacement Housing Factor Grant No:	Federal FY of Grant: 2006

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

Line No.	**Summary by Development Account**	**Total Estimated Cost**		**Total Actual Cost**	
	Amount of Annual Grant: (sum of lines 1-19)	$149,369.00		$44,937.00	
	Amount of line XX Related to LBP Activities	$0		$0	
	Amount of line XX Related to Section 504 compliance	$0		$0	
	Amount of line XX Related to Security –Soft Costs	$0		$0	
	Amount of Line XX related to Security-- Hard Costs	$0		$0	
	Amount of line XX Related to Energy Conservation Measures	$0		$0	
	Collateralization Expenses or Debt Service	$0		$0	

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

PHA Name: Housing Authority of the County of San Diego	Grant Type and Number Capital Fund Program Grant No: CA16-P108-501-06 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	Obligated	Expended	
HA-Wide	Admin		1410	LS	$14,937.00		$14,937.00		On going
HA-Wide	Operations		1406	LS	$30,000.00		$30,000.00		On going
HA-Wide	Site improvements		1450	LS	$5,000.00				
Melrose-001	Replace ranges and refrigerators (portion)		1460	24 Each	$17,000.00				
Melrose-001	Replace carpet and flooring (portion)		1460	24 Each	$10,000.00				
Melrose-001	New kitchen cabinets (portion)		1460	24 Each	$11,000.00				
“L” Street-005	Replace carpet and flooring (portion)		1460	16 Each	$12,432.00				
Dorothy St-004	Repair parking lot asphalt		1450	5,000 S. F.	$4,100.00				
Dorothy St-004	Replace ranges and refrigerators (portion)		1460	22 Each	$12,000.00				
Town Center-002	Replace ranges and refrigerators (portion)		1460	59 Each	$16,000.00				
Town Center-002	Replace flooring in units and common areas		1460	59 Each	$16,900.00				
				Total CFP Budget	$149,369.00		$44,937.00		

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

PHA Name: Housing Authority of the County of San Diego	Grant Type and Number Capital Fund Program No: CA16-P108-501-06 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	
PHA-Wide	7/18/08			7/18/10			
PHA-Wide	7/18/08			7/18/10			
Melrose Manor CA16-P108-001	7/18/08			7/18/10			
Town Center CA16-P108-002	7/18/08			7/18/10			
Dorothy Street CA16-P108-004	7/18/08			7/18/10			

Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)
Part 1: Summary

PHA Name: The Housing Authority of the County of San Diego	**Grant Type and Number** Capital Fund Program Grant No: CA16-P108-501-07 Replacement Housing Factor Grant No:	**Federal FY of Grant:** 2007

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

Line No.	**Summary by Development Account**	**Total Estimated Cost**		**Total Actual Cost**	
		Original	**Revised**	**Obligated**	**Expended**
1	Total non-CFP Funds	$0			
2	1406 Operations	$30,000.00			
3	1408 Management Improvements Soft Costs	$0			
	Management Improvements Hard Costs	$0			
4	1410 Administration	$16,000.00			
5	1411 Audit	$0			
6	1415 Liquidated Damages	$0			
7	1430 Fees and Costs	$0			
8	1440 Site Acquisition	$0			
9	1450 Site Improvement	$36,000.00			
10	1460 Dwelling Structures	$72,000.00			
11	1465.1 Dwelling Equipment—Nonexpendable	$0			
12	1470 Non-dwelling Structures	$0			
13	1475 Non-dwelling Equipment	$0			
14	1485 Demolition	$0			
15	1490 Replacement Reserve	$0			
16	1492 Moving to Work Demonstration	$0			
17	1495.1 Relocation Costs	$6,000.00			
18	1499 Development Activities	$0			
19	1502 Contingency	$0			
20	Amount of Annual Grant: (sum of lines 1 thru 19)	$160,000.00			
	Amount of line 20 Related to LBP Activities	$0			
	Amount of line 20 Related to Section 504 compliance	$0			
	Amount of line 20 Related to Security –Soft Costs	$0			

Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)
Part 1: Summary

PHA Name: The Housing Authority of the County of San Diego	**Grant Type and Number** Capital Fund Program Grant No: CA16-P108-501-07 Replacement Housing Factor Grant No:	**Federal FY of Grant:** 2007

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

Line No.	**Summary by Development Account**	**Total Estimated Cost**		**Total Actual Cost**	
	Amount of Line 20 related to Security—Hard Costs	$20,000.00			
	Amount of line 20 Related to Energy Conservation Measures	$23,000.00			
	Collateralization Expenses or Debt Service	$0			

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

PHA Name: The Housing Authority of the County of San Diego	**Grant Type and Number** ** Capital Fund Program Grant No: CA16-P108-501-07 Replacement Housing Factor Grant No:	**Federal FY of Grant:** 2007

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	Obligated	Expended	
HA-Wide	Administration		1410	LS	$16,000.00				
HA-Wide	Operations		1406	LS	$30,000.00				
Dorothy St-004	Replace tot lot surface		1450	40 s. f.	$6,000.00				
Dorothy St-004	Improve ventilation in bathroom		1460	2 units	$8,000.00				
Dorothy St-004	Energy conservation improvements (portion)		1450	22 units	$5,000.00				
Dorothy St-004	Replace patio fence		1450	22 units	$3,500.00				
Melrose-001	Gutters, downspouts, and splashguards		1460	2,000 l. f.	$8,000.00				
Melrose-001	Install double security screen door (portion)		1460	24 units	$12,000.00				
Melrose-001	New kitchen cabinets (portion)		1460	24 units	$7,500.00				

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

PHA Name: The Housing Authority of the County of San Diego	**Grant Type and Number** ****** Capital Fund Program Grant No: CA16-P108-501-07 Replacement Housing Factor Grant No:	**Federal FY of Grant:** 2007

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	Obligated	Expended	
Melrose-001	Upgrade plumbing system (portion)		1460	24 units	$5,000.00				
Melrose-001	Upgrade electrical system (portion)		1460	24 units	$5,000.00				
Melrose-001	Energy conservation improvements (portion)		1450	24 units	$5,000.00				
Town Center-002	Replace Door Knobs		1460	65 each	$1,500.00				
Town Center-002	Energy conservation improvements (portion)		1450	59 units	$5,000.00				
Town Center-002	Install new light fixtures in hallways (portion)		1450	40 each	$6,000.00				
Town Center-002	Install security screen windows		1460	10 each	$8,000.00				
“L” Street-005	Tenting and fumigating for termites		1460	16 units	$17,000.00				
“L” Street-005	Relocation during tenting and fumigating for termites		1495.1	16 units	$6,000.00				
“L” Street-005	Improve drainage in common areas		1450	200 l. f.	$2,500.00				
“L” Street-005	Repair sidewalk		1450	20 s. f.	$3,000.00				
				Total CFP Budget	$160,000.00				

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

PHA Name: The Housing Authority of the County of San Diego	**Grant Type and Number** Capital Fund Program No: CA16-P108-501-07 Replacement Housing Factor No:	**Federal FY of Grant:** 2007

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	6/30/09			6/30/011			
Dorothy St CA16-P108-004	6/30/09			6/30/11			
Melrose CA16-P108-001	6/30/09			6/30/11			
Town Center CA16-P108-002	6/30/09			6/30/11			
"L" Street CA16-P108-005	6/30/09			6/30/11			

RESERVED

13. Capital Fund Program Five-Year Action Plan

Capital Fund Program Five-Year Action Plan **Part I: Summary**					
PHA Name The Housing Authority of the County of San Diego				☒**Original 5-Year Plan** ☐**Revision No:**	
Development Number/Name/HA-Wide	Year 1	Work Statement for Year 2 FFY Grant: 2008 PHA FY: 2008	Work Statement for Year 3 FFY Grant: 2009 PHA FY: 2009	Work Statement for Year 4 FFY Grant: 2010 PHA FY: 2010	Work Statement for Year 5 FFY Grant: 2011 PHA FY: 2011
Melrose-001	Annual Statement	$20,000	$20,000	$25,000	$59,000
Town Center-002		$52,000	$52,000	$30,000	$15,000
Dorothy Street-004		$30,000	$30,000	$17,000	$20,000
"L" Street-005		$31,000	$31,000	$40,000	$18,000
HA-wide		$37,000	$37,000	$58,000	$58,000
CFP Funds Listed for 5-year planning	$160,000	$170,00	$170,00	$170,000	$170,000
Replacement Housing Factor Funds	0	0	0	0	0

13. Capital Fund Program Five-Year Action Plan

Capital Fund Program Five-Year Action Plan **Part II: Supporting Pages—Work Activities**						
Activities for Year 1	Activities for Year: 2 FFY Grant: 2008 PHA FY: 2008			Activities for Year: 3 FFY Grant: 2009 PHA FY: 2009		
	Development Name/Number	**Major Work Categories**	**Estimated Cost**	**Development Name/Number**	**Major Work Categories**	**Estimated Cost**
See	Town Center Manor-002	Installation of Fire Sprinklers (portion)	$32,000	Town Center Manor-002	Installation of fire sprinkler system (portion)	$32,000
Annual	Town Center Manor-002	Roof repairs (portion)	$20,000	Town Center Manor-002	Roof repairs (portion)	$20,000
Statement	Melrose-001	Roof repairs (portion)	$20,000	Melrose-001	Roof repairs (portion)	$20,000
	Dorothy Street-004	Roof repairs (portion)	$30,000	Dorothy Street-004	Roof repairs (portion)	$30,000
	“L” Street-005	Roof repairs (portion)	$31,000	“L” Street-005	Roof repairs (portion)	$31,000
	HA-wide	Operations	$10,000	HA-wide	Resident Services	$10,000
	HA-wide	Resident Services	$10,000	HA-wide	Administration	$17,000
	HA-wide	Administration	$17,000	HA-wide	Operations	$10,000
Total CFP Estimated Cost			$170,00.00			$170,000.00

13. Capital Fund Program Five-Year Action Plan

Capital Fund Program Five-Year Action Plan Part II: Supporting Pages—Work Activities					
Activities for Year: 4 FFY Grant: 2010 PHA FY: 2010			Activities for Year: 5 FFY Grant: 2011 PHA FY: 2011		
Development Name/Number	**Major Work Categories**	**Estimated Cost**	**Development Name/Number**	**Major Work Categories**	**Estimated Cost**
"L" Street-005	Install Concrete patios in rear (Repair fencing/ Repair landscaping)	$34,000	"L" Street-005	Improvement to common areas	$18,000
Town Center Manor-002	Fumigate for termites	$30,000	Town Center Manor-002	Install energy efficient components	$15,000
Melrose Manor-001	Fumigate for termites	$25,000	*Melrose Manor-001*	Install security doors and screens (portion)	$24,000
"L" Street-005	Parking lot repairs	$6,000	*Melrose Manort-001*	Improve Energy efficiency	$35,000
Dorothy Street-004	Improve Energy efficiency (portion)	$17,000	Dorothy Street-004	Improve Energy efficiency (portion)	$20,000
HA-wide	Administration	$17,000	HA-wide	Administration	$17,000
HA-wide	Operations	$11,000	HA-wide	Operations	$11,000
HA-wide	Resident Services	$30,000	HA-wide	Resident Services	$30,000
Total CFP Estimated Cost		$170,00.00			$170,000.00

13. Capital Fund Program Five-Year Action Plan

RESERVED

HOUSING AUTHORITY
OF THE COUNTY OF SAN DIEGO

Public Housing Program

April 2007

Admissions and Continued Occupancy Policy

HOUSING AUTHORITY OF THE COUNTY OF SAN DIEGO

Admissions and Continued Occupancy Policy

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Chapter 1

STATEMENT OF POLICIES AND OBJECTIVES

INTRODUCTION

The Public Housing Program was created by the U.S. Housing Act of 1937.

Administration of the Public Housing Program and the functions and responsibilities of the Public Housing Authority (PHA) staff shall be in compliance with the PHA's Personnel Policy, and this Admissions and Continued Occupancy Policy. The administration of this PHA's housing program will also meet the requirements of the Department of Housing and Urban Development. Such requirements include any Public Housing Regulations, Handbooks, and applicable Notices. All applicable Federal, State and local laws, including Fair Housing Laws and regulations, also apply. Changes in applicable federal laws or regulations shall supersede provisions that conflict with this policy. Federal regulations shall include those found in Volume 24 CFR, Parts 1, 5, 8, 100 and 900-966 (Code of Federal Regulations).

A. HOUSING AUTHORITY MISSION STATEMENT

County of San Diego Housing and Community Development Mission Statement:

"Promoting safe, affordable housing opportunities and improved communities in the San Diego region"

HUD Mission Statement:

“To promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination”

B. LOCAL OBJECTIVES

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

> To provide improved living conditions for very low and low income families while maintaining their rent payments at an affordable level.
>
> To operate a socially and financially sound public housing agency that provides decent, safe, and sanitary housing within a drug free, suitable living environment for tenants and their families.

To lawfully deny the admission of applicants, or the continued occupancy of residents, whose habits and practices reasonably may be expected to adversely affect the health, safety, comfort or welfare of other residents or the physical environment of the neighborhood, or create a danger to PHA employees.

To attempt to house a tenant body in each development that is composed of families with a broad range of incomes and rent-paying abilities that are representative of the range of incomes of low-income families in the PHA's jurisdiction.

To provide opportunities for upward mobility for families who desire to achieve self-sufficiency.

To facilitate the judicious management of the PHA inventory, and to have efficient management of the PHA staff.

To ensure compliance with Title VI of the Civil Rights Act of 1964 and all other applicable Federal laws and regulations so that the admissions and continued occupancy are conducted without regard to race, color, religion, creed, sex, national origin, handicap or familial status.

C. PURPOSE OF THE POLICY

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

The PHA Board of Commissioners must approve the original policy and any changes. Required portions of this Plan will be provided to HUD.

D. FAIR HOUSING POLICY

The Housing Authority will fully comply with all federal, state and local nondiscrimination laws, rules and regulations governing Fair Housing and equal opportunity in housing and employment.

The HACSD will not deny any family or individual the equal opportunity to apply for or receive assistance under the Public Housing program on the basis of race, color, sex, religion, creed, national or ethnic origin, age, familial or marital status, disability, income source, or sexual orientation.

The PHA shall administer the program in compliance with the Violence Against Women Act (VAWA) and Department of Justice Reauthorization Act of 2005 (Pub. L. 109-162).

To further the HACSD commitment to full compliance with applicable civil rights laws, at the family briefing, the HACSD will provide federal/state/local information regarding unlawful discrimination, and any recourse to those who believe they are victims of a discriminatory act. All applicable Fair Housing information and discrimination complaint forms will be included in the voucher holder's briefing packet, and will be available upon request.

All HACSD staff members may be required to attend Fair Housing training. These employees, in the overall commitment to quality customer service, are informed of the importance of affirmatively furthering Fair Housing, providing equal opportunity to all families, and providing reasonable accommodations to persons with disabilities. Fair Housing posters may be displayed throughout the Housing Authority office, including in the lobby and interview rooms, and in such a manner as to be readable from a wheelchair.

The equal opportunity logo will be used on all outreach materials. To keep current with new developments, staff may attend local Fair Housing update training sponsored by HUD, or other organizations.

Except as otherwise provided in 8.21(c)(1), 8.24 (a), 8.25, and 8.31 of the regulations, no individual with disabilities shall be denied the benefits of, or be excluded from participation in programs, or otherwise be subjected to discrimination because the HACSD's facilities are inaccessible to, or unusable by persons with disabilities.

The Housing Authority of the County of San Diego is accessible to persons with disabilities. The California Relay Service provides accessibility for the hearing impaired**.**

E. SERVICE AND ACCOMMODATIONS POLICY

It is the policy of the Housing Authority of the County of San Diego to provide courteous and efficient service to all applicants for housing assistance. In that regard, the PHA will endeavor to accommodate persons with disabilities, as well as those persons with language and literacy barriers.

This policy is applicable to all situations described in this Admissions and Continued Occupancy Policy when a family initiates contact with the PHA, when the PHA initiates contact with a family including when a family applies, and when the PHA schedules or reschedules appointments of any kind.

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

The PHA's policies and practices will be designed to provide assurances that all persons with disabilities will be provided reasonable accommodation so that they may fully access and utilize the housing program and related services. The availability of specific accommodations will be made known by including notices on PHA forms and letters to all families, and all requests will be verified so that the PHA can properly accommodate the need presented by the disability.

Federal Americans with Disabilities Act of 1990

With respect to an individual, the term "disability," as defined by the 1990 Act means:

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

Undue Hardship

Requests for reasonable accommodation from persons with disabilities will be granted upon verification that they meet the need presented by the disability and they do not create an "undue financial and administrative burden" for the PHA, meaning an action requiring "significant difficulty or expense."

In determining whether accommodation would create an undue hardship, the following guidelines will apply:

> The nature and cost of the accommodation needed;
>
> The overall current financial resources of the facility or facilities involved in the provision of the reasonable accommodation; and
>
> The number of persons currently employed at such facility, the number of families likely currently to need such accommodation, the effect on expenses and resources, or the likely impact on the operation of the facility as a result of the accommodation.

Verification of a Request for Accommodation

All requests for accommodation or modification of a unit will be verified with a reliable, knowledgeable professional.

Requests for reasonable accommodation from persons with disabilities will be granted upon verification that they meet the need presented by the disability.

Reasonable Accommodation

Reasonable accommodation will be made for persons with a disability who require an advocate or accessible offices. A designee will be allowed to provide some information, but only with the permission of the person with the disability. These requests must be made at least seven days in advance.

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

All requests for a reasonable accommodation must be made at least seven days in advance and specify the type of reasonable accommodation requested. The PHA may ask for medical verification, depending on the nature of the request.

Recertification by Mail

The PHA may conduct its annual and interim recertifications through the mail. However, the PHA may at any time require the family to attend face-to-face interviews.

The mail-in packet will include notice to the family of the PHA's deadline for returning the completed forms to the PHA.

Home Visits

When requested and where the need for reasonable accommodation has been established, the PHA will perform home visits to conduct annual and interim recertifications.

Other Accommodations

The Housing Authority will refer families to organizations that provide assistance for hearing- and sight-impaired persons when needed. The PHA has a TDDY telephone number for the hearing-impaired and will assist vision-impaired persons with completion of the necessary forms.

Families will be offered an accessible unit, upon request by the family, when an accessible unit is available.

The PHA will refer families who have persons with disabilities to agencies in the community that offer services to persons with disabilities**.**

F. TRANSLATION OF DOCUMENTS

In determining whether it is feasible to translate documents into other languages, the PHA will consider the following factors:

The availability of local organizations to provide translation services to non-English speaking families.

The PHA has bilingual staff to translate documents and has evaluated its programs and determined that given the number of Limited English Proficiency clientele, additional translation services are not necessary.

G. LANGUAGE ASSISTANCE

The Housing Authority of the County of San Diego will refer persons with literacy barriers to appropriate community literacy programs for assistance with the completion of the application and certification process. The PHA has access to a Language Line telephone service to provide translation services in a multitude of languages.

H. PUBLIC HOUSING ASSESSMENT SYSTEM (PHAS) OBJECTIVES [24 CFR 901 & 902]

The PHA operates its public housing program with efficiency and can demonstrate to HUD or independent auditors that the PHA is using its resources in a manner that reflects its commitment to quality and service. The PHA policies and practices are consistent with the new Public Housing Assessment System (PHAS) outlined in the 24 CFR Parts 901 and 902 final published regulations.

The PHA is continuously assessing its program and consistently strives to make improvements. The PHA acknowledges that its performance ratings are important to sustaining its capacity to maintain flexibility and authority. The PHA intends to diligently manage its current program operations and continuously make efforts to be in full compliance with PHAS. The policies and procedures of this program are established so that the standards set forth by PHAS are demonstrated and can be objectively reviewed by an auditor whose purpose is to evaluate performance.

I. FAMILY OUTREACH

The PHA will publicize and disseminate information to make known the availability of housing units and housing-related services for very low-income families on a regular basis.

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

J. PRIVACY RIGHTS

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

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

Any and all information that would lead one to determine the nature and/or severity of a person's disability will be kept confidential. The personal information will be used only to determine the need for a reasonable accommodation or live-in aide.

The PHA's practices and procedures are designed to safeguard the privacy of applicants and tenants. The PHA will safeguard all Upfront Income Verification (UIV) information in compliance with the applicable regulations and all staff with computer access to the information will have signed User Agreements on file. The UIV information obtained through the Enterprise Income Verification (EIV) system will not be released to any party other than the party the information is pertaining to.

Files will never be left unattended outside the locked office or placed in common areas.

PHA staff will not discuss or access family information contained in files unless there is a business reason to do so. Staff will be required to disclose whether s/he has relatives living in Public Housing. Inappropriate discussion of family information or improper disclosure of family information by staff will result in disciplinary action.

K. POSTING OF REQUIRED INFORMATION

The PHA will have available at the central office the following information:

Statement of policies and procedures governing Admissions and Continued Occupancy Policy (ACOP) or a notice of where the policy is available

The PHA 5-year Plan and PHA Annual Plan

Information on application taking

Directory of the PHA's housing sites including names, address of offices and office hours at each facility.

Income limits for Admission

Current schedule of routine maintenance charges

A copy of the lease

The PHA's grievance procedures

A Fair Housing Poster

An Equal Opportunity in Employment poster

Current Resident Notices

Required public notices

Site developments will maintain a bulletin board in a conspicuous place, which will contain:

Tenant Selection policies (960.202 and 960.203)

Information on application taking

Income limits for admission

Current schedule of maintenance charges

Copy of lease

PHA's grievance procedures

Fair Housing poster

Equal Opportunity in Employment poster

Current Resident Notices

Fraud Hotline Information

Mission Statement

Information on Screening and Eviction for Drug Abuse and Other Criminal Activity.

L. TERMINOLOGY

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

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

"Tenant" is used to refer to participants in terms of their relation as a lessee to the PHA as the landlord.

"Landlord" refers to the PHA.

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

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

See Glossary for other terminology.

Chapter 2

ELIGIBILITY FOR ADMISSION

[24 CFR Part 960, Subpart B]

INTRODUCTION

This Chapter defines both HUD's 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 qualifications 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. QUALIFICATION FOR ADMISSION

It is the PHA's policy to only admit qualified applicants. An applicant is qualified if he or she meets the following criteria:

In accordance with this Chapter, meets the definition of a family;

Heads a household where at least one member of the household is either a citizen or eligible non-citizen. (24 CFR Part 5, Subpart E).

Has an annual income at the time of admission that does not exceed the very low-income limit for occupancy established by HUD and posted separately in the PHA offices.

Provides a Social Security number for all family members, age 6 or older, or will provide written certification that they do not have Social Security numbers;

Meets or exceeds the tenant Selection and Suitability Criteria as set forth in this policy.

Timing for the Verification of Qualifying Factors

The qualifying factors of eligibility will not be verified until the family is in a position on the waiting list to be offered a housing unit.

B. FAMILY COMPOSITION

Definition of Family

The applicant must qualify as a Family. A Family may be a single person or a group of persons. Discrimination on the basis of familial status is prohibited, and a group of persons may not be

denied solely on the basis that they are not related by blood, marriage or operation of law. For occupancy standards purposes, the applicant may claim a spousal relationship] (see chapter on Occupancy Guidelines).

Elderly, disabled, and displaced families are defined by HUD in CFR 5.403.

The term "Family" also includes, but is not limited to:

A family with or without children;

An elderly family;

A disabled family;

A displaced family;

The remaining member of a tenant family;

A single person who is not elderly, displaced, or a person with disabilities, or the remaining member of a tenant family;

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

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

The temporary absence of a child from the home due to placement in foster care shall not be considered in determining the family composition and family size.

Occupancy by Police Officers

In order to provide an increased sense of security for public housing residents, the PHA may allow public housing units to be occupied by police officers.

Police officers will not be required to be income eligible to qualify for admission to the PHA's public housing program.

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 if there is a court order recognizing them as an emancipated minor.

Persons who are married are legally recognized as adults under State law.

Spouse of Head of Household

Spouse means the husband or wife of the head of household.

For proper application of the Noncitizens Rule, the definition of spouse is: the marriage partner whom, 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 of household.

Co-head of Household

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

Live-in Aides

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 not considered to be an assisted family member and has no rights or benefits under the program:

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 Noncitizen Rule requirements.

Live-in aides may not be considered as a remaining member of the tenant family.

A live-in aide may not become a family member for at least one year after leaving the household.

A family member may not become a live-in aide for at least one year after leaving the household

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.

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

A live-in aide may only reside in the unit with the approval of the PHA. Written verification will be required from a California licensed reliable, knowledgeable professional, such as a California licensed doctor, social worker, or caseworker. The verification provider must certify that a live-in aide is essential for the care and well-being of the family member who is elderly, near elderly (50-61) or disabled, the number of hours a day this care is needed, and that this care cannot be provided any other way.

Verification of the need for a live-in aide must include the hours the care will be provided.

The PHA shall make the live-in aide subject to the agency's normal screening criteria.

The PHA will require the live-in aide to execute a lease rider agreeing to abide by the terms and conditions of occupancy set forth in the lease agreement. If the live-in aide violates provisions of the lease rider, the PHA may take action against the live-in aide separate from action against the assisted family.

If the live-in aides or their family members participate in drug-related or criminal activity, the PHA will rescind the aide's right to occupy the unit. When the agency takes such action against the live-in aide, the aide is not entitled to the grievance hearing process of the agency.

The PHA has the right to disapprove a request for a live-in aide based on the "Other Eligibility Criteria" described in this Chapter.

A live-in aide is not eligible to be admitted to the household as a family member until s/he has been out of the unit for at least one year. Conversely, a family member may not become a live-in aide until s/he has been out of the unit for at least one year, as well.

Over Income Families

The PHA will rent units to over-income families on a month-to-month basis, if there are no eligible families applying for assistance that month.

Over-income families must agree to vacate the unit with at least 30 days notice provided by the PHA, if the unit is needed for an income-eligible family.

C. MANDATORY SOCIAL SECURITY NUMBERS [24 CFR 5.216]

Families are required to provide verification of Social Security Numbers for all family members age six 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 of admission or termination of tenancy.

If a member does not have a Social Security Number S/he must sign a certification stating that they do not have one. The certification shall:

state the individual's name,

state that the individual has not been issued a Social Security Number;

state that the individual will disclose the Social Security Number, if they obtain one at a later date;

be signed and dated.

D. CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS

In order to receive assistance, a family member must be a U.S. citizen or eligible immigrant. Individuals may elect not to contend that they have eligible immigration status. Eligible immigrants are persons who are in one of the six 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 income-based assistance (TTP) will be pro-rated and that they may request a hearing if they contest this determination. If such a family chooses flat rent, the flat rent will not be pro-rated if the flat rent is greater than the Public Housing Maximum Rent. If the Public Housing Maximum Rent is greater than the flat rent, and the family chooses flat rent, the flat rent will be pro-rated. The maximum rents are effective April 1, 2007.

Per 24 CFR 960.253 (d), the Ceiling/maximum rents, no later than three years after October 1, 1999, must be adjusted to the level required for flat rents.

Development	**Maximum Rent**
Towncentre Manor	
1 BR	$952
Melrose Manor	
2 BR	$1205
3 BR	$1458
L Street Manor	
3 BR	$1458
Dorothy St. Manor	
3 BR	$1458

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

Noncitizen students defined by HUD in the noncitizen regulations are not eligible for assistance.

The PHA will establish and verify eligibility no later than the date of the family's annual reexamination following October 21, 1998.

No individual or family applying for financial assistance may receive such financial assistance prior to the affirmative establishment and verification of eligibility of at least one individual or family member.

E. OTHER ELIGIBILITY CRITERIA

All applicants will be processed in accordance with HUD's regulations (24 CFR Part 960) and sound management practices. Applicants will be required to demonstrate ability to comply with essential provisions of the lease as summarized below.

All applicants must demonstrate through an assessment of current and past behavior the ability:

to pay rent and other charges as required by the lease in a timely manner;

to care for and avoid damaging the unit and common areas;

to use facilities, appliances and equipment in a reasonable way;

to create no health or safety hazards, and to report maintenance needs in a timely manner;

not to interfere with the rights and peaceful enjoyment of others and to avoid damaging the property of others;

not to engage in criminal activity or alcohol abuse that threatens the health, safety or right to peaceful enjoyment of other residents or staff and not to engage in drug-related criminal activity on or off the PHA premises;

not to have ever been convicted of manufacturing or producing methamphetamine, also known as "speed," on the premises of assisted housing;

not to contain a household member subject to lifetime sex offender registration requirement under a State Sex offender registration program;

to comply with necessary and reasonable rules and program requirements of HUD and the PHA; and,

to comply with local health and safety codes.

Denial of Admission for Previous Debts to This or Any Other PHA

Previous outstanding debts to this PHA or any PHA resulting from a previous tenancy in the public housing or Section 8 program must be paid in full prior to admission. No Payment Agreement will be accepted.

Either spouse is responsible for the entire debt incurred as a previous PHA tenant. Children of the head or spouse who had incurred a debt to the PHA will not be held responsible for the parent's previous debt.

F. DENIAL OF ADMISSION FOR DRUG-RELATED AND/OR 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 the Housing Authority of the County of San Diego to fully endorse and implement a policy that is 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; and

Assist families in their vocational/educational goals in the pursuit of self-sufficiency.

Administration

All screening procedures shall be administered fairly and in such a way as not to discriminate on the basis of race, color, nationality, religion, sex, familial status, disability or against other legally protected groups, and not to violate the right to privacy.

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 readily available to applicants and tenants upon request.

HUD Definitions

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

Drug-related criminal activity means *on or off the* premises, *not just on or near the* premises.

"Covered person," means a tenant, any member of the tenant's household, a guest, or another person under the tenant's control.

"Criminal activity" includes any criminal activity that threatens the health, safety or right to peaceful enjoyment of the resident's public housing premises by other residents or employees of the PHA.

"Drug" means a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

"Guest" for purposes of this Chapter, 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.

"Household" 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," means that the person, although not staying as a guest (as defined above) in the unit is, or was at the time of the activity in question, on the premises (as defined in this section) 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.

"Premises" means the building or complex or development in which the public housing dwelling unit is located, including common areas and grounds.

"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.

Screening for Drug Abuse and Other Criminal Activity

In an effort to prevent drug related and other criminal activity, as well as other patterns of behavior that pose a threat to the health, safety or the right to peaceful enjoyment of the premises by other residents, the PHA will endeavor to screen applicants as thoroughly and fairly as possible.

If in the past the PHA initiated a lease termination, which may or may not have resulted in eviction for any reason cited under the Screening and Eviction for Drug Abuse and Other Criminal Activity Notice, for a family, as a prior resident of public housing, the PHA shall have the discretion to consider all circumstances of the case regarding the extent of participation by non-involved family members. A victim of domestic violence, dating violence, and stalking will not be disqualified from admission for criminal history or other violations due to acts of violence committed by another.

Initial screening will be limited to routine inquiries of the family and any other information provided to the PHA regarding this matter. The inquiries will be standardized and directed to all applicants by inclusion in the application form.

Upon final determination of eligibility, the PHA will check law enforcement records for criminal history for all adult members of the applicant household prior to final determination of eligibility and may require adult household members to be finger printed in order to obtain their Department of Justice criminal history.

Law Enforcement Records

The PHA will check criminal history for all applicants who are 18 years of age or older to determine whether any member of the family has engaged in violent or drug-related criminal activity**.**

Verification of any past activity will be done prior to final eligibility and will include a check of conviction records.

Standard for Violation

Persons evicted from public housing, Indian housing, Section 23, or any Section 8 program because of drug-related criminal activity are ineligible for admission to Public Housing for a five-year period beginning on the date of such eviction.

The PHA will not waive this requirement**.**

No member of the applicant's family may have engaged in drug related or violent criminal activity within the past five years.

The PHA will deny participation in the program to applicants where the PHA determines there is reasonable cause to believe that the person is illegally using a controlled substance or engages in drug-related or other criminal activity. The same will apply if it is determined that the person abuses alcohol in a way that may interfere with the health, safety or right to peaceful enjoyment of the premises by other residents. This includes cases where the PHA determines that there is a pattern of illegal use of controlled substances or a pattern of alcohol abuse.

The PHA will consider the use of a controlled substance or alcohol to be a *pattern* if there is more than one incident during the previous 12 months.

"Engaged in or engaging in or recent history of" drug-related criminal activity means any act within the past five years by applicants or participants, household members, or guests which involved drug-related criminal activity including, without limitation, drug-related criminal activity, possession and/or use of narcotic paraphernalia, which did or did not result in the arrest and/or conviction of the applicant or participant, household members, or guests.

"Engaged in or engaging in or recent history of" criminal activity means any act within the past five years by applicants or participants, household members, or guests which involved criminal activity that would threaten the health, safety or right to peaceful enjoyment of the public housing premises by other residents or employees of the PHA, which did or did not result in the arrest and/or conviction of the applicant or participant, household members, or guests.

The PHA may permit eligibility for occupancy and impose conditions that the involved family member(s) does not reside in the unit. The PHA will consider evidence that the person is no longer in the household such as divorce decree/incarceration/death/copy of a new lease with the owner's telephone number and address/or other substantiating evidence**.**

Permanent Denial of Admission

The PHA will permanently deny admission to public housing persons convicted of manufacturing or producing methamphetamine on the premises of the assisted housing project in violation of any Federal or State law. "Premises" is defined as the building or complex in which the dwelling unit is located, including common areas and grounds. The PHA will not waive this requirement.

Prohibition on Persons Subject to Lifetime Sex Offender Registration Requirement

Public Housing applicants found to be subject to the lifetime sex offender registration requirements under a state sex offender registration program are prohibited from HACSD Public Housing Program participation for life. Current HACSD Public Housing residents who became subject to the lifetime state sex offender registration requirement prior to May 24, 2001 will be allowed to remain in HACSD Public Housing. HACSD Public Housing residents who become subject to the lifetime state sex offender registration while on the Program may be removed based upon the resident’s specific behavior.

Other Criminal Activity

"Other criminal activity" means a history of criminal activity involving crimes of actual or threatened violence to persons or property, or a history of other criminal acts, conduct or behavior which would adversely affect the health, safety, or welfare of other residents.

A victim of domestic violence, dating violence, and stalking will not be disqualified from admission for criminal history or other violations due to acts committed by another, providing the perpetrator of said acts will be excluded from the household.

For the purposes of this policy, this is construed to mean that a member of the current family has been arrested of any criminal or drug-related criminal activity within the past five years.

HUD defines violent criminal activity as any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against a person or property, and the activity is being engaged in by any family member.

Applicants and/or their household members who have been convicted of criminal sexual conduct, including but not limited to sexual assault, incest, statutory sexual seduction, open and gross lewdness, or child abuse, and are required by law to register as a sex offender will be prohibited from participation in the public housing program.

No family member may have engaged in or threatened abusive or violent behavior toward PHA personnel at any time.

No family member may have committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program**.**

Evidence

The PHA must have evidence of the violation.

"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 is 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, evidence gathered by PHA inspectors and/or investigators, and evidence gathered from the PHA Hotline.

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

Obtaining Information from Drug Abuse Treatment Centers

The PHA will inquire of all applicants whether they are currently using or in the past have ever engaged in the illegal use of a controlled substance.

The PHA will inquire of all applicants who respond in the affirmative whether they are currently receiving treatment or have ever received treatment at a drug abuse treatment facility.

All applicants who respond in the affirmative will be required to sign a written consent authorizing the PHA to receive information from the drug abuse treatment facility stating only whether the facility has reasonable cause to believe that the applicant is currently engaging in the illegal use of a controlled substance.

The authorization will be sent to the drug abuse treatment facility with the PHA postage paid return addressed envelope addressed to the attention of the Program Manager.

The PHA will maintain such information received from a drug abuse treatment facility in a manner that respects its confidentiality.

Such confidential information will be reviewed by the public housing manager or designee who will make a decision as to the outcome of the review.

Such confidential information will not be misused or improperly disseminated and will be destroyed not later than five business days after the date on which the PHA gives final approval for admission.

If the application is denied, the information will be destroyed immediately following the date on which the statute of limitations for commencement of a civil action from the applicant based upon the denial of admission has expired.

Confidentiality of Information on Domestic Violence, Dating Violence, and Stalking

Information provided regarding victims of domestic violence, dating violence, and stalking will be maintained in a strict confidential manner and will not be recorded on a shared database.

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 by the PHA staff for screening for criminal behavior, will be housed in a secure area.

If the family is determined eligible for initial or continued assistance, the PHA's copy of the criminal report shall be shredded as soon as the information is no longer needed for eligibility or continued assistance determination or immediately upon completion of the informal review or hearing and a final decision has been made.

The PHA will document in the family's file that the family was denied admission or the tenancy was terminated due to findings in the Criminal History Report.

Disclosure of Criminal Records to Family

Before the PHA takes any adverse action based on a criminal conviction record, the applicant will be allowed the view a copy of the criminal record and given an opportunity to dispute the record. Applicants will be provided an opportunity to dispute the record at an informal hearing. Tenants may contest such records at the grievance hearing or court hearing in the case of evictions.

Hearings

(See Chapter titled "Complaints, Grievances and Appeals.")

If information is revealed that would cause the PHA to deny admission to the household and the person disputes the information, s/he shall be given an opportunity for an informal hearing according to the PHA's hearing procedures outlined in the Chapter on Complaints, Grievances and Appeals.

G. SCREENING FOR SUITABILITY [24 CFR 960.203, 960.204, 960.205]

In developing its admission policies, the aim of the PHA is to have residents composed of families with a broad range of incomes and to avoid concentrations of the most economically deprived families and families with serious social problems. Therefore, it is the policy of the PHA to deny admission to applicants whose habits and practices may reasonably be expected to have a detrimental effect on the operations of the development or neighborhood, or on the quality of life for its residents.

The PHA will conduct a detailed interview of all applicants. The interview form will contain questions designed to evaluate the qualifications of applicants to meet the essential requirements of tenancy. Answers will be subject to third party verification.

An applicant's intentional misrepresentation of any information related to eligibility, award of preference for admission, housing history, allowances, family composition or rent will result in denial of admission.

Applicants must be able to demonstrate the ability and willingness to comply with the terms of the lease, either all or with assistance that they can demonstrate that they have or will have at the time of admission. (24 CFR 8.3, Definition: Qualified Individual with Handicaps) The availability of assistance is subject to verification by the PHA.

As a part of the final eligibility determination, the PHA will screen each applicant household to assess their suitability as renters.

The PHA will complete a rental history check on all applicants.

The PHA will complete a credit check on all applicants.

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

This will be done in order to determine whether the individual attributes, prior conduct, and behavior of a particular applicant is 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.

The PHA may complete a home visit at the current residence of all applicants who have had landlord verifications returned to the PHA with unfavorable comments concerning their housekeeping habits. Applicants shall have at least two working days advance written notice of home visits.

Factors to be considered in the screening are housekeeping habits, rent paying habits, prior history as a tenant, criminal records, the ability of the applicant to maintain the responsibilities of tenancy, and whether the conduct of the applicant in present or prior housing has been such that admission to the program would adversely affect the health, safety or welfare of other residents, or the physical environment, or the financial stability of the project.

The PHA's examination of relevant information pertaining to past and current habits or practices will include, but is not limited to, an assessment of:

The applicant's past performance in meeting financial obligations, especially rent.

Eviction or a record of disturbance of neighbors sufficient to warrant a police call, destruction of property, or living or housekeeping habits at present or prior residences which may adversely affect the health, safety, or welfare of other tenants or neighbors.

Any history of criminal activity on the part of <u>any</u> applicant family member involving criminal acts, including drug-related criminal activity.

Any history or evidence of acts of violence on the part of an individual, or conduct constituting a danger to peaceful occupancy by neighbors.

Any history of initiating threats or behaving in a manner indicating an intent to assault employees or other tenants.

Any history of alcohol or substance abuse that would threaten the health, welfare, or right to peaceful enjoyment of the premises by other residents.

The ability and willingness of an applicant to comply with the essential lease requirements will be verified and documented by the PHA. The information to be considered in the screening process shall be reasonably related to assessing the conduct of the applicant and other family members listed on the application in present and prior housing.

The history of applicant conduct and behavior must demonstrate that the applicant family can reasonably be expected not to:

Interfere with other residents in such a manner as to diminish their peaceful enjoyment of the premises by adversely affecting their health, safety, or welfare. [24CFR 960.203(c)]

Adversely affect the physical environment or financial stability of the project. [24CFR 960.203(c)]

Violate the terms and conditions of the lease. [24CFR 960.203(c)].

An applicant who was evicted or violated a lease agreement due to being the victim of domestic violence, dating violence, or stalking will not be disqualified for prior criminal history.

Require services from PHA staff that would alter the fundamental nature of the PHA's program. [24 CFR 8.3]

Rent Paying Habits

The PHA will examine any Housing Authority records from a prior tenancy, and will request written references from the applicant's current landlord and may request written references from former landlords for up to the past 3 years.

Based upon these verifications, the PHA will determine if the applicant was chronically late with rent payments, was evicted at any time during the past 3 years for nonpayment of rent, or had other legal action initiated against him/her for debts owed. Any of these circumstances could be grounds for an ineligibility determination, depending on the amount of control the applicant had over the situation.

Applicants will not be considered to have a poor credit history if they were late paying rent because they provide evidence they were legally withholding rent due to substandard housing conditions. Applicants will not be considered to have a poor credit history if they were delinquent on the payments on medical bills. Applicants will not be considered to have a poor credit history if their delinquencies on credit accounts occurred more than two years before.

The lack of credit history will not disqualify a family, but a poor credit history may, with the exceptions noted above.

Where past rent paying ability cannot be documented, the PHA will check with the utility company(s) to determine whether the family has been current and timely on their payments.

Screening Applicants Who Claim Mitigating Circumstances

Mitigating circumstances are facts relating to the applicant's record of unsuitable rental history or behavior, which, when verified would indicate both: (1) the reason for the unsuitable rental history and/or behavior; and (2) that the reason for the unsuitable rental history and behavior is no longer in effect or is under control, and the applicant's prospect for lease compliance is an acceptable one, justifying admission.

If unfavorable information is received about an applicant, consideration shall be given to the time, nature, and extent of the applicant's conduct and to factors that might indicate a reasonable probability of favorable future conduct. In order to be factored into the PHA's screening assessment of the applicant, mitigating circumstances must be verifiable.

If the mitigating circumstances claimed by the applicant relate to a change in disability, medical condition or course of treatment, the PHA shall have the right to refer such information to

persons who are qualified and knowledgeable to evaluate the evidence and to verify the mitigating circumstance. The PHA shall also have the right to request further information reasonably needed to verify the mitigating circumstance, even if such information is of a medically confidential nature. Such inquiries will be limited to the information necessary to verify the mitigating circumstances or, in the case of a person with disabilities, to verify a reasonable accommodation.

Examples of Mitigating Circumstances

Evidence of successful rehabilitation;

Evidence of the applicant family's participation in and completion of social service or other appropriate counseling service approved by the PHA;

Evidence of successful and sustained modification of previous disqualifying behavior.

Evidence of prior criminal history or other violations of the family occurring due to a family member being a victim of domestic violence, dating violence, or stalking.

Consideration of mitigating circumstances does not guarantee that the applicant will qualify for admission. The PHA will consider such circumstances in light of:

The applicant's ability to substantiate through verification the claim of mitigating circumstances and his/her prospects for improved future behavior; and

The applicant's overall performance with respect to all the screening requirements.

Qualified and Unqualified Applicants

Information that has been verified by the PHA will be analyzed and a determination will be made with respect to:

The eligibility of the applicant as a *family;*

The eligibility of the applicant with respect to income limits for admission;

The eligibility of the applicant with respect to citizenship or eligible immigration *status*;

Any local preference to which the family is entitled.

Assistance to a family may not be delayed, denied or terminated on the basis of the family's ineligible immigration status unless and until the family completes all the verification and appeals processes to which they are entitled under both INS and PHA procedures, except for a pending PHA hearing.

Applicants who are determined to be unqualified for admission will be promptly notified with a Notice of Denial of Admission stating the reason for the denial. The PHA shall provide

applicants an opportunity for an informal hearing (see Chapter titled "Complaints, Grievances, and Appeals").

The PHA will make every effort to accurately estimate an approximate date of occupancy.

However, the date given by the PHA does not mean that applicants should expect to be housed by that date. The availability of a suitable unit to offer a family is contingent upon factors not directly controlled by the PHA, such as turnover rates, and market demands as they affect bedroom sizes and project location.

Documenting Findings

An authorized representative of the PHA shall document any pertinent information received relative to the following:

Criminal Activity - includes the activities listed in the definition of criminal activity in this Chapter.

Pattern of Violent Behavior - includes evidence of repeated acts of violence on the part of an individual, or a pattern of conduct constituting a danger to peaceful occupancy of neighbors.

Pattern of Drug Use - includes a determination by the PHA that the applicant has exhibited a pattern of illegal use of a controlled substance that might interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

Drug-Related Criminal Activity - includes a determination by the PHA that the applicant has been involved in the illegal manufacture, sale, distribution, use or possession of a controlled substance.

Pattern of Alcohol Abuse - includes a determination by the PHA that the applicant's pattern of alcohol abuse might interfere with the health, safety or right to peaceful enjoyment of the premises by other residents.

Initiating Threats - or behaving in a manner indicating intent to assault employees or other tenants.

Abandonment of a Public Housing Unit - without advising PHA officials so that staff may secure the unit and protect its property from vandalism.

Non-Payment of Rightful Obligations - including rent and/or utilities and other charges owed to the PHA or any other PHA.

Intentionally Falsifying an Application for Leasing - including uttering or otherwise providing false information about family income and size, using an alias on the application for housing, or making any other material false statement or omission intended to mislead.

Record of Serious Disturbances of Neighbors, Destruction of Property or Other Disruptive or Dangerous Behavior - consists of patterns of behavior which endanger the life, safety, or welfare of other persons by physical violence, gross negligence or irresponsibility; which damage the equipment or premises in which the applicant resides, or which are seriously disturbing to neighbors or disrupt sound family and community life, indicating the applicant's inability to adapt to living in a multi-family setting. Includes judicial termination of tenancy in previous housing on the grounds of nuisance or objectionable conduct, or frequent loud parties, which have resulted in serious disturbances of neighbors.

Grossly Unsanitary or Hazardous Housekeeping - includes the creation of a fire hazard through acts such as hoarding rags, papers, or other materials; severe damages to premises and equipment, if it is established that the family is responsible for the condition; seriously affecting neighbors by causing infestation, foul odors, depositing garbage in halls; or serious neglect of the premises. This category does not include families whose housekeeping is found to be superficially unclean or due to lack of orderliness, where such conditions do not create a problem for neighbors**.**

Destruction of Property from previous rentals**.**

In the event of the receipt of unfavorable information with respect to an applicant, consideration shall be given to the time, nature, and extent of the applicant's conduct and to factors that might indicate a reasonable probability of favorable future conduct or financial prospects.

The PHA may waive the policies prohibiting admission in these circumstances if the person demonstrates to the PHA's satisfaction that the person is no longer engaging in illegal use of a controlled substance or abuse of alcohol and has successfully completed a supervised drug or alcohol rehabilitation program.

The PHA may waive the policies prohibiting admission for criminal history or other violations if the person provides evidence that the criminal history or other violations were the direct result of the applicant being the victim of domestic violence, dating violence, or stalking.

Prohibited Criteria for Denial of Admission

Applicants will NOT be rejected because they:

Have no income;

Are not employed;

Do not participate in a job-training program;

Will not apply for various welfare or benefit programs;

Have children;

Have children born out of wedlock;

Are on welfare;

Are students.

H. HEARINGS

If information is revealed that would cause the PHA to deny admission to the household and the person disputes the information, s/he shall be given an opportunity for an informal hearing according to the PHA's hearing procedures outlined in the Chapter on Complaints, Grievances and Appeals.

RESERVED

Chapter 3

APPLYING FOR ADMISSION

INTRODUCTION

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

A. HOW TO APPLY

The application for placement on the waiting list may be taken by telephone, in writing, on-line via a web-based internet applications system, or from an applicant who visits the office. All possible reasonable accommodation will be provided to families with persons with disabilities, if requested in advance per the reasonable accommodation policy. Bilingual staff is available to take waiting list applications of those with limited English proficiency or the services of the language line are utilized to assist applicants of limited English proficiency.

Persons with disabilities may call the PHA to receive an application through the mail or make other arrangements to complete their pre-application.

Applications will be mailed to interested families upon request.

The application process will involve two phases.

1. The first is the "initial" application for admission (referred to as a pre-application). This first phase is to determine the family's placement on the waiting list.

   The pre-application, if submitted in writing, will be dated, time-stamped, and referred to the PHA's office where tenant selection and assignment is processed. If the pre-application is submitted over the telephone, the information will be entered on the waiting list as of the date and time the information was received.

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

B. "INITIAL" APPLICATION PROCEDURES

The PHA may utilize a preliminary-application form (pre-application) for the initial waiting list application. The pre-application is taken over the phone or in person and the data is entered into the computer. The pre-application may also be mailed to the applicant and, if requested, it will be mailed in an accessible format.

The purpose of the pre-application is to permit the PHA to preliminarily assess family eligibility or ineligibility and to determine placement on the waiting list.

The pre-application may contain questions designed to obtain the following information:

Names of head and spouse
Names of adult members and age of all members
Number of family members (used to estimate bedroom size needed)
Street address and phone numbers
Mailing address (if PO Box or other permanent address)
Annual income
Sufficient additional information to determine preference qualification
Social Security Numbers
Race/ethnicity
Arrests/Convictions for Drug Related or Violent Criminal Activity
Previous address(es)
Names and addresses of current and previous landlords
Emergency contact person and address
Questions regarding previous participation in HUD programs

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

Failure to provide information or to respond to mailings will result in the applicant being removed from the waiting list. (See Chapter on Complaints, Grievances and Appeals.)

C. NOTIFICATION OF APPLICANT STATUS

After the pre-application is received, the family will be notified in writing of their placement on the public housing waiting list (in an accessible format upon request, as a reasonable accommodation).

This written notification of placement on the waiting list will be mailed to the applicant by first class mail.

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

D. COMPLETION OF A FULL APPLICATION

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

> After the family is selected from the waiting list, and prior to completing the final eligibility determination.

The qualification for preference must exist as of the date the family is selected from the waiting list regardless of the length of time an applicant has been on the waiting list because the preference is based on current status.

Applicants on the waiting list who will be selected in the near future will be sent a letter (see Chapter on Tenant Selection and Assignment Plan). The letter will notify the applicant of an application interview and request the applicant to bring all documents that verify all factors to be verified. Factors to be verified will be listed in the letter.

These documents will be used for verification only if Up Front Income Verification, then third party written verification, and then third party oral verification cannot be obtained.

The full application will be mailed to the applicant in advance to complete.

Requirement to Attend Interview

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

If an interview is required, all adult family members must attend the interview and sign the housing application. Exceptions may be made for adult students attending school out of state or for members for whom attendance would be a hardship.

It is the applicant's responsibility to reschedule the interview if s/he misses the appointment. If the applicant does not reschedule or misses one scheduled meeting(s), the PHA will reject the application.

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

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

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

All adult members, and head of household and spouse regardless of age, must sign form HUD-9886, "Release of Information," the declarations and consents related to citizenship/immigration status and any other documents required by the PHA. Applicants will be required to sign specific verification forms for information that is not covered by the HUD-9886. Failure to do so will be cause for denial of the application for failure to provide necessary certifications and releases as required by the PHA.

Information provided by the applicant will be verified, including information related to family composition, identify, age, income, allowances and deductions, assets, eligible immigration status, full time student status and other factors related to eligibility and rent calculation.

If the PHA determines at or after the interview that additional information or document(s) are needed, the PHA will request the document(s) or information in writing. The family will be given 14 working days to supply the information.

If the information is not supplied in this time period, the PHA will provide the family a notification of denial for assistance. (See Chapter on Complaints, Grievances and Appeals.)

E. PROCESSING APPLICATIONS

As families approach the top of the waiting list, the following items will be verified to determine qualification for admission to the PHA's housing:

Preference verification

Family composition and type (elderly/non elderly)

Annual Income

Assets and Asset Income

Deductions from Annual Income

Social Security Numbers of all family members

Information used in applicant screening

Citizenship or eligible immigration status

Criminal History Report

F. FINAL DETERMINATION AND NOTIFICATION OF ELIGIBILITY

After the verification process is completed, the PHA will make a final determination of eligibility. This decision is based upon information provided by the family, the verification completed by the PHA, and the tenant suitability determination (see Chapter on Eligibility for Admission).

Because HUD can make changes in rules or regulations and family circumstances may have changed during the review process that affect an applicant's eligibility, it is necessary to make final eligibility determination.

The household is not actually eligible for a unit offer until this final determination has been made, even though they may have been preliminarily determined eligible and may have been listed on the waiting list.

RESERVED

Chapter 4

TENANT SELECTION AND ASSIGNMENT PLAN

(Includes Preferences and Managing the Waiting List)

[24 CFR 960.203, 960.204, 960.205, 960.206]

INTRODUCTION

It is the PHA's policy that each applicant shall be assigned an appropriate place on PHA's central waiting list. Applicants will be listed in sequence based upon date and time the application is received, the size and type of unit they require, and factors of preference or priority.

In filling an actual or expected vacancy, the PHA will offer the dwelling unit to an applicant in the appropriate sequence, with the goal of accomplishing deconcentration of poverty and income-mixing objectives. This Chapter describes the PHA's policies with regard to the number of unit offers that will be made to applicants selected from the waiting list.

PHA's Objectives

PHA policies will be followed consistently and will affirmatively further HUD's Fair Housing goals.

It is the PHA's objective to ensure that families are placed in the proper order on the waiting list so that the offer of a unit is not delayed to any family unnecessarily or made to any family prematurely. This chapter explains the policies for the management of the waiting list.

When appropriate units are available, families will be selected from the waiting list in their preference-determined sequence.

By maintaining an accurate waiting list, the PHA will be able to perform the activities, which ensure that an adequate pool of qualified applicants will be available to fill unit vacancies in a timely manner. Based on the PHA's turnover and the availability of appropriate sized units, groups of families will be selected from the waiting list to form a final eligibility "pool." Selection from the pool will be based on completion of verification.

A. MANAGEMENT OF THE WAITING LIST

The PHA will administer its waiting list as required by 24 CFR Part 5, Part 945 and Part 960, Subparts A and B. The waiting list will be maintained in accordance with the following guidelines:

The application will be a permanent file.

All applicants in the pool will be maintained in order of date and time of application receipt.

All applicants must meet applicable income eligibility requirements as established by HUD.

Opening and Closing the Waiting Lists

The PHA, at its discretion, may restrict application intake, suspend application intake, and close waiting lists in whole or in part.

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

When the PHA opens the waiting list, the PHA will advertise through public notice in the appropriate newspapers, minority publications and media entities that serve the location(s) and program(s) for which applications are being accepted.

The notices will be made in an accessible format if requested. They will provide potential applicants with information that includes the PHA address and telephone number, how to submit an application, information on eligibility requirements.

Upon request from a person with a disability, additional time will be given as an accommodation for submission of an application after the closing deadline. This accommodation is to allow persons with disabilities the opportunity to submit an application in cases when a social service organization provides inaccurate or untimely information about the closing date.

When Application Taking is Suspended

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

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

The open period shall be long enough to achieve a waiting list adequate to cover projected turnover over the next **24** months. When the period for accepting applications is over, the PHA will add the new applicants to the list by:

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

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

Reopening the List

If the waiting list is closed and the PHA decides to open the waiting list, the PHA will publicly announce the opening.

Any reopening of the waiting list is done in accordance with the HUD requirements.

Limits on Who May Apply

When the waiting list is open,

> Any family asking to be placed on the waiting list for Public Housing rental assistance will be given the opportunity to complete a pre-application. A family known to be ineligible will not be placed on the waiting list.

When the application is submitted to the PHA:

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

Multiple Families in Same Household

When families apply that 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.

B. WAITING LIST PREFERENCES

A preference does not guarantee admission to the program. Preferences are used to establish the order of placement on the waiting list. Every applicant must meet the PHA's Selection Criteria as defined in this policy.

The PHA's preference system will work in combination with requirements to match the characteristics for the family to the type of unit available, including units with targeted populations, and further deconcentration of poverty in public housing. When such matching is required or permitted by current law, the PHA will give preference to qualified families.

The PHA to verify their preference will contact families who reach the top of the waiting list and, if verified, the PHA will complete a full application for occupancy. Applicants must complete the application for occupancy and continue through the application processing and may

not retain their place on the waiting list if they refuse to complete their processing when contacted by the PHA.

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

C. LOCAL PREFERENCES

The following local preferences are established. When determining equally ranked preferences, the date and time of application is the final deciding factor.

RANKING PREFERENCES

Please refer to the glossary for definitions of the following groups:

SUPER PREFERENCE

Families in good standing participating in the HACSD's Disaster Voucher Program have a super preference to the categories listed below and have first priority for selection off of the Public Housing waiting list.

After families with a super preference are selected, additional applicants are selected out of the following categories with date and time of application a tiebreaker between equal preference holders.

CATEGORY ONE

The HACSD uses equally weighted local preferences for applicants, with priorities for those ***who live or work in the HACSD jurisdiction*** and are in one or more of the following categories:

Families with dependant children

Working Families - (At least one member must have worked at least 32 + hours per week for the previous 12 months. Applicants may combine job training or academic program as part of the previous 12-month requirement. Applicants receiving unemployment, disability, or workman's compensation benefits will be considered qualifying under this preference if those benefits were the result of 12 continuous months of employment at 32 + hours per week up to the start of the above referenced benefits)

Elderly families (head of household or spouse is 62 years of age or older)

Disabled families (head of household or spouse is disabled)

Veterans or surviving spouses of veterans (other than dishonorable discharge)

Homeless

CATEGORY TWO

Applicants who live or work in the HACSD jurisdiction, but who do not fit in Category One.

CATEGORY THREE

Applicants who *do not live or work within the HACSD jurisdiction*, but are one or more of the following:

Families with dependent children

Working Families - (At least one member must have worked at least 32 + hours per week for the previous 12 months. Applicants may combine job training or academic program as part of the previous 12-month requirement. Applicants receiving unemployment, disability, or workman's compensation benefits will be considered qualifying under this preference if those benefits were the result of 12 continuous months of employment at 32 + hours per week up to the start of the above referenced benefits)

Elderly families (head of household or spouse is 62 years of age or older)

Disabled families (head of household or spouse is disabled)

Veterans or surviving spouses of veterans (other than dishonorable discharge)

Homeless

CATEGORY FOUR

All other applicants not indicated above.

D. ORDER OF SELECTION FOR GENERAL OCCUPANCY (FAMILY) DEVELOPMENTS

The PHA has established the following local admissions preferences for general occupancy (family) developments:

CATEGORY ONE

The HACSD uses equally weighted local preferences for applicants, with priorities those ***who live or work in the HACSD jurisdiction*** and are in one or more of the following categories:

Families with dependent children

Working Families - (At least one member must have worked at least 32 + hours per week for the previous 12 months. Applicants may combine job training or academic program as part of the previous 12-month requirement. Applicants receiving unemployment, disability, or workman's compensation benefits will be considered qualifying under this preference if those benefits were the result of 12 continuous months of employment at 32 + hours per week up to the start of the above referenced benefits)

Elderly families (head of household or spouse is 62 years of age or older)

Disabled families (head of household or spouse is disabled)

Veterans or surviving spouses of veterans (other than dishonorable discharge)

Homeless

CATEGORY TWO

Applicants who live or work in the HACSD jurisdiction, but who do not fit in Category One.

CATEGORY THREE

Applicants who *do not live or work within the HACSD jurisdiction*, but are one or more of the following:

Families with dependent children

Working Families - (At least one member must have worked at least 32 + hours per week for the previous 12 months. Applicants may combine job training or academic program as part of the previous 12-month requirement. Applicants receiving unemployment, disability, or workman's compensation benefits will be considered qualifying under this preference if those benefits were the result of 12 continuous months of employment at 32 + hours per week up to the start of the above referenced benefits)

Elderly families (head of household or spouse is 62 years of age or older)

Disabled families (head of household or spouse is disabled)

Veterans or surviving spouses of veterans (other than dishonorable discharge)

Homeless

CATEGORY FOUR

All other applicants not indicated above.

E. ORDER OF SELECTION FOR MIXED POPULATION DEVELOPMENTS

A mixed population project is a public housing project, or portion of a project that was reserved for elderly families and disabled families at its inception (and has retained that character).

In accordance with the 1992 Housing Act, elderly families whose head spouse or sole member is at least 62 years of age, and disabled families whose head, co-head or spouse or sole member is a person with disabilities, will receive equal preference to such units.

No limit will be established on the number of elderly or disabled families that may occupy a mixed population property. All other PHA preferences will be applied.

The PHA has established the following local admissions preferences for Mixed Population developments. Per HUD regulations, equal preference must be given to Elderly Families and Disabled Families:

First Priority: elderly families or disabled families who live in the PHA's jurisdiction

Second Priority: near elderly or disabled families who live in the PHA's jurisdiction

Third Priority: elderly families or disabled families who do not live in the PHA's jurisdiction.

F. VERIFICATION OF PREFERENCE QUALIFICATION

The family may be placed on the waiting list upon their certification that they qualify for a preference. When the family is selected from the waiting list for the final determination of eligibility, the preference will be verified**.**

Change in Circumstances

Changes in an applicant's circumstances while on the waiting list may affect the family's entitlement to a preference. Applicants are required to notify the PHA in writing when their circumstances change. When an applicant claims an additional preference, s/he will be placed on the waiting list in the proper order of their newly claimed preference.

G. PREFERENCE DENIAL

If the PHA denies a preference, the applicant will be placed on the waiting list without benefit of the preference.

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

Any applicant who falsifies documents or makes false statements in order to qualify for any preference will be removed from the waiting list with notification to the family.

H. FACTORS OTHER THAN PREFERENCES THAT AFFECT SELECTION OF APPLICANTS

Before applying its preference system, the PHA will first match the characteristics of the available unit to the applicants available on the waiting lists. Factors such as unit size, accessible features, deconcentration or income mixing, income targeting, or units in housing designated for the elderly/disabled limit the admission of families to those characteristics that match the characteristics and features of the vacant unit available.

By matching unit and family characteristics, it is possible that families who apply later may receive an offer of housing ahead of families with an earlier date and time of application.

I. INCOME TARGETING

The PHA will monitor its admissions to ensure that at least 40 percent of families admitted to public housing in each fiscal year shall have incomes that do not exceed 30% of area median income of the PHA's jurisdiction.

Hereafter families whose incomes do not exceed 30% of area median income will be referred to as "extremely low-income families."

The PHA shall have the discretion, at least annually, to exercise the “fungibility” provision of the QHWRA by admitting less than 40 percent of “extremely low income families” to public housing in a fiscal year, to the extent that admissions of extremely low income families to the PHA's voucher program during a PHA fiscal year exceeds the 75 percent minimum targeting requirement for the PHA's Section 8 Voucher Program. This fungibility provision discretion by the PHA is also reflected in the PHA's Administrative Plan.

The fungibility credits will be used to drop the annual requirement below 40 percent of admissions to public housing for extremely low-income families by the lowest of the following amounts:

> The number of units equal to 10 percent of the number of newly available vouchers in the fiscal year; or
>
> The number of public housing units that 1) are in public housing projects located in census tracts having a poverty rate of 30% or more, and 2) are made available for occupancy by and actually occupied in that year by, families other than extremely low-income families.

The Fungibility Floor: Regardless of the above two amounts, in a fiscal year, at least 30% of the PHA's admissions to public housing will be to extremely low-income families. The fungibility

floor is the number of units that cause the PHA's overall requirement for housing extremely low-income families to drop to 30% of its newly available units.

Fungibility shall only be utilized if the PHA is anticipated to fall short of its 40% goal for new admissions to public housing**.**

Low Income Family Admissions

Once the PHA has met the 40% targeted income requirement for new admissions of extremely low-income families, the PHA will fill the remainder of its new admission units with families whose incomes do not exceed 80% of the HUD approved area median income.

J. UNITS DESIGNATED FOR THE ELDERLY

In accordance with the 1992 Housing Act, elderly families with a head, spouse or sole member at least 62 years of age will receive a preference for admission to such units or buildings covered by a HUD-approved Allocation Plan, except for accessible units, which may be offered to persons with disabilities.

K. UNITS DESIGNATED FOR THE DISABLED

In accordance with the 1992 Housing Act, disabled families with a head, spouse or sole member who qualifies as a person with disabilities as defined in 24 CFR 945.105 will receive a preference for admission to units that are covered by a HUD-approved Allocation Plan.

The PHA has units designed for persons with mobility, sight and hearing impairments (referred to as accessibility units). These units were designed and constructed specifically to meet the needs of persons requiring the use of wheelchairs and persons requiring other modifications.

Preference for occupancy of these units will be given to families with disabled family members who require the modifications or facilities provided in the units.

L. DECONCENTRATION OF POVERTY AND INCOME-MIXING

Per 24 CFR 982.2, the PHA is not subject to deconcentration and income mixing because it has less than 100 units in each of its four developments (b) (2) (i). In addition, one of its four developments is designated for elderly and disabled (b) (2) ii)

The PHA still has the obligation to meet the income-targeting requirement.

M. PROMOTION OF INTEGRATION

Beyond the basic requirement of nondiscrimination, PHA shall affirmatively further Fair Housing to reduce racial and national origin concentrations.

The PHA shall not require any specific income or racial quotas for any development or developments.

A PHA shall not assign persons to a particular section of a community or to a development or building based on race, color, religion, sex, disability, familial status or national origin for. purposes of segregating populations.

N. OFFER OF PLACEMENT ON THE SECTION 8 WAITING LIST

The PHA will not merge the waiting lists for public housing and Section 8. However, if the Section 8 waiting list is open when the applicant is placed on the public housing list, the PHA must offer to place the family on both lists. If the public housing waiting list is open at the time an applicant applies for Section 8, the PHA must offer to place the family on the public housing waiting list.

O. REMOVAL FROM WAITING LIST AND PURGING

The waiting list will be purged periodically to ensure that the waiting list is current and accurate. To purge the waiting list, a mailing will be sent requesting current information and confirmation of continued interest.

If an applicant fails to respond within 14, days s/he will be removed from the waiting list. If a letter is returned by the Post Office without a forwarding address, the applicant will be removed without further notice, and the envelope and letter will be maintained in the file.

If an applicant is removed from the waiting list for failure to respond or in instances where the mail is returned by the post office, they may be entitled to reinstatement for reasonable accommodation, administrative error, if only one notice was issued, or if it appears they never received notice. Absent evidence to the contrary, the benefit of the doubt will be given to the applicant.

P. OFFER OF ACCESSIBLE UNITS

The PHA has units designed for persons with mobility, sight and hearing impairments, referred to as accessible units.

No non-mobility impaired families will be offered these units until all eligible mobility-impaired applicants have been considered.

Before offering a vacant accessible unit to a non-disabled applicant, the PHA will offer such units:

> First, to a current occupant of another unit of the same development, or other public housing developments under the PHA's control, who has a disability that requires the special features of the vacant unit.
>
> Second, to an eligible qualified applicant on the waiting list having a disability that requires the special features of the vacant unit.

When offering an accessible/adaptable unit to a non-disabled applicant, the PHA will require the applicant to agree to move to an available non-accessible unit within 30 days when either a current resident or an applicant needs the features of the unit and there is another unit available for the applicant. This requirement will be a provision of the lease agreement.

See "Leasing" chapter.

Q. PLAN FOR UNIT OFFERS

The PHA plan for selection of applicants and assignment of dwelling units to assure equal opportunity and non-discrimination on grounds of race, color, sex, religion, or national origin is:

> **Two locations:** The applicant must be offered a suitable unit in the location with the higher number of vacancies. If the offer is rejected, a final offer will be made at the other location.

If more than one unit of the appropriate type and size is available, the first unit to be offered will be the first unit that is ready for occupancy.

The PHA will maintain a record of units offered, including location, date and circumstances of each offer, each acceptance or rejection, including the reason for the rejection.

R. CHANGES PRIOR TO UNIT OFFER

Changes that occur during the period between removal from the waiting list and an offer of a suitable unit may affect the family's eligibility or Total Tenant Payment. The family will be notified in writing of changes in their eligibility or level of benefits and offered their right to an informal hearing when applicable (See Chapter on Complaints, Grievances, and Appeals)

S. APPLICANT STATUS AFTER FINAL UNIT OFFER

When an applicant rejects the final unit offer the PHA will:

> Remove the applicant's name from the waiting list.

Removal from the waiting list means:

> The applicant must reapply.

T. TIME-LIMIT FOR ACCEPTANCE OF UNIT

Applicants must accept a unit offer within five working days of the date the offer is made and must move-in to the unit within 15 days of the offer.

Applicants Unable to Take Occupancy

If an applicant is willing to accept the unit offered, but is unable to take occupancy within 15 days of the offer for *"good cause,"* the applicant will not be removed from the waiting list**.**

Examples of *"good cause"* reasons for the refusal to take occupancy of a housing unit include, but are not limited to:

> An elderly or disabled family makes the decision not to accept occupancy in designated housing. [24 CFR 945.303(d)]
>
> The family demonstrates to the PHA's satisfaction that accepting the offer will result in a situation where a family member's life, health or safety will be placed in jeopardy. The family must offer specific and compelling documentation such as restraining orders, other court orders, or risk assessments related to witness protection from a law enforcement agency. The reasons offered must be specific to the family. Refusals due to the location of the unit alone are not considered to be good cause.
>
> A qualified, knowledgeable, health professional verifies the temporary hospitalization or recovery from illness of the principal household member, other household members, or a live-in aide necessary to care for the principal household member.
>
> The unit is inappropriate for the applicant's disabilities**.**

Applicants With a Change in Family Size or Status

Changes in family composition, status, or income between the time of the interview and the offer of a unit will be processed. The PHA shall not lease a unit to a family whose occupancy will overcrowd or underutilize the unit**.**

The family will take the appropriate place on the waiting list according to the date they first applied.

U. REFUSAL OF OFFER

If the unit offered is inappropriate for the applicant's disabilities, the family will retain their position on the waiting list.

If the unit offered is refused for other reasons, the PHA will follow the applicable policy as listed in the "Plan for Unit Offers" section and the "Applicant Status After Final Offer" section.

Chapter 5

OCCUPANCY GUIDELINES

INTRODUCTION

The Occupancy Guidelines are established by the PHA to ensure that units are occupied by families of the appropriate size. This policy maintains the maximum usefulness of the units, while preserving them from excessive wear and tear or underutilization. This Chapter explains the Occupancy Guidelines used to determine minimum and maximum unit sizes for various sized families when they are selected from the waiting list, or when a family's size changes, or when a family requests an exception to the occupancy guidelines.

A. DETERMINING UNIT SIZE

The PHA does not determine who shares a bedroom/sleeping room, but there must be at least one person per bedroom. The PHA's Occupancy Guideline standards for determining unit size shall be applied in a manner consistent with Fair Housing guidelines.

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

All guidelines in this section relate to the number of bedrooms in the unit. Dwelling units will be so assigned that:

> One bedroom will generally be assigned for every two family members. The PHA will consider factors such as family characteristics including sex, age, or relationship, the number of bedrooms and size of sleeping areas or bedrooms and the overall size of the dwelling unit. Consideration will also be given for medical reasons and the presence of a live-in aide.
>
> > Live-in attendants will generally be provided a separate bedroom. No additional bedrooms are provided for the attendant's family.
> >
> > Space will not be provided for a family member who will be absent most of the time, such as a member who is away in the military**.**

The living room will not be used as a bedroom except for purposes of reasonable accommodation or at the request of the family.

GUIDELINES FOR DETERMINING BEDROOM SIZE

Bedroom Size	Persons in Household: (Minimum #)	Persons in Household: (Maximum #)
0 Bedroom	1	1
1 Bedroom	1	2
2 Bedrooms	2	4
3 Bedrooms	3	6
4 Bedrooms	4	8
5 Bedrooms	6	10
6 Bedrooms	8	12

B. EXCEPTIONS TO OCCUPANCY STANDARDS

The PHA will grant exceptions from the guidelines for a larger unit if the PHA determines the exceptions are justified by the disability of family members, there are no alternate sleeping areas available to the other family members, and there is a vacant unit available. If an applicant requests to be listed on a smaller or larger bedroom size waiting list, the following guidelines will apply:

Applicants may request to be placed on the waiting list for a unit size smaller than designated by the occupancy guidelines, (as long as the unit is not overcrowded according to local codes). The family must agree not to request a transfer until they have occupied the unit for one year.

At the PHA's discretion the family may be offered a unit smaller than the preferred unit size, based on the PHA's occupancy standards, if in doing so the family has an opportunity to be housed earlier, or live in a preferred project.

The PHA may offer a family a unit that is larger than required by the PHA's occupancy standards, if the waiting list is short of families large enough to fill the vacancy.

In all cases, when the family requests an exception to the general occupancy standards, the PHA will evaluate the relationship and ages of all family members and the overall size of the unit.

The family may request to be placed on a larger bedroom size waiting list than indicated by the PHA's occupancy guidelines. The request must explain the need or justification for a larger bedroom size to accommodate a person with disabilities or a live-in aide, and must be verified by the PHA before the family is placed on the larger bedroom size list.

The PHA will consider these requests:

Person with Disability

The PHA will grant an exception upon request as a reasonable accommodation for persons with disabilities if the need is appropriately verified **and** the request meets requirements in the Service and Accommodations Policy section of Chapter 1.

Other Circumstances

Circumstances may dictate a larger size than the occupancy standards permit when:

Persons cannot share a bedroom because of the size of medical equipment needed throughout the night.

All members of the family residing in the unit must be pre-approved by the PHA. The family must obtain approval of any additional family member before the person occupies the unit except for additions by birth, adoption, return of minor or disabled children to the household, or court-awarded custody, in which case the family must inform the PHA within 14 days. If someone moves into the unit before receiving required PHA approval, that person will be considered an unauthorized person.

To avoid vacancies, the PHA may provide a family with a larger unit than the occupancy standards permit. The family must agree to move to a suitable, smaller unit within 30 days when another family qualifies for the larger unit and there is a suitable smaller unit available. This requirement is a provision of the lease.

C. INCENTIVES TO ATTRACT HIGHER INCOME FAMILIES TO LOWER INCOME DEVELOPMENTS

See Chapter on Tenant Selection and Assignment.

D. ACCESSIBLE UNITS

The PHA has units designed for persons with mobility, sight and hearing impairments. These units were designed and constructed specifically to meet the needs of persons requiring the use of wheelchairs and persons requiring other modifications.

Preference for occupancy of these units will be given to families with disabled family members who require the modifications or facilities provided in the units.

No non-mobility-impaired families will be offered these units until all eligible mobility-impaired applicants have been considered.

Accessible units will be offered and accepted by non-mobility impaired applicants only with the understanding that such applicants must accept a transfer to a non-accessible unit at a later date if

a person with a mobility impairment requiring the unit applies for housing and is determined eligible.

E. FAMILY MOVES

When a change in the circumstances of a tenant family requires another unit size, the family's move depends upon the availability of a suitable size and type of unit. If the unit is not available at the time it is requested, the family will be placed on the Transfer List.

The unit considerations in this section should be used as a guide to determine whether and when the bedroom size should be changed. If an unusual situation occurs, which is not currently covered in this policy, the case should be taken to the Housing Supervisor who will make determination after review of the situation, the individual circumstances, and the verification provided.

See chapter on Recertifications for changes in unit size for tenants**.**

Chapter 6

DETERMINATION OF TOTAL TENANT PAYMENT

[24 CFR 5.609, 5.611, 5.613, 5.615, 5.628, 5.630]

INTRODUCTION

The accurate calculation of Annual Income and Adjusted Income will ensure that families are not paying more or less money for rent than their obligation under the regulations.

This Chapter defines the allowable deductions from Annual Income and how the presence or absence of household members may affect the Total Tenant Payment (TTP). Income and TTP are calculated in accordance with 24 CFR Part 5, Subpart F and further instructions set forth in HUD Notices, Memoranda and Addenda. However, the Quality Housing and Work Responsibility Act now give PHAs broader flexibility. The PHA's policies in this Chapter address those areas that allow the PHA discretion to define terms and to develop standards in order to assure consistent application of the various factors that relate to the determination of TTP.

A. MINIMUM RENT

The minimum rent for this PHA is Zero dollars**.** The minimum rent refers to a minimum total tenant payment and not a minimum tenant rent.

The Total Tenant Payment is the greater of:

30% of the adjusted monthly income

10% of the monthly income

The Minimum rent as established by the PHA

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

B. INCOME AND ALLOWANCES

Income: The types of money that are to be used as income for purposes of calculating the TTP are defined by HUD in federal regulations. In accordance with this definition, income from all sources of each member of the household is documented. (See Income Inclusions and Income Exclusions in the Glossary of Terms of this policy.)

Amounts the PHA has determined do not meet the definition of income
Employer reimbursement for mileage expenses is not considered income as long as the reimbursement is reasonable as compared to a large employer or the Internal Revenue Service mileage allowance. Mileage logs may be requested.

Loans to a participant/applicant from an institution are not considered income. However, "loans" from private parties **are** considered income, if it is apparent there is little likelihood the loan will be repaid within the next three years, loans from the previous year have not be repaid, and if there was no written, well-defined notarized loan agreement executed at the time of the loan.

Repayment of a loan back to the applicant/participant is not considered income if documentation can be presented that the loan was made by the applicant/participant. If no documentation is provided, the "repayments" are considered income.

Employer contributions for medical or childcare expenses are not considered income as long as the money is only accessible by the family as reimbursement for out-of-pocket medical or childcare expenses. However, childcare or medical expenses will not be allowed as a deduction from annual income if they are reimbursable through any source.

Annual Income is defined as the gross amount of income anticipated to be received by the family during the 12 months after certification or recertification. Gross income is the amount of income prior to any HUD allowable expenses or deductions, and does not include income that has been excluded by HUD. Annual income is used to determine whether or not applicants are within the applicable income limits. (24 CFR 960.201)

Adjusted Income is defined as the Annual income minus any HUD allowable deductions.

Permissive Deductions

The PHA has no permissive deductions.

Allowable Deductions

HUD has five allowable deductions from Annual Income:

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

2. "Elderly" allowance: $400 per household for families whose head or spouse is 62 or over or disabled.

3. Allowable medical expenses for all family members are deducted for elderly and disabled families when the expenses exceed 3 percent of the family's annual income.

4. Childcare expenses for children under 13 are deducted when childcare is necessary to allow an adult family member to work, actively seek work, or attend school (including vocational training).

5. Expenses for attendant care or auxiliary apparatus for persons with disabilities if needed to enable the individual or an adult family member to work, and if the expenses exceed 3 percent of the family's annual income.

C. TRAINING INCOME EXCLUSIONS [24 CFR 5.609(c)]

The PHA believes that training income exclusions are an important factor in helping public housing participants move from welfare and dependence to greater self-sufficiency.

The PHA will share information regarding new policies governing training income derived from qualifying employment-training programs with applicants, participants and local social service providers. The PHA's objective is to encourage families to move toward self-sufficiency by excluding from their annual income certain amounts earned through participation in various qualifying training programs. These training programs are aimed at offering the resident gainful employment skills. The exclusion of training income, in the calculation of annual income, is meant to be an incentive. It is the PHA's hope that welfare agencies will adopt or modify their programs so that welfare recipients living in Public Housing will receive the maximum benefits from these income exclusions.

In order to be eligible for the exclusion the resident must actually receive training under the provisions of the program. For purposes of this exclusion, it is not enough for the resident to merely be enrolled.

1. Training Income Exclusions in Accordance with 24 CFR 5.609(c)(8)(v)

Income from training programs is excluded when the training program is in accordance with 24 CFR 5.609 (c) (8)(v) and has features that allow the training income of assisted housing residents to be excluded only while the resident is actively enrolled in the training program.

A training program qualifying under 24 CFR 5.609 (c)(8)(v) is defined as one with goals and objectives designed to lead to a higher level of proficiency, and one which enhances the individual's ability to obtain employment. The training program may have performance standards to measure proficiency. Training may include, but is not limited to:

Classroom training in a specific occupational skill;

On-the-job training with wages subsidized by the program, or

Basic education.

For this purpose, Annual Income does not include the following:

Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs.

At all times the income to be excluded is the incremental income only.

"Incremental income" is defined by HUD as the increase between the total amount of welfare and earnings a family member *is eligible to receive prior* to enrollment in the training program and the total amount of welfare and earnings the family receives member *after* enrollment in the training program.

All other amounts, (such as child support and alimony), are treated in the usual manner in determining annual income. Child support, or other income that is not *earnings or benefits*, is not a factor and will not be considered in regard to training income exclusions, regardless of whether they have increased or decreased.

Who is Eligible for the Exclusion

Any member of the resident's family is eligible for the exclusion, provided the individual is enrolled in the qualifying employment-training program.

If a family has members who enroll in training programs at different times, the exclusion may be taken at different periods. The rules will be applied individually to each member based on which type of program they are enrolled in.

Verification

Upon verification, residents who are actively enrolled in a qualifying training program will have the incremental income from the training program excluded from their annual income.

Other Factors to Be Considered

If a resident has no income the day they enter a training program, but has a history of employment in the past, the PHA will review the resident's wages for the past 18 months and average the income. That averaged income will become the resident's base amount for determining incremental earnings. Exception: If the resident has no income and enrolls in a welfare program which requires participants to be enrolled in a job-training program, the base pay for that resident will be zero.

The resident is required to notify the PHA within 14 working days of enrolling in a qualifying training program.

Residents who have a decrease in income as a result of enrolling in a training program may request an interim examination. The PHA will determine the decrease in incremental income as a result of the training program and adjust the resident's rent accordingly.

Residents who do not notify the PHA within 14 working days of starting a training program, and have a decrease in income, will not have their rent adjusted retroactively.

D. DISALLOWANCE OF EARNED INCOME FROM RENT DETERMINATIONS

The annual income for qualified families may not be increased as a result of increases in earned income beginning on the first of the month after the increase in earned income begins and continuing for a cumulative 12-month period. After the family receives 12 cumulative months of the full exclusion, annual income will include a phase-in of half the earned income excluded from annual income.

A family qualified for the earned income exclusion is a family that occupies a dwelling unit in a public housing project, is paying income-based rent; and

1. Whose annual income increases as a result of employment of a family member who was previously unemployed for one or more years prior to employment;

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

3. Whose annual income increases, as a result of new employment or increased earnings of a family member during or within six months after receiving assistance, benefits or services under any State program for TANF provided that the total amount over a six-month period is at least $500. The qualifying TANF assistance may consist of any amount of monthly income maintenance, and/or at least $500 in such TANF benefits and services as one-time payments, wage subsidies, and transportation assistance.

The HUD definition of "previously unemployed" includes a person who has earned in the previous 12 months no more than the equivalent earnings for working ten hours per week for 50 weeks at the minimum wage. Minimum wage is the prevailing minimum wage in the State or locality.

The HUD definition of economic self-sufficiency program is: any program designed to encourage, assist, train or facilitate economic independence of assisted families or to provide work for such families. Such programs may include job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, or any other program necessary to ready a participant to work (such as substance abuse or mental health treatment).

Amounts to be excluded are any earned income increases of a family member during participation in an economic self-sufficiency or job training program and not increases that occur after participation, unless the training provides assistance, training or mentoring after employment.

The amount that is subject to the disallowance is the amount of incremental increase in income of a family member. The incremental increase in income is calculated by comparing the amount of the family member's income before the beginning of qualifying employment or increase in

earned income to the amount of such income after the beginning of employment or increase in earned income.

Initial Twelve-Month Exclusion:

During the cumulative 12-month period beginning on the date a member of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the PHA will exclude from annual income any increase in income of the family member as a result of employment over the prior income of that family member.

Second Twelve-Month Phase-in Exclusion:

During the second cumulative 12-month period after the expiration of the initial cumulative 12-month period referred to above, the PHA must exclude from annual income of a qualified family 50 percent of any increase in income of a family member as a result of employment over income of that family member prior to the beginning of such employment.

Maximum Four-Year Disallowance:

The earned income disallowance is limited to a lifetime 48-month period for each family member. For each family member, the disallowance only applies for a maximum of 12 months of full exclusion of incremental increase, and a maximum of 12 months of phase-in exclusion during the 48-month period starting from the date of the initial exclusion.

If the period of increased income does not last for 12 consecutive months, the disallowance period may be resumed at any time within the 48-month period and continued until the disallowance has been applied for a total of 12 months of each disallowance (the initial 12-month full exclusion and the second 12-month phase-in exclusion).

No earned income disallowance will be applied after the 48-month period following the initial date the exclusion was applied.

Applicability to Childcare and Disability Assistance Expense Deductions:

The amount deducted for childcare and disability assistance expenses necessary to permit employment shall not exceed the amount of employment income that is included in annual income. Therefore, for families entitled to the earned income disallowance, the amounts of the full and phase-in exclusions from income shall not be used in determining the cap for childcare and disability assistance expense deductions.

Tracking the Earned Income Exclusion

The earned income exclusion will be reported on the HUD 50058 form. Documentation will be included in the family's file to show the reason for the reduced increase in rent.

Such documentation will include:

Name of the family member whose earned income increased

Reason (new employment, participation in job training program, within 6 months after receiving TANF) for the increase in earned income

Amount of the increase in earned income (amount to be excluded)

Date the increase in income is first excluded from annual income

Ending date of the maximum 48-month (four year) disallowance period (48 months from the date of the initial earned income disallowance)

The PHA will maintain a tracking system to ensure correct application of the earned income disallowance.

Inapplicability to Admission

The earned income disallowance is only applied to determine the annual income of families residing in public housing, and therefore does not apply for purposes of admission (including the determination of income eligibility or any income targeting that may be applicable).

E. INDIVIDUAL SAVINGS ACCOUNTS

The PHA chooses not to establish a system of individual savings accounts for families who qualify for the disallowance of earned income**.**

F. TRAINING PROGRAMS FUNDED BY HUD

All training income from a HUD sponsored or funded training program, whether incremental or not, is excluded from the resident's annual income while the resident is in training. Income from a Resident Services training program, which is funded by HUD, is excluded.

G. WAGES FROM EMPLOYMENT WITH THE PHA OR RESIDENT ORGANIZATION

Upon employment with the PHA or officially recognized Resident Organization, the full amount of employment income received by the person is counted. There is no exclusion of income for wages funded under the 1937 Housing Act Programs, which includes public housing and Section 8.

H. AVERAGING INCOME

When Annual Income cannot be anticipated for a full twelve months, the PHA will:

Average known sources of income that vary to compute an annual income or,

If there are bonuses or overtime, which the employer cannot anticipate for the next twelve months, bonuses and overtime received the previous year will be used.

Income from the previous year may be analyzed to determine the amount to anticipate when third party or check-stub verification is not available.

If by averaging, an estimate can be made for those families whose income fluctuates from month to month, this estimate will be used so that the housing payment will not change from month to month.

The method used depends on the regularity, source and type of income.

I. MINIMUM INCOME

There is no minimum income requirement. Families who report zero or minimal income are required to report every 30 days.

A family that earns at or below the following amounts has minimal income:

Family Size	Minimal income
1	$200
2	$250
3	$300
4	$350
5	$400
6	$450
7	$500
8	$550

Families that report zero or minimal income will be required to provide information regarding their means of basic subsistence, such as food, utilities, transportation, etc.

The PHA may request credit checks for adult members of families that report zero or minimal income.

Where credit reports show credit accounts open and payments current, the PHA will take action to investigate the possibility of fraud or program abuse.

J. INCOME OF PERSON PERMANENTLY CONFINED TO NURSING HOME

If a family member is permanently confined to a hospital or nursing home and there is a family member left in the household, the PHA may calculate the Total Tenant Payment by:

> Excluding the income of the person permanently confined to the nursing home and not giving the family deductions for medical expenses of the confined family member or;

Including the income of the person permanently confined to the nursing home and giving the family the medical deductions allowable on behalf of the person in the nursing home.

K. REGULAR CONTRIBUTIONS AND GIFTS [24 CFR 5.609(a)(7)]

Regular, non-casual contributions and gifts received from persons outside the household are counted as income. This includes rent and utility payments made on a regular basis on behalf of the family and other regular cash or non-cash contributions. It does not include casual contributions or sporadic gifts.

A family benefit that is used almost exclusively by the family, but not titled to the family (i.e., automobile, storage unit), will be counted as income. If an employer provides an automobile that is used for both personal and business purposes, a proration of the expense payments will be counted as income based on the percentage of time the vehicle is used for personal purposes. Evidence of a business vehicle used for personal purposes may include the vehicle being stored overnight at the family's residence five times a week or more and/or the lack of a personal vehicle for that family member.

If the family's expenses exceed its known income, the HACSD will inquire of the family regarding contributions and gifts.

L. ALIMONY AND CHILD SUPPORT [24 CFR 5.609(a)(7)]

Regular alimony and child support payment, including regular payments of alimony and/or child support in arrears, are counted as income for calculation of Total Tenant Payment.

If the amount of child support or alimony received is less than the amount awarded by the court, the PHA must use the amount awarded by the court unless the family can verify that they are not receiving the full amount.

The PHA will accept as verification that the family is receiving an amount less than the award if:

The PHA receives verification from the agency responsible for enforcement or collection.

Family notarized certification

It is the family's responsibility to supply a copy of the divorce decree.

M. LUMP-SUM RECEIPTS [24 CFR 5.609(b)(4 and 5), (c)(3 and 14)]

Lump-sum additions to Family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or property losses, are not included in income but may be included in assets.

Lump-sum payments caused by delays in processing periodic payments (unemployment or welfare assistance) are counted as income. Lump sum payments from Social Security or SSI are excluded from income, but any amount remaining will be considered an asset. Deferred periodic payments that have accumulated due to a dispute will be treated the same as periodic payments that are deferred due to delays in processing.

In order to determine amount of retroactive tenant rent that the family owes as a result of the lump sum receipt:

The PHA will always calculate retroactively to date of receipt**.**

Retroactive Calculation Methodology

The PHA will go back to the date the lump-sum payment was received, or to the date of admission, whichever is closer.

The PHA will determine the amount of income for each certification period, including the lump sum, and recalculate the tenant rent for each certification period to determine the amount due the PHA.

At the PHA's option, the PHA may enter into a Repayment Agreement with the family.

The amount owed by the family is a collectible debt even if the family becomes unassisted.

Attorney Fees

The family's attorney fees may be deducted from lump-sum payments when computing annual income if the attorney's efforts have recovered the lump-sum compensation, and the recovery paid to the family does not include an additional amount in full satisfaction of the attorney fees.

N. ASSETS

Total combined family assets of $5000 or less will not be verified due to the negligible impact on family rent.

Due to the administrative burden, if there is a service charge of $1.00 or more to verify an asset, the PHA will use family documents, such as bank statements, to verify the asset, if available. If family documents are not available, the PHA will pay the applicable service charge to verify the asset.

Total assets will be counted, even if jointly owned by someone not part of the family, providing a family member has unlimited access to those assets. If the family has restricted access to those assets, the HACSD will prorate the family’s asset share based on percentage of ownership. If there is no percentage of ownership, the HACSD will prorate the family’s asset share evenly among all owners.

Assets not controlled by or accessible to the family, such as assets held in an irrevocable trust, will not be counted or considered. If there are disbursements to the family from these assets, depending of their regularity, they may either be counted as income or lump sum additions to family assets. Personal property, such as clothing, automobiles, and furniture will not be counted as assets, unless the personal property is an investment, such as a stamp collection, in which case the family's declaration of the investment's value will be used to determine the asset amount.

O. CONTRIBUTIONS TO RETIREMENT FUNDS - ASSETS

Contributions to company retirement/pension funds are handled as follows:

> While an individual is employed, count as assets only amounts the family can withdraw without retiring or terminating employment.
>
> After retirement or termination of employment, count any amount the employee elects to receive as a lump sum.

P. ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE

The PHA must count assets disposed for $10,000 or more under fair market value during the two years preceding certification or reexamination. The PHA will count the difference between the market value and the actual payment received in calculating total assets. The difference will be included in calculating total assets for two years.

Assets disposed of as a result of foreclosure or bankruptcy are not considered to be assets disposed of for less than fair market value. Assets disposed of as a result of a divorce or separation are not considered to be assets disposed of for less than fair market value.

Q. CHILDCARE EXPENSES

Unreimbursed childcare expenses for children under 13 may be deducted from annual income if they enable an adult to work, actively seek work, attend school full time, or attend full-time vocational training.

In the case of a child attending private school, only before or after-hours care can be counted as childcare expenses.

If a tenant is eligible for the earned income disallowance, the amount of deduction for childcare expenses necessary to permit employment shall not exceed the amount of employment income that is included in annual income. Therefore, the disregarded or excluded amounts cannot be used in determining the cap for the childcare expense deduction.

Childcare expenses must be reasonable. Reasonable is determined by what the average childcare rates are in the PHA's jurisdiction.

Allowability of deductions for childcare expenses is based on the following guidelines:

Childcare to work: The maximum childcare expense allowed must be less than the amount earned by the person enabled to work. The "person enabled to work" will be the adult member of the household who earns the least amount of income from working.

Childcare for school: The number of hours claimed for childcare may not exceed the number of hours the family member is attending school (including [one hour/other amount] travel time to and from school).

Amount of Expense: The PHA will survey the local care providers in the community to determine what is reasonable. The PHA will use the collected data as a guideline. If the hourly rate materially exceeds the guideline, the PHA may calculate the allowance using the guideline.

R. MEDICAL EXPENSES [24 CFR 5.603]

Medical expenses are allowed only for elderly or disabled families, with a head of household or spouse who is elderly, disabled, or both. The IRS Publication 502 may be used as a guide to assist in determining allowable medical expenses in instances when the regulations or this Policy are unclear.

Medical expenses are expenses anticipated for the 12 months following certification or recertification, which are not covered by an outside source such as insurance, and which exceed three percent of the gross annual income of the family.

A Medicare Prescription Drug Program subsidy is not counted as income. All actual out-of-pocket expenses for prescription drugs purchased through the Medicare Prescription Drug Program are allowed as a medical expense deduction.

Families, who claim medical expenses, must submit a certification indicating if medical expenses have been, or will be, reimbursed by an outside source. It is the responsibility of the family to provide documentation of expenses in the format required by the HACSD. Expenses supported by confusing, unclear, or non-descriptive documentation will be disallowed. All medical expense claims will be verified by one or more of the methods listed below:

Written verification by a California licensed doctor, hospital, clinic personnel, dentist, pharmacist, of (a) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and (b) the expenses to be reimbursed by an insurance or a government agency

Written confirmation by the insurance company, or employer, of health insurance premiums to be paid by the family

Written confirmation from the Social Security Administration on Medicare premiums to be paid by the family over the next twelve months. A computer printout, or copy of award letter indicating Medicare deductions, will be accepted

For attendant care:

A reliable, knowledgeable, professional's certification that the assistance of an attendant is necessary as a medical expense with a projection of the number of hours the care is needed

An attendant's written confirmation of the hours of care provided, and the amount and frequency of payments received from the family or agency (or copies of canceled checks the family used to make those payments) or pay stubs or written verification from the agency providing the services.

Receipts, canceled checks, or pay stubs that clearly reflect and describe medical costs and insurance expenses likely to be incurred in the next twelve months will be accepted.

Copies of payment agreements, or most recent invoices to verify payments made on outstanding medical bills will continue over all or part of the next twelve months.

Receipts or other records of medical expenses incurred during the past twelve months that can be used to anticipate future medical expenses may be accepted. The HACSD may use this approach for "general medical expenses," such as non-prescription drugs, and regular visits to doctors or dentists, but not for one time, nonrecurring expenses from the previous year.

Prescribed medicines and drugs: Must be prescribed by a doctor. The family must provide legible pharmacy receipts that clearly indicate the expense amount in U.S. dollars, date, and the type of medicine purchased

Nonprescription medicines: To be allowed, the family must provide a current medical professional's written recommendation for the necessity of their use as a form of treatment for a specific medical condition, the name of the medicine, and the quantity recommended. The family must also provide legible receipts that clearly indicate the amount in U.S. dollars, date, type and quantity of medicine purchased.

Herbal medicines: To be allowed, the family must provide a medical professional's written recommendation for the necessity of their use as a necessary treatment for a specific medical condition, the name of the herbal medicine, and the quantity recommended. The family must also provide legible receipts that clearly indicate the amount in U.S. dollars, date, type and quantity of herbal medicine purchased.

Vitamins: To be allowed, the vitamins must be prescribed, purchased from a pharmacy, and accompanied by a medical professional's written recommendation for the necessity of their use as a necessary treatment for a specific medical condition. The family must also provide legible

pharmacy receipts that clearly indicate the amount in U.S. dollars, date and type of vitamins purchased.

Mileage for San Diego County medical appointments: The HACSD will provide allowances for mileage expenses for medical appointments within San Diego County at the current IRS or departmental standard mileage rate, as long as copies of mileage logs are provided. The mileage logs must indicate the starting address, destination address, date of the trip, beginning and ending odometer readings, and the purpose of the trip. Only standard mileage, bus, cab, or trolley expenses will be allowed. Bus, trolley, or cab fare must be documented with legible receipts that provide the date and cost of the trip along with an explanation of the destination and purpose of the trip. Transportation expenses for medical appointments outside of San Diego County are not eligible medical expenses.

Medical services: To be allowed, the family must provide legible receipts that clearly indicate the medical services, the amount in U.S. dollars, dates of the services, the names and addresses of the medical providers, and if the providers are physicians, surgeons, specialists, or other medical practitioners.

Medical supplements in solid or liquid form: To be allowed, the supplements must be prescribed, purchased from a pharmacy, and accompany a medical professional's written recommendation for the necessity of their use as a treatment for a specific medical condition. The family must also provide legible pharmacy receipts that clearly indicate the amount in U.S. dollars, the date and type of supplements purchased.

Medical Insurance premiums: Must provide receipts or official documentation of current monthly premiums.

Ineligible Medical Expenses

Non-prescription medicines are limited to only those items found in the medicine aisle of a pharmacy and are only those items recommended for the treatment of a specific medical condition. Non-prescription medicines that are not for the treatment of a specific medical condition, but recommended to maintain general health, or as a preventative treatment, are not eligible expenses. Personal use items are not an eligible expense.

Medical treatments in non-traditional medical settings are not eligible medical expenses unless they are administered or supervised by a medical professional.

Chiropractic services will be considered allowable medical expenses.

Physical Therapy/Exercises to Treat a Specific Disease or Medical Condition

Physical and mental health therapy expenses for treatment at non-traditional[1] settings are allowed as deduction off of annual income for elderly and/or disabled families, providing the treatment is

[1] As opposed to traditional physical or mental health therapy administered by licensed medical personnel at their medical offices, medical facilities, or hospitals.

necessary to treat a specific disease or medical condition, is prescribed by a licensed medical professional, and providing the treatment is administered and/or directly supervised by a licensed medical professional.

The expense for the use of recreational facilities (e.g., health club, gym, spa, massage center, tennis court, etc.) not directly administered and/or supervised by a licensed medical professional to ensure the facilities are being used in the prescribed manner, is **not** an allowed medical expense.

A licensed medical professional must provide a written statement indicating the type of therapy that is needed by the patient, whether the therapy is necessary to treat a specific disease or medical condition, the number of hours per week or month the therapy is to be provided, the setting or settings where the therapy may be provided, and whether the therapy is needed on an ongoing basis or the specific period of time the therapy is needed.

A medical professional administering and/or supervising a therapy or treatment for a specific disease or medical condition must provide verification indicating the number of hours per week or month the medically prescribed therapy/treatment is being accessed.

In the case of allowed medical expenses for the use of recreational facilities, if the cost of the use of the facilities includes non-treatment services/activities, the medical expenses portion of the payment will be prorated based on the number of hours necessary to treat the specific disease/medical condition versus the overall number of hours the facility is available to the patient. For example, in the case of membership at a 24-hour/365 day fitness center at which the patient is prescribed one-hour daily/365 days a year of medically supervised exercises/physical therapy that are necessary to treat a specific medical condition or disease, the total allowable expenses would be 1/24th of the overall cost.

S. PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES [24 CFR 5.520]

Applicability

Proration of assistance must be offered to any "mixed" applicant or participant family. A "mixed" family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible members.

"Mixed" families that were participants on June 19, 1995, and that do not qualify for continued assistance must be offered prorated assistance. (See Chapter titled "Recertifications.") Applicant mixed families are entitled to prorated assistance. Families that become mixed after June 19, 1995, by addition of an ineligible member are entitled to prorated assistance.

Prorated TTP Calculation for Mixed Families

Prorated assistance will be calculated by subtracting the Total Tenant Payment from the applicable Maximum Rent for the unit the family occupies to determine the Family Maximum Subsidy. The family's TTP will be calculated by:

Dividing the Family Maximum Subsidy by the number of persons in the family to determine Member Maximum Subsidy.

Multiplying the Member Maximum Subsidy by the number of eligible family members to determine Eligible Subsidy.

Subtracting the amount of Eligible Subsidy from the applicable Maximum Rent for the unit the family occupies to get the family's Revised Total Tenant Payment.

Prorated Flat Rent for Mixed Families

Effective October 1, 2004, the maximum rents are the same as the flat rents.

T. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS

The PHA will not reduce the public housing rent for families whose welfare assistance is reduced specifically because of:

fraud; or

failure to participate in an economic self-sufficiency program; or

non-compliance with a work activities requirement

However, the PHA will reduce the rent if the welfare assistance reduction is a result of:

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

A situation where a family member has complied with welfare agency economic self-sufficiency or work activities requirements but cannot or has not obtained employment; or

A situation where a family member has not complied with other welfare agency requirements.

Imputed welfare income is the amount of annual income not actually received by a family as a result of a specified welfare benefit reduction that is included in the family’s income for rental contribution.

Imputed welfare income is not included in annual income if the family was not an assisted resident at the time of sanction.

The amount of imputed welfare income is offset by the amount of additional income a family receives that begins after the sanction was imposed.

> When additional income is at least equal to the imputed welfare income, the imputed welfare income is reduced to zero.

Verification Before Denying a Request to Reduce Rent

The PHA will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance *before* denying the family's request for rent reduction.

The welfare agency, at the request of the PHA, will inform the PHA of:

> amount and term of specified welfare benefit reduction for the family;
>
> reason for the reduction; and
>
> subsequent changes in term or amount of reduction.

Cooperation Agreements

The PHA has taken a proactive approach to culminating an effective working relationship between the PHA and the local welfare agency for the purpose of targeting economic self-sufficiency programs throughout the community that are available to public housing residents.

The PHA and the local welfare agency have mutually agreed to notify each other of any economic self-sufficiency and/or other appropriate programs or services that would benefit public housing residents.

U. UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS

If the cost of utilities (excluding telephone) is not included in the Tenant Rent, a utility allowance will be deducted from the total tenant payment. The Utility Allowance is intended to help defray the cost of utilities not included in the rent. The allowances are based on the monthly cost of reasonable consumption of utilities in an energy conservative household, *not* on a family's actual consumption.

When the Utility Allowance exceeds the family's Total Tenant Payment, the PHA will provide a Utility Reimbursement Payment for the family each month. The check will be made out directly to the resident.

Resident-Paid Utilities

The following requirements apply to residents living in developments with resident-paid utilities or applicants being admitted to such developments:

When the supplier of utilities offers a "budget" or level payment plan, it shall be suggested to the resident to pay his/her bills according to this plan. This protects the resident from large seasonal fluctuations in the cost of utilities and ensures adequate heat in the winter. If the family is receiving TANF, the PHA will encourage the family to consider a vendor payment plan for rent and utilities.

If a resident or applicant is unable to get utilities connected because of a previous balance owed to the utility company, the resident/applicant will not be permitted to move into a unit with resident paid utilities. This may mean that a current resident cannot transfer to a scattered site or that an applicant cannot be admitted to a unit with resident-paid utilities.

Paying the utility bill is the resident's obligation under the lease. Failure to pay utilities is grounds for eviction.

V. EXCESS UTILITY PAYMENTS

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

W. FAMILY CHOICE IN RENTS

Authority for Family to Select

The PHA shall provide for each family residing in a public housing unit to elect upon initial lease and annually whether the rent paid by such family shall be 1) determined based on family income or 2) the flat rent. The PHA may not at any time fail to provide both such rent options for any public housing unit owned, assisted or operated by the PHA.

Annual choice: The PHA shall provide for families residing in public housing units to elect annually whether to pay income-based or flat rent.

Allowable Rent Structures

Flat Rents

The PHA has established, for each dwelling unit in public housing, a flat rent amount for the dwelling unit, which:

Is based on the rental value of the unit, as determined by the PHA; and

Is designed so that the rent structures do not create a disincentive for continued residency in public housing by families who are attempting to become economically self-sufficient through employment or who have attained a level of self-sufficiency through their own efforts.

The PHA has set a flat rent for each public housing unit, based on the reasonable market value of the unit. The PHA's methodology is described in the PHA Agency Plan.

The PHA's flat rents are effective April 1, 2007 are as follows:

The PHA has used the San Diego County MarketPoint Advisors' most recent rental survey to establish flat rents indicated in the following table.

Development	**Flat Rent**
Towncentre Manor	
1 BR	$952
Melrose Manor	
2 BR	$1205
3 BR	$1458
L Street Manor	
3 BR	$1458
Dorothy St. Manor	
3 BR	$1458

The PHA shall review the income of all families paying flat rent not less than once every three years. The family composition shall be reviewed annually for all families, including those paying flat rent.

Income-Based Rents

The monthly Total Tenant Payment amount for a family shall be an amount, as verified by the PHA, that does not exceed the greatest of the following amounts:

30 percent of the family's monthly adjusted income;

10 percent of the family's monthly income; or

The PHA's Minimum TTP of $0.

Switching Rent Determination Methods Because of Hardship Circumstances

In the case of a family that has elected to pay the PHA's flat rent, the PHA shall immediately provide for the family to pay rent in the amount determined under income-based rent, during the period for which such choice was made, upon a determination that the family is unable to pay the flat rent because of financial hardship, including:
Situations in which the income of the family has decreased because of changed circumstances, loss of or reduction of employment, death in the family, and reduction in or loss of income or other assistance;

An increase, because of changed circumstances, in the family's expenses for medical costs, childcare, transportation, education, or similar items; and

Such other situations as may be determined by the PHA.

All hardship situations will be verified.

Once a family switches to income-based rent due to hardship, the family must wait until the next annual reexamination to elect whether to pay income-based rent or flat rent.

Annual Reexamination

90 to 120 days in advance of the annual reexamination, the family will be sent a form from the PHA, on which the family will indicate whether they choose flat rent or income-based rent. The PHA form will state what the flat rent would be, and an estimate, based on current information, what the family's income-based rent would be.

If the family indicates they choose flat rent, the family will fill out and return a PHA form to certify family composition. This form will be retained in the tenant file.

If the family indicates they choose income-based rent, a reexamination appointment will be scheduled according to PHA policy.

Chapter 7

VERIFICATION PROCEDURES

[24 CFR, Part 5, Subpart B; 24 CFR 960.259]

INTRODUCTION

HUD regulations require that the PHA verify the factors of eligibility and Total Tenant Payment. Applicants and program tenants must furnish proof of their statements whenever required by the PHA, and the information they provide must be true and complete. The PHA's verification procedures are designed to meet HUD's requirements and to maintain program integrity. This Chapter explains the PHA's procedures and standards for verification of preferences, income, assets, allowable deductions, family status, and when there are changes in family members. The PHA will ensure that proper authorization for release of information is always obtained from the family before making verification inquiries.

A. METHODS OF VERIFICATION AND TIME ALLOWED

The PHA must verify information through the four methods of verification acceptable to HUD in the following order:

1. **Up-front Income Verification:** The PHA's first choice is up-front income verification (UIV) which includes sources of information taken directly from on-line systems, such as from the Tenant Assessment Subsystem (TASS), Enterprise Income Verification (EIV) System, direct on-line information from the local welfare system, the WorkNumber, etc.
2. **Third-Party Written**: The PHA's second choice is a written third party verification to substantiate claims made by an applicant or resident.
3. **Third-Party Oral**: The PHA may also use telephone verifications.
4. **Review of Documents**: The PHA will review documents, when relevant, to substantiate the claim of an applicant or resident.
5. **Family Certification**: A **[notarized]** family certification will be accepted when no other form of verification is available.

If UIV or third party verification is not possible to obtain directly from the source, PHA staff will document the file as to why third party verification was impossible to obtain and attempt to obtain an oral third party, and document this attempt, before another method is used (such as reviewing documents families provide.) (See Chapter on Applying for Admission.)

The PHA will not delay the processing of an application beyond ten days because a third party information provider does not return the verification in a timely manner.

For applicants, verifications may not be more than 120 days old at the time of a unit offer. For tenants, they are valid for 120 from date of receipt.

Up-front Income Verification

Up-front income verification (UIV) is information provided directly from a central information collection point, which includes the HUD Tenant Assessment Subsystem (TASS) for social security and supplementary security (SSI) income, the WorkNumber for wage income information, the local public assistance provider on-line informational link for Cal Works or TANF income, etc. If this income information is received from this source and is reliable, no other verification is required.

A UIV taken from the EIV system will not be disclosed to any party but the party the information pertains to, even if another party provides a release of information. The UIV information taken from the EIV system may not be used to take an adverse action against the family, but must be confirmed with a third party verification before any action is taken.

If the UIV income information is less than the family's income figure, the PHA will use the family information.

If the UIV income information is more than the family's income figure, the PHA will use the UIV, unless the family provides documentation of a change in circumstances the explain the discrepancy (e.g., a reduction in work hours). Upon receipt of acceptable family-provided documentation of a change in circumstances, the PHA will use the family-provided information.

If the UIV information for particular income sources differs from the information provided by the family by $200 or more per month, the PHA will follow these guidelines:

Request a written third party verification from the discrepant income source in accordance with (24 CFR 45.236(b) (3)(i).

When the PHA cannot readily anticipate income (e.g., in cases of seasonable employment, unstable working hours, suspected fraud) the PHA will review historical income data for patterns of employment, paid benefits, and receipt of other income.

The PHA will analyze all UIV, third-party, and family-provided data and attempt to resolve the income discrepancy.

The PHA will use the most current income data and, if appropriate, historical income data to calculate the anticipated annual income.

Third-Party Written Verification

Third-party verification is used to verify information directly with the source. Third-party written verification forms will be sent and returned via first class mail. The family will be required to sign an authorization for the information to authorize the source to release the specified information.

Verifications received electronically directly from the source are considered third-party written verifications.

Third-Party Oral Verification

Oral third-party verification will be used when written third-party verification is delayed or not possible. When third-party oral verification is used, staff will be required to complete an oral contact certification form, noting with whom they spoke, the date of the conversation, and the facts provided. If oral third party verification is not available, the PHA will compare the information to any documents provided by the Family. If provided by telephone, the PHA must originate the call.

Review of Documents

In the event that third-party written or oral verification is unavailable, and/or the written third-party information has not been provided by the third party within ten days, the PHA will utilize documents provided by the family as the primary source, if the documents provide complete information.

All such documents, excluding government checks, will be photocopied and retained in the applicant file. In cases where documents are viewed which cannot be photocopied, staff viewing the document(s) will complete a certification form.

The PHA will accept the following documents from the family provided that the document is such that tampering would be easily noted:

Printed wage stubs

Computer printouts from the employer

Signed letters (provided that the information is notarized or confirmed by phone)

Other documents noted in this Chapter as acceptable verification

The PHA may accept faxed documents.

The PHA may accept legible photocopies.

If third-party verification is received after documents have been accepted as provisional verification, and there is a discrepancy, the PHA will utilize the third party verification.

Self-certification/Self-declaration

When verification cannot be made by third-party verification or review of documents, families will be required to submit self-certification.

Self-certification means a notarized statement under penalty of perjury.

B. RELEASE OF INFORMATION

All adults, and head of house and spouse regardless of age, are required to sign HUD form 9886, Authorization for Release of Information/Privacy Act Notice.

In addition, the family will be required to sign specific authorization forms when information is needed that is not covered by the HUD form 9886.

Each member requested to consent to the release of information will be provided with a copy of the appropriate forms for their review and signature.

Family refusal to cooperate with the HUD prescribed verification system will result in denial of admission or termination of tenancy because it is a family obligation under tenancy to supply any information requested by the PHA or HUD. Family members may not alter or amend required release forms or declarations. To do so would be handled as a failure to provide.

C. COMPUTER MATCHING

HUD has temporarily suspended income matching for years 1998 and forward.

When the PHA receives notification from HUD that a family has been sent an "income discrepancy" letter, the PHA will:

Wait 40 days after the date of notification before contacting tenant.

The PHA will fully document the contact in the tenant's file, including a copy of the letter to the family.

When the family provides the required information, the PHA will verify the accuracy of the income information received from the family, review the PHA's interim recertification policy, will identify unreported income, will charge retroactive rent as appropriate, and change the amount of rent or terminate assistance, as appropriate, based on the information.

If the amount of rent owed to the PHA exceeds $1000, the PHA will seek to terminate assistance.

<u>If tenant fails to respond to PHA</u>:

The PHA will ask HUD to send a second letter.

After an additional 40 days, the PHA will ask HUD to send a third letter.

After an additional 40 days, the PHA will send a letter to the head of household, warning of the consequences if the family fails to contact the PHA within two weeks.

<u>If tenant claims a letter from HUD was not received:</u>

The PHA will ask HUD to send a second letter with a verified address for the tenant.

After 40 days, the PHA will contact the tenant family.

If the tenant family still claims they have not received a letter, the PHA will ask HUD to send a third letter.

After an additional 40 days, the PHA will set up a meeting with the family to complete IRS forms 4506 and 8821.

If the tenant family fails to meet with the PHA or will not sign the IRS forms, the PHA will send a warning letter to the head of household, notifying the family that termination proceedings will begin within one week if the tenant fails to meet with the PHA and/or sign forms.

If tenant does receive a discrepancy letter from HUD:

The PHA will set up a meeting with the family.

If the family fails to attend the meeting, the PHA will reschedule the meeting.

If the family fails to attend the second meeting, the PHA will send a termination warning.

The family must bring the original HUD discrepancy letter to the PHA.

If tenant disagrees with the Federal tax data contained in the HUD discrepancy letter:

The PHA will ask the tenant to provide documented proof that the tax data is incorrect.

If the tenant does not provide documented proof, the PHA will obtain proof to verify the Federal tax data using third party verification.

D. ITEMS TO BE VERIFIED

All income not specifically excluded by the regulations.

Excluded income to the extent necessary to determine its excluded income status

Zero or minimal income applicants and residents will be required to complete a family expense form at each certification or recertification interview.

Full-time student status including High School students who are 18 or over.

Current assets including assets disposed of for less than fair market value in preceding two years.

Child care expense where it allows an adult family member to be employed, seek employment or to further his/her education.

Total medical expenses of all family members in households whose head or spouse is elderly or disabled.

Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus that allow an adult family member to be employed.

Legal Identity

U.S. citizenship/eligible immigrant status.

Social Security Numbers for all family members 6 years of age or older or certification that a family member does not have a Social Security Number.

Preference status, based upon PHA preferences.

Familial/Marital status when needed for head or spouse definition.

Disability for determination of preferences, allowances or deductions.

Training program

E. VERIFICATION OF INCOME

This section defines the methods the PHA will use to verify various types of income.

Employment Income

Verification forms request the employer to specify the:

Dates of employment

Amount and frequency of pay

Date of the last pay increase

Likelihood of change of employment status and effective date of any known salary increase during the next 12 months

Year to date earnings

Estimated income from overtime, tips, and bonus pay expected during next 12 months

Acceptable methods of verification include:

1. Employment verification form completed by the employer.

2. Check stubs or earning statements that indicate the employee's gross pay, frequency of pay or year to date earnings.

3. W-2 forms plus income tax return forms.

4. Income tax returns signed by the family may be used for verifying self-employment income, or income from tips and other gratuities.

Applicants and program tenants may be requested to sign an authorization for release of information from the Internal Revenue Service for further verification of income.

In cases where there are questions about the validity of information provided by the family, the PHA will require the most recent federal income tax statements.

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

Social Security, Pensions, Supplemental Security Income (SSI), Disability Income

Acceptable methods of verification include:

1. Benefit verification form completed by agency providing the benefits

2. Computer report electronically obtained or in hard copy.

3. Award or benefit notification letters prepared and signed by the providing agency.

4. Bank statements for direct deposits.

Unemployment Compensation

Acceptable methods of verification include:

1. Computer report electronically obtained or in hard copy, stating payment dates and amounts

2. Verification form completed by the unemployment compensation agency.

3. Payment Stubs

Welfare Payments or General Assistance

Acceptable methods of verification include:

1. PHA verification form completed by payment provider.

2. Written statement from payment provider indicating the amount of grant/payment, start date of payments, and anticipated changes in payment in the next 12 months.

3. Computer-generated Notice of Action.

4. Computer-generated list of recipients from Welfare Department.

Alimony or Child Support Payments

Acceptable methods of verification include:

1. Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules.

2. A notarized letter from the person paying the support.

3. Family's self-certification of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received.

4. If payments are irregular, the family must provide:

   A copy of the separation or settlement agreement, or a divorce decree stating the amount and type of support and payment schedules.

   A statement from the agency responsible for enforcing payments to show that the family has filed for enforcement.

   A notarized affidavit from the family indicating the amount(s) received.

   A welfare Notice of Action showing amounts received by the welfare agency for child support.

   A written statement from an attorney certifying that a collection or enforcement action has been filed.

Net Income from a Business

In order to verify the net income from a business, the PHA will view IRS and financial documents from prior years and use this information to anticipate the income for the next 12 months. The family must compile the information in a manner acceptable to the PHA, including recording the information in ledger records.

Acceptable methods of verification include:

1. IRS Form 1040, including:

   Schedule C (Small Business)

Schedule E (Rental Property Income)

Schedule F (Farm Income)

If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules.

2. Audited or unaudited financial statement(s) of the business.

3. Credit report or loan application.

4. Documents such as manifests, appointment books, cashbooks, bank statements, and receipts will be used as a guide for the prior six months (or lesser period if not in business for six months) to project income for the next 12 months. The family will be advised to maintain these documents in the future if they are not available.

5. Family's self-certification/notarized statement as to net income realized from the business during previous years.

The PHA may request the documentation identified in #4 above, regardless of the verification used.

Childcare Business

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

If the applicant/tenant is operating a "cash and carry" operation (licensed or not), the PHA will require the applicant/tenant to complete a form for each customer giving: name of person(s) whose child(ren) is/are being cared for, phone number, number of hours child is being cared for, method of payment (check/cash), amount paid, and signature of person.

If the family has filed a tax return, the family will be required to provide it.

Recurring Gifts

The family must furnish a notarized statement that contains the following information:

The person who provides the gifts

The value of the gifts

The regularity (dates) of the gifts

The purpose of the gifts

Zero or Minimal Income Status

Families claiming to have zero or minimal income will be required to execute verification forms to determine that forms of income such as unemployment benefits, AFDC, SSI, etc. are not being received by the household.

The PHA may check records of other departments in the jurisdiction (such as government utilities) that have information about income sources of customers.

Full-Time Student Status

Only the first $480 of the earned income of full time students 18 years of age or older, other than head or spouse, will be counted towards family income.

Financial aid, scholarships and grants received by full time students are not counted towards family income.

Verification of full time student status includes:

Written verification from the registrar's office or other school official.

School records indicating enrollment for sufficient number of credits to be considered a full-time student by the educational institution.

Verification of Income Exclusions

The PHA will attempt third party verification of income exclusions wherever possible.

When third party verification of income exclusions is not possible or practical, a review of documents or notarized self-certification will be obtained**.**

Exclusions from income that must be verified and reported on the 50058 include the following:

Expenditures for business expansion.

The interest portion of payments on capital indebtedness used as business deductions

Withdrawals of cash or assets from a professional or business operation if it is verified the withdrawal is a reimbursement for cash or assets invested in the operation by the family.

Business asset depreciation is not allowed as an income exclusion

Income from employment of children or foster children under 18 years old.

Earnings in excess of $480 for each full-time student 18 years old or older (excluding head or household and spouse).

Earned income disallowance.

Amounts earned by temporary Census employees; terms of employment may not exceed 180 days for the purposes of the exclusion.

Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed $200 per month) received by the resident for performing a service for the PHA, on a part-time basis, that enhances the quality of life in the development.

Stipends to reimburse residents for expenses for serving as members of the PHA governing board or commission.

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

Other military pay specifically excluded by law (e.g. Desert Storm active duty).

Income of a live-in aide.

Earnings and benefits from employment training programs funded by HUD.

Reimbursement for out-of-pocket expenses while attending a public assisted training program.

Incremental earnings and benefits from participation in qualifying state and local employment programs.

Payments to volunteers under the Domestic Volunteer Services Act.

Payments received under programs funded in whole or in part under the Workforce Investment Act (WIA) (formerly known as the Job Training Partnership Act (JTPA)).

Earnings and benefits to any family member from an employment training and supportive services program during the exclusion period. The exclusion is applicable only if the family was admitted to the qualifying program prior to October 1, 1999.

Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home.

Food stamps.

Annual Imputed Welfare Income if the family was not an assisted resident at the time of sanction.

Nonrecurring, short-term benefits under TANF assistance that:

Are designed to deal with a specific crisis situation or episode of need;

Are not intended to meet recurrent or ongoing needs; and

Will not extend beyond four months.

Work subsidies under TANF assistance (i.e., payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, and training).

Supportive services under TANF assistance such as child care and transportation provided to families who are employed.

Refundable earned income tax credits.

Individual Development Accounts under TANF.

Services provided under TANF assistance such as counseling, case management, peer support, child care information and referral, transitional services, job retention, job advancement, and other employment-related services that do not provide basic income support.

Transportation benefits under TANF assistance provided under a Job Access or Reverse Commute project, pursuant to section 404(k) of the Act, to an individual who is not otherwise receiving assistance.

Lump-sum pension benefits payable as a death benefit.

Deferred periodic amounts from SSI benefits that the family member received in a lump sum amount or in prospective monthly amounts.

Amounts received by a person with a disability that are disregarded for a limited time for purposes of SSI eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS).

Deferred periodic amounts from Social Security benefits that the family member received in a lump sum amount or in prospective monthly amounts.

Childcare assistance arranged or provided under the Child Care and Development Block Grant Act.

Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member.

Payments received under the Alaska Native Claims Settlement Act.

Income derived from certain sub marginal land or the United States that is held in trust for certain Indian tribes.

Income derived from the disposition of funds of the Grand River Band of Ottawa Indians.

The first $2000 of per capita shares from judgment funds awarded by Indian Claims.

Payments received under the Maine Indian Claims Settlement Act of 1980.

Payments received by Indian Claims Commission to the Confederate Tribes and Bands of the Yakima Indian Nation or the Apache Tribe of the Mescalero Reservation.

The first $2000 of income received by individual Indians derived from interests or trust or restricted land.

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

Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses.

Full amount of student financial assistance and paid directly to the student or to the educational institution, excluding the housing component of athletic scholarships which must be counted as income.

Temporary, nonrecurring or sporadic income (including gifts).

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.

Adoption assistance payments in excess of $480 per adopted child.

Refunds or rebates under state or local law for property taxes paid on dwelling unit.

Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply.

Payments or allowances under DHHS' low-income home energy assistance program (LIHEAP).

Federal scholarships funded under Title IV of The Higher Education Act of 1965, including awards under the Federal work study program or under the Bureau of Indian Affairs student assistance program.

Payments received from programs funded under Title V of the Older Americans Act of 1965.

Payments received on or after January 1, 1989 from the Agent Orange Settlement Fund or any fund established pursuant to the settlement in the In Re Agent Orange product liability litigation.

Earned Income Tax Credit refund tax payments.

Any allowance paid under provisions of 38 U.S.C. 1805 to a child suffering from spina bifida who is a child of a Vietnam Veteran.

Any amount of crime victim compensation that the applicant (under the Victims Crime Act) receives through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims Crime Act because of the commission of a crime against the applicant.

F. INCOME FROM ASSETS

If total family assets total $5000 or less, no verification will be required due to the negligible impact on family rent.

Acceptable methods of verification include:

Savings Account Interest Income and Dividends

Will be verified by:

1. Account statements, passbooks, certificates of deposit, or PHA verification forms completed by the financial institution.

2. Broker's statements showing value of stocks or bonds and the earnings credited the family. Earnings can be obtained from current newspaper quotations or oral broker's verification.

3. IRS Form 1099 from the financial institution provided that the PHA must adjust the information to project earnings expected for the next 12 months.

Interest Income from Mortgages or Similar Arrangements

1. A letter from an accountant, attorney, real estate broker, the buyer, or a financial institution stating interest due for next 12 months. (A copy of the check paid by the buyer to the family is not sufficient unless a breakdown of interest and principal is shown.)

2. Amortization schedule showing interest for the 12 months following the effective date of the certification or recertification.

Net Rental Income from Property Owned by Family

1. IRS Form 1040 with Schedule E (Rental Income).

2. Copies of latest rent receipts, leases, or other documentation of rent amounts.

3. Documentation of allowable operating expenses of the property: tax statements, insurance invoices, and bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.

4. Lessee's written statement verifying rent payments to the family and family's notarized statement as to net income realized.

G. VERIFICATION OF ASSETS

Family Assets

The HACSD will require the information necessary to determine the current cash value of the family's assets. "Cash value" is the net amount the family would receive if the assets were converted to cash. Assets totaling $5,000.00 or less will not be verified by third party verification because of the negligible impact on the HAP amount and family rent, although that asset, as reflected on family provided documentation, will be reflected in the family's rent calculations.

Due to the added administrative cost, the HACSD will not attempt a third party verification of any asset in which the source collects a service charge of $1.00 or more and the family has available original documents, such as bank statements. If the family cannot provide original documents, the HACSD will pay the service charge for the third party verifications.

Verification forms, letters, or documents from a financial institution or broker.

Passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker.

Quotes from a stockbroker or realty agent as to net amount family would receive if they liquidated securities or real estate.

Real estate tax statements if the approximate current market value can be deduced from assessment.

Financial statements for business assets.

Copies of closing documents showing the selling price and the distribution of the sales proceeds.

Appraisals of personal property held as an investment.

Family's Notarized Statement describing assets or cash held at the family's home or in safe deposit boxes.

Assets Disposed of for Less than Fair Market Value (FMV) during two years preceding effective date of certification or recertification.

For all Certifications and Recertifications, the PHA will obtain the Family's certification as to whether any member has disposed of assets for more than $10,000 less than fair market value during the two years preceding the effective date of the certification or recertification.

If the family certifies that they have disposed of assets for more than $10,000 less than fair market value, a certificaton is required that shows: (a) all assets disposed of for less than FMV, (b) the date they were disposed of, (c) the amount the family received, and (d) the market value of the assets at the time of disposition. Third party verification will be obtained wherever possible.

H. VERIFICATION OF ALLOWABLE DEDUCTIONS FROM INCOME

Childcare Expenses

Written verification from the person who receives the payments is required. If the childcare provider is an individual, s/he must provide a statement of the amount they are charging the family for their services.

Verifications must specify the childcare provider's name, address, telephone number, Tax Identification Number, the names of the children cared for, the number and schedule of hours the child care occurs, the rate of pay, and the typical yearly amount paid, including school and vacation periods.

Family's certification as to whether any of those payments have been or will be paid or reimbursed by outside sources.

Medical and Disability Assistance Expenses

Families who claim medical expenses or expenses to assist a person(s) with disabilities will be required to submit a certification as to whether or not any expense payments have been, or will be, reimbursed by an outside source. All expense claims will be verified by one or more of the methods listed below:

> Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, of (a) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and (b) extent to which those expenses will be reimbursed by insurance or a government agency.
>
> Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family.

Written confirmation from the Social Security Administration of Medicare premiums to be paid by the family over the next 12 months. A computer printout will be accepted. For attendant care:

Reliable, knowledgeable professional's certification that the assistance of an attendant is necessary as a medical expense and a projection of the number of hours the care is needed for calculation purposes.

Attendant's written confirmation of hours of care provided and amount and frequency of payments received from the family or agency (or copies of canceled checks the family used to make those payments) or stubs from the agency providing the services.

Receipts, canceled checks, or pay stubs that verify medical costs and insurance expenses likely to be incurred in the next 12 months.

Copies of payment agreements or most recent invoice that verify payments made on outstanding medical bills that will continue over all or part of the next 12 months.

Receipts or other record of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. PHA may use this approach for "general medical expenses" such as non-prescription drugs and regular visits to doctors or dentists, but not for one-time, nonrecurring expenses from the previous year. The PHA will use mileage at the IRS rate, or cab, bus fare, or other public transportation cost for verification of the cost of transportation directly related to medical treatment.

Assistance to Persons with Disabilities

In All Cases:

Written certification from a reliable, knowledgeable professional that the person with disabilities requires the services of an attendant and/or the use of auxiliary apparatus to permit him/her to be employed or to function sufficiently independently to enable another family member to be employed.

Family's certification as to whether they receive reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.

Attendant Care:

Attendant's written certification of amount received from the family, frequency of receipt, and hours of care provided.

Certification of family and attendant and/or copies of canceled checks family used to make payments.

Auxiliary Apparatus:

Receipts for purchases or proof of monthly payments and maintenance expenses for auxiliary apparatus.

In the case where the person with disabilities is employed, a statement from the employer that the auxiliary apparatus is necessary for employment.

I. VERIFYING NON-FINANCIAL FACTORS

Verification of Being the Victim of Domestic Violence, Dating Violence, or Stalking

There must be documentation that indicates the time frame that the violent acts occurred and whether they were directly attributable to the violations. The documentation must be one of the two following source:

Police or court records

Statement from a professional with expertise in the three categories of violent acts who states under penalty of perjury of knowledge of the violent acts based on working with the victim.

A certified statement from the victim is not in itself sufficient documentation.

Verification of Legal Identity

In order to prevent program abuse, the PHA will require applicants to furnish verification of legal identity for all family members. All adult family members must provide a state picture identification or driver's license.

The documents listed below will be considered acceptable verification of legal identity for adults. If a document submitted by a family is illegible or otherwise questionable, more than one of these documents may be required.

Certificate of Birth, naturalization papers

Church issued baptismal certificate

Current, valid Driver's license

U.S. military discharge (DD 214)

U.S. passport

Voter's registration

Company/agency Identification Card

Department of Motor Vehicles Identification Card

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

Certificate of Birth

Adoption papers

Custody agreement

Health and Human Services ID

School records

If none of these documents can be provided, a third party who knows the person may, at the PHA's discretion, provide verification.

Verification of Marital Status

Verification of divorce status will be a certified copy of the divorce decree, signed by a Court Officer.

Verification of a separation may be a copy of court-ordered maintenance or other records.

Verification of marriage status is a marriage certificate.

Familial Relationships

Certification will normally be considered sufficient verification of family relationships. In cases where reasonable doubt exists, the family may be asked to provide verification.

The following verifications will be required if certification is insufficient:

Verification of relationship:

Official identification showing name

Birth Certificates

Baptismal certificates

Verification of guardianship is:

Court-ordered assignment
Affidavit of parent

Verification from social services agency

School records

Evidence of an established family relationship:

Joint bank accounts or other shared financial transactions

Leases or other evidence of prior cohabitation

Credit reports showing relationship

Split Households: Domestic Violence

Verification of domestic violence when assessing applicant split households includes:

Shelter for battered persons

Police reports

District Attorney's office

Verification of Permanent Absence of Adult Member

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

Husband or wife institutes divorce action.

Husband or wife institutes legal separation.

Order of protection/restraining order obtained by one family member against another.

Proof of another home address, such as utility bills, canceled checks for rent, drivers license, or lease or rental agreement, if available.

Statements from other agencies such as social services that the adult family member is no longer living at that location.

If no other proof can be provided, the PHA will accept a Notarized Statement from the family.

If the adult family member is incarcerated, a document from the Court or prison should be obtained stating how long they will be incarcerated.

Verification of Change in Family Composition

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

Verification of Disability

Verification of disability must be receipt of SSI or SSA disability payments under 42 U.S.C. Section 423(d)(1)(A) of the Social Security Act or 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(8) or verified by appropriate diagnostician such as physician, psychiatrist, psychologist, therapist, rehabilitation specialist, or licensed social worker, using the HUD language as the verification format.

Verification of Citizenship/Eligible Immigrant Status

To be eligible for assistance, individuals must be U.S. citizens or eligible immigrants.

Individuals who are neither may elect not to contend their status. Eligible immigrants must fall into one of the categories specified by the regulations and must have their status verified by Immigration and Naturalization Service (INS). Each family member must declare their status once. Assistance cannot be delayed, denied, or terminated while verification of status is pending except that assistance to applicants may be delayed while the PHA hearing is pending.

> Citizens or Nationals of the United States are required to sign a declaration under penalty of perjury.
>
> Eligible Immigrants who are 62 or over are required to sign a declaration of eligible immigration status and provide proof of age.
>
> Noncitizens with eligible immigration status must sign a declaration of status and verification consent form and provide their original immigration documents which are copied front and back and returned to the family. The PHA verifies the status through the INS SAVE system. If this primary verification fails to verify status, the PHA must request within ten days that the INS conduct a manual search.
>
> Family members who do not claim to be citizens or eligible immigrants must be listed on a statement of non-contending family members signed by the head of household or spouse.
>
> Noncitizen students on student visas are ineligible members even though they are in the country lawfully. They must provide their student visa but their status will not be verified and they do not sign a declaration but are listed on the statement of non-contending members.

Failure to Provide. If an applicant or tenant family member fails to sign required declarations and consent forms or provide documents, as required, they must be listed as an ineligible member. If the entire family fails to provide and sign as required, the family may be denied or terminated for failure to provide required information.

Time of Verification. For applicants, verification of U.S. citizenship/eligible immigrant status occurs at the same time as verification of other factors of eligibility for final eligibility

determination. For tenant families, it is done at the first regular recertification after June 19, 1995. PHAs that previously elected to "opt out" must immediately commence verification of families for whom eligibility status has not been undertaken. For family members added after other members have been verified, the verification occurs at the first recertification after the new member moves in. Once verification has been completed for any covered program, it need not be repeated except that, in the case of port-in families, if the initial PHA does not supply the documents, the PHA must conduct the determination.

Extensions of Time to Provide Documents. The PHA will grant an extension of 30 days for families to submit evidence of eligible immigrant status.

Acceptable Documents of Eligible Immigration. The regulations stipulate that only the following documents are acceptable unless changes are published in the Federal Register.

Resident Alien Card (I-551)

Alien Registration Receipt Card (I-151)

Arrival-Departure Record (I-94)

Temporary Resident Card (I-688)

Employment Authorization Card (I-688B)

Receipt issued by the INS for issuance of replacement of any of the above documents that shows individual's entitlement has been verified

A birth certificate is not acceptable verification of status. All documents in connection with U.S. citizenship/eligible immigrant status must be kept five years.

Verification of Social Security Numbers

Social security numbers must be provided as a condition of eligibility for all family members six and over if they have been issued a number. Verification of Social Security numbers will be done through a Social Security Card issued by the Social Security Administration.

If a family member cannot produce a Social Security Card, only the documents listed below showing his/her Social Security Number may be used for verification. The family is also required to certify in writing that the document(s) submitted in lieu of the Social Security Card information provided is/are complete and accurate:

A valid driver's license

Identification card issued by a Federal, State or local agency

Identification card issued by a medical insurance company or provider (including Medicare and Medicaid)

An identification card issued by a medical insurance company

Earnings statements or payroll stubs

Bank Statements

IRS Form 1099

Benefit award letters from government agencies

Retirement benefit letter

Life insurance policies

Court records (real estate, tax notices, marriage, divorce, judgment or bankruptcy records)

Verification of benefits or SSN from Social Security Administration

New family members ages six and older will be required to produce their Social Security Card or provide the substitute documentation described above together with their certification that the substitute information provided is complete and accurate. This information is to be provided at the time the change in family composition is reported to the PHA.

If an applicant or tenant is able to disclose the Social Security Number but cannot meet the documentation requirements, the applicant or tenant must sign a certification to that effect provided by the PHA. The applicant/tenant or family member will have an additional 60 days to provide proof of the Social Security Number. If they fail to provide this documentation, the family's tenancy will be terminated.

In the case of an individual at least 62 years of age, the PHA may grant an extension for an additional 60 days up to a total of 120 days. If, at the end of this time, the elderly individual has not provided documentation, the family's tenancy will be terminated.

If the family member states they have not been issued a number, the family member will be required to sign a certification to this effect.

Medical Need for Larger Unit

A written certification that a larger unit is necessary must be obtained from a reliable, knowledgeable professional.

J. VERIFICATION OF SUITABILITY FOR ADMISSION

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

Criminal History Reports

Prior landlord references

Physicians, social workers, and other health professionals

Housing Authority of the County of San Diego and Other PHAs (to whom the family may owe debt)

(See chapter on Eligibility.)

Ability to meet financial obligations under the lease

All applicants will be subject to the following procedures to ensure their ability to meet financial obligations under the lease:

All applicants will be interviewed and asked questions about the basic elements of tenancy.

The PHA will access a Credit Report on all applicants prior to selection.

The PHA will determine if applicants owe any monies from previous tenancy or participation in any HUD housing program.

The PHA will independently verify the rent-paying history of all applicants for the previous five years directly with the landlord(s).

Drug-related or violent criminal activity

The PHA will complete a criminal background check of all applicants including other adult members in the household, or any adult member for which criminal records are available.

Housekeeping

The PHA will obtain references from prior landlords for the previous five years to determine acceptable housekeeping standards.

The PHA may conduct a home visit prior to admission.

K. VERIFICATION OF WAITING LIST PREFERENCES [24 CFR 960.206]

Local Preferences

Super Preference for Participants of the Disaster Voucher Program (DVP)

For the family to be given a DVP super preference, it must be verified that the family's 18 month DVP assistance provided through the HACSD is ending within the next 90 days. The verification would be copies of the DVP contracts and a statement from the HACSD caseworker indicating that the family is in good standing under the DVP Program.

1. **Residency Preference:** For families, who live, work or have been hired to work in the jurisdiction of the PHA.

   In order to verify that an applicant is a resident, the PHA, with the exception of homeless applicants, will require a minimum of three of the following documents: rent receipts, leases, utility bills, employer or agency records, school records, drivers licenses, voters registration records, credit reports, statement from household with whom the family is residing.

   For families who have been hired to work in jurisdiction of the PHA, a statement from the employer will be required.

   For homeless applicants, self-declaration and documentation demonstrating they were living in San Diego County are sufficient.

2. **Veterans preference:** This preference is available to current members of the U.S. Military Armed Forces, veterans, or surviving spouses of veterans.

   The PHA will require U.S. government documents, which indicate that the applicant qualifies under the above definition.

3. **Working preference:** This preference is available for families with at least one member who is employed. The PHA will require a statement from the employer. The PHA will also give the benefit of this preference to families where the head of house or spouse is age 62 or older; and to families where the head of house or spouse meets the disability definition in CFR 5.403.

4. **Educational/Training tenants:** This preference is available for families who are graduates of or tenants in educational or training programs designed to prepare the individual for the job market. The PHA will require a statement from the agency or institution providing the education or training.

5. **Families with Dependent Children.** This preference is available to families who have dependent children who currently live or will be living with the family in the public housing unit. The PHA will require copies of birth certificates and social cards of the children, as well as absent parent and child support documentation, if applicable.

6. **Homeless.** This preference is available to those who are either without housing, or are residing in non-residential dwellings. The PHA will require documentation to verify that the family or individual is living in San Diego County, such as a driver's license, pay stub, etc. In addition, if the family or individual cannot provide documentation they were living in the jurisdiction of the PHA, a notarized declaration will be acceptable. Motel, food, or other receipts may be accepted as documentation of the residency preference.

Chapter 8

TRANSFER POLICY

INTRODUCTION

The transferring of families is a very costly procedure, both to the PHA and to the families. However, it is the policy of the PHA to permit a resident to transfer within or between housing developments when it is necessary to comply with occupancy standards; or when it will help accomplish the Affirmative Housing goals of the PHA. The transfer policy will be carried out in a manner that does not violate Fair Housing.

For purposes of this transfer policy the "losing development" refers to the unit from which the family is moving and the "gaining development" refers to the unit to which the family is transferring.

A. GENERAL STATEMENT

It is the policy of the PHA to require or permit resident transfers, within and/or between PHA public housing developments for the following reasons:

To abate dangerous and/or substandard living conditions.

To abate emergency life-threatening living conditions caused by third-party criminal activity;

To accommodate verified disability; and

To accommodate resident families that are determined to be an over- or under-housed by virtue of their family size.

If there is an absence of eligible applicants on the waiting list, a family may be approved to transfer for the following reasons:

Live closer to a place of employment; or

Live closer to a relative who will care for children of a working parent; or

Live closer to a required medical treatment center; or

Live in areas providing more opportunity for economic self-sufficiency; or

Move into a lower income public housing development (for a higher-income family).

The PHA will always consider a request to transfer as a reasonable accommodation for a person with a disability, such as a request to move from an upstairs to a downstairs unit for medical or accessibility reasons.

B. ELIGIBILITY FOR TRANSFER

In order to be determined eligible to receive a transfer, residents must submit the requisite documentation to the PHA, to substantiate their request, must pass a criminal history screening, and must be in good standing with the PHA.

Families transferring to another development must have paid the security deposit in full at the losing development. Any move-out charges will be posted to the new unit to be charged to the family.

Except in emergency situations, transfers will be denied when the family is:

Delinquent in their rent;

In the process of reexamination to determine rent and eligibility; or

About to be asked to move for reasons other than non-payment of rent.

Not in good standing with the PHA due to rental history or a history of disturbances.

The PHA will not grant a transfer request solely to accommodate neighbors who "cannot get along."

C. PRIORITY OF TRANSFERS

The Transfer Waiting list will be maintained in rank order according to the following priorities, subject to available vacancies:

Emergency

Executed within 48 hours of documentation, verification and approval.

Transfer will be within the housing development unless emergency transfer cannot be accomplished in this manner.

Medical hardship and accessibility

Executed within 60 days of documentation, verification and approval.

Transfer will be within the housing development unless appropriate unit is not available to meet the family's needs within the development.

Medical hardship and accessibility transfers are initiated by the PHA and/or written family request.

Underhoused (Overcrowded)

Executed when family's name reaches the top of transfer list and authorized unit is available. The family is not considered overcrowded until all sleeping areas, including the living room, is being utilized.

Transfer will be within the housing development unless size and type of unit required does not exist within that development's inventory

Transfers are initiated by the PHA and/or written family request.

Overhoused

Executed within 30 days of notification that an authorized unit will be available.

Transfer will be within the housing development unless the size and type of unit required does not exist within that development's inventory.

Transfers are initiated by the PHA and/or written family request.

Family above the Established Income Range moving into a development below the Established Income Range, or vice versa

Not applicable. The PHA is not subject to deconcentration and income-mixing requirements because each of its developments has less than 100 units

D. EMERGENCY TRANSFER

The PHA will authorize an emergency transfer for a participant family if one of the following conditions occurs:

The resident's unit has been damaged by fire, flood, or other causes to such a degree that the unit is not habitable, provided the damage was not the result of an intentional act, carelessness / or negligence on the part of the resident or a member of the resident's household.

The transfer of a victim of domestic violence, dating violence, or stalking is considered an Emergency transfer, providing there is a restraining order or police report to support the victim’s status.

E. SPECIAL CIRCUMSTANCES TRANSFER

The PHA will authorize transfers under special circumstances for a participant family if one of the following conditions occurs:

The resident's unit is being modernized or significantly remodeled.

In such cases the family may only be offered temporary relocation if allowed under Relocation Act provisions and may be allowed to return to their unit once rehabilitation is complete.

There is a reasonable fear of direct violence against the resident. Such transfer requests may include a fear of retaliation for witnessing an incident, or providing testimony or evidence in an eviction or criminal proceeding, or fear of being the victim of a hate crime.

The PHA will seek input from local law enforcement regarding all requests for transfers due to threat of violence.

Transfers due to threat of violence shall have priority over other transfers except for emergency transfers.

The PHA has a need, at the discretion of the Executive Director or designee, to transfer the resident family to another unit and the resident voluntarily agrees to such transfer.

F. MANDATORY TRANSFERS

If there is a required change in the size of unit due to being over-housed or overcrowded, it will be necessary for the resident to move to a unit of an appropriate size and a new lease will be executed.

If an appropriate unit is not available, the resident will be placed on a transfer list and moved to such unit when it does become available.

The PHA will place all families requiring a mandatory transfer due to occupancy standards on a transfer list, which will be reviewed for need-based transfers before any unit is offered to a family on the waiting list.

The family will be offered the next appropriately sized unit that becomes available after other such families already on the transfer list who are in need of the same size unit.

If a family that is required to move refuses the offered unit, the PHA will evaluate the reason for the refusal and determine if it is one of good cause. If the PHA determines that there is no good cause, the PHA will begin lease termination proceedings.

The PHA will consider the living area for occupancy standards so that the family may avoid losing their assistance.

The PHA will offer the family an opportunity for an informal conference before terminating the family's lease. The family will have 14 working days from the issue date of the Notice to Terminate to request an informal conference.

G. NON-MANDATORY TRANSFERS

When a unit becomes available, and after the transfer list has been reviewed for families requiring a mandatory transfer based on occupancy standards, the transfer list will be reviewed for other families needing a transfer due to disability or threat of violence. Others desiring a transfer will not be considered if there are eligible applicants on a waiting list.

If there is a participant family waiting for transfer to an available and appropriately sized unit, the participant family will be offered the unit.

If a family is on an inventory-wide transfer list and refuses an offered unit, they will be removed from the transfer list unless the PHA determines that the refusal was made for good cause. If so**,** the family will be allowed to remain in their unit and will remain on the transfer list until another unit is offered.

Good cause may be any of the following reasons:

> The new unit is more than 20 miles from the place of employment, job training program or school of at least one member of the family.
>
> Travel for medical treatment from the new unit would create a hardship for an elderly or disabled person.
>
> The inconvenience or undesirability of changing schools for any minor child will not be considered good cause.

H. MOVING COSTS

The resident, except when the transfer is due to uninhabitability, through no fault of the resident, or when the transfer is due to the need of the PHA, will pay all moving costs related to the transfer. The PHA will not pay moving costs to transfers that were necessary as a result of changes in family circumstances, such as family size, disability needs, etc.

I. SECURITY DEPOSITS

The family will be required to pay a new deposit and upon acceptance of a unit will be informed of the manner in which it is to be paid.

The PHA will require a new security deposit of all families that request a transfer for personal reasons.

Security deposits will always be transferred from the losing development to the gaining development minus any damage or cleaning charges applicable to the losing unit.

The resident will be billed for any charges that occur as a result of the resident moving out of the apartment.

J. PROCESSING TRANSFERS

There will be no lapsed time between move-out and move-in. Effective dates must not overlap nor will both projects carry the resident on their books at the same time.

The resident's records will show a continuous residence in public housing in one development or the other, but not in both projects at the same time.

K. REEXAMINATION DATE

An interim examination, verifying income only, will be conducted at the time of lease up and the family will have a new reexamination date.

Chapter 9

LEASING

[24 CFR 966.4]

INTRODUCTION

It is the PHA's policy that all units must be occupied pursuant to a dwelling lease agreement that complies with HUD's regulations [24 CFR Part 966]. This Chapter describes pre-leasing activities and the PHA's policies pertaining to lease execution, security deposits, other charges, and additions to the lease.

A. LEASE ORIENTATION

Upon execution of the lease, a PHA representative will provide a lease orientation to the family head and spouse. The orientation may be conducted with more than one family.

Orientation Agenda

When families attend the lease orientation, they will be provided with:

A copy of the Lease
A copy of the PHA's lease and grievance procedure
A copy of the House Rules
A copy of the PHA Newsletter

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

Applicable deposits and other charges
Provisions of the Lease
Family Choice of Rents
Orientation to the community
Unit maintenance and work orders
Explanation of occupancy forms
Terms of occupancy
Community Service
Lead-based paint disclosure notice
Lead hazard information pamphlet

B. LEASE REQUIREMENTS

The initial term of the lease will be for 12 months. The lease will renew automatically for 12-month terms except for noncompliance with the community service requirement, as described in the chapter on community service.

Because the lease automatically renews for terms of 12 months, an annual signing process is not required.

C. EXECUTION OF LEASE

The lease shall be executed by the head of household, spouse, and all other adult members of the household, and by an authorized representative of the PHA, prior to admission.

The head of household is the person who assumes legal and financial responsibility for the household and is listed on the application as head.

An appointment will be scheduled for the parties to execute the lease. One executed copy of the lease will be given to the tenant, and the PHA will retain one in the tenant's file. The lease is incorporated into this policy by reference. The lease document will reflect current PHA policies as well as applicable Federal, State and Local law.

The following provisions govern lease execution and amendments:

A lease is executed at the time of admission for all new tenants.

A new lease is executed at the time of the transfer of a tenant from one PHA unit to another (with no change in reexamination date).

If, for any reason, any signer of the lease ceases to be a member of the household, the lease will be amended by drawing a line through the party's name and both parties will be required to initial and date the change.

Lease signers must be persons legally eligible to execute contracts.

If no member of the household is qualified to sign a lease, a legal guardian may co-sign the lease, subject to PHA approval.

The names and date of birth of all household members are listed on the lease at initial occupancy and on the Application for Continued Occupancy each subsequent year. Only those persons listed on the most recent certification shall be permitted to occupy a dwelling unit.

Changes to tenant rents are made upon the preparation and execution of a "Notice of Rent Adjustment" by the PHA, which becomes an attachment to the lease. Documentation will be included in the tenant file to support proper notice.

Households that include a Live-In Attendant are required to execute a lease addendum authorizing the arrangement and describing the status of the attendant.

Households that include a Live-In Attendant will contain file documentation that the Live-In Attendant is not a party to the lease and is not entitled to PHA assistance, with the exception of occupancy while serving as the attendant for the participant family member.

The PHA may modify its form of lease from time to time, giving tenants an opportunity to comment on proposed changes and advance notice of the implementation of any changes. A tenant's refusal to accept permissible and reasonable lease modifications, or those modifications required by HUD, is grounds for termination of tenancy.

D. ADDITIONS TO THE LEASE

Except as indicted below, the PHA must approve requests for the addition of new members of the household prior to the actual move-in by the proposed new member.

Following receipt of a family's request for approval, the PHA will conduct a pre-admission screening, including the Criminal History Report, of the proposed new member. Only new members approved by the PHA will be added to the household.

Unrestricted Admissions
Additions through birth, adoption, court-awarded custody and the return of disabled or minor children to the household do not require prior approval, but the family is still required to report these additions within 14 days, and these additions are still subject to family eligibility requirements, such as criminal history prohibitions.

Partially Restricted Admissions
The addition of foster children is allowed with prior HACSD approval. They may not be added if the family will be overcrowded.

The addition of a live-in aide is allowed with prior HACSD approval. Live-in aides may not be added if the family will be overcrowded, but the family may transfer to accommodate the live-in aide.

Restricted Admissions
All admissions to the household not categorized above are limited to a total of two people in 12 months. However a family may not add a restricted admission for the first 12 months after initial occupancy of the unit. Each adult admission must have current income and steady income for the previous 12 months. If the income is from employment, they are required to be employed a minimum of 32 hours per week for the previous 12 months. They may not be added if the unit is overcrowded, and they will not be approved without the PHA's permission. Exceptions to the income requirement for close blood relatives of the head of household or spouse may be granted based on documented extreme hardship or serious medical reasons, providing the family will not be overcrowded.

Factors determining household additions:

1. Household additions subject to screening:

   Resident plans to marry;

   Resident is awarded custody of a child over the age for which juvenile justice records are available;

   Resident desires to add a new family member to the lease, employ a live-in aide, or take in a foster child(ren).

   A unit is occupied by a remaining family member(s) under age 18 (not an emancipated minor) and an adult who was not a member of the original household requests permission to take over as the head of household.

2. Factors determining household additions that are not subject to screening:

   Those added through birth, adoption, court-awarded custody, or return of minor or disabled children to the household.

3. Factors determining household additions that may be subject to screening, depending on PHA discretion:

   The PHA will request that the public housing tenant provide the PHA with a signed consent form from the parent(s) or legal guardian allowing the PHA to check the juvenile records of the child. Sources to be checked may include any of the following:

   School Records (attendance/behavior)

   Juvenile Probation/Court Records

   Police Records

4. Each adult admission, except those listed above, must have income and a steady income history for the last 12 months. If working, they must have a work history of at least 32-hours a week for the last year. In cases where the addition will affect the bedroom size required by the family, according to the PHA occupancy standards, the PHA will not approve the addition.

5. The PHA will not approve adding a family consisting of more than two members to the lease, nor will the PHA approve more than a total of two peopled added to the lease in a 12-month period, nor will the PHA approve an addition if the unit will be overcrowded. Such applicants will be encouraged to apply to the waiting list.

6. Residents who fail to notify the PHA of additions to the household, or who permit persons to join the household without undergoing screening, are in violation of the lease. Such persons are considered to be unauthorized occupants by the PHA, and the entire household will be subject to eviction [24 CFR 966.4(f)(2 and 3)].

7. Family members age 18 and over who move from the dwelling unit to establish new households shall be removed from the lease. The tenant must notify the PHA of the move-out within 14 calendar days of its occurrence. If these family members wish to return, they are subject to the limitations prescribed above.

8. The resident may not allow visitors to stay overnight more than 30 days in a twelve-month period.

   The resident may not allow visitors to stay overnight more than 14 consecutive days in a twelve-month period.

   The manager may authorize overnight visitors provided the visit does not exceed 14 consecutive days.

   Visitors who remain beyond the limits stated above are considered trespassers, and their presence constitutes a breach of the lease.

   If an individual other than a leaseholder is representing to an outside agency that they are residing in the lessee's unit, the person will be considered an unauthorized member of the household.

9. Roomers and lodgers are not permitted to occupy a dwelling unit, nor are they permitted to move in with any family occupying a dwelling unit.

   Residents are not permitted to allow a former tenant of the PHA who has been evicted to occupy the unit for any period of time.

   Residents must advise the PHA when they will be absent from the unit for more than 30 days and provide a means for the PHA to contact the resident in the event of an emergency. Failure to advise the PHA of extended absences is grounds for termination of the lease.

E. LEASING UNITS WITH ACCESSIBLE OR ADAPTABLE FEATURES

[24 CFR 8.27(a)(1)(2) and (b)]

Before offering a vacant accessible unit to a non-disabled applicant, the PHA will offer such units:

First, to a current occupant of another unit of the same development, or other public housing developments under the PHA's control, who has a disability that requires the special features of the vacant unit.

Second, to an eligible qualified applicant on the waiting list having a disability that requires the special features of the vacant unit.

The PHA will require a non-disabled applicant to agree to move to an available non-accessible unit within 30 days when either a current resident or an applicant needs the features of the unit and there is another unit available for the applicant. This requirement will be a provision of the lease agreement.

F. UTILITY SERVICES

Tenants responsible for direct payment of utilities must abide by any and all regulations of the specific utility company, including regulations pertaining to advance payments of deposits.

Failure to maintain utility services during tenancy is a lease violation and grounds for eviction.

Non-payment of excess utility charge payments to the PHA is a violation of the lease and is grounds for eviction.

G. SECURITY DEPOSITS

Security Deposit

New tenants must pay a security deposit to the PHA at the time of admission.

The amount of the security deposit required is $100.00 per bedroom and is specified in the lease.

The amount of the Pet Deposit is $200.00 for a dog or cat and fish tanks require insurance coverage.

The PHA may permit installment payments of security deposits when a new tenant demonstrates a financial hardship to the satisfaction of the PHA. However, no less than one-half of the required deposit must be paid before occupancy.

The PHA will hold the security deposit for the period the tenant occupies the unit.

The PHA will refund to the Tenant the amount of the security deposit, less any amount needed to pay the cost of:

Unpaid Rent;

Damages listed on the Move-Out Inspection Report that exceeds normal wear and tear;

Other charges under the Lease.

The PHA will refund the Security Deposit less any amounts owed, within the required state law period after move out and tenant's notification of new address.

The PHA will provide the tenant or the person designated by the former tenant in the event of the former tenant's incapacitation or death with a written list of any charges against the security deposit and copies of the receipts, including reasonable charges for repairs completed by the PHA's employees. If the tenant disagrees with the amount charged to the security deposit, the PHA will provide a meeting to discuss the charges.

The resident must leave the dwelling unit in a clean and undamaged (beyond normal wear and tear) condition and must furnish a forwarding address to the PHA. All keys to the unit must be returned to the Management upon vacating the unit.

The PHA will not use the security deposit for payment of rent or other charges while the tenant is living in the unit.

If the tenant transfers to another unit, the PHA will transfer the security deposit to the new unit. The tenant will be billed for any maintenance or other charges.

Pet Deposit

See chapters on pet policy.

H. RENT PAYMENTS

The tenant rent is due and payable at the PHA-designated location on the 1st of every month. If the 1st of the month falls on a weekend or holiday, the rent is due and payable on the first business day thereafter.

If the PHA does not receive payment by the agreed-upon date, a delinquent rent notice will be sent.

If the payment of rent and other charges due under the lease will be delayed beyond the first day of the month, the tenant must notify the Management no later than 3 business days before the payment is due.

> The notification must include an explanation of the circumstances that will delay the tenant's payment, and indicate the date on which full payment will be made.

I. FEES AND NONPAYMENT PENALTIES

If the tenant fails to make payment by the 5th day of the month, and the PHA has not agreed to accept payment at a later date, a Notice to Vacate will be issued to the tenant with a 14 day notice period for failure to pay rent, demanding payment in full or the surrender of the premises.

If the tenant fails to make payment by the 5th day of the month, a late fee will be charged.

The PHA will always consider the rent unpaid when a check is returned as NSF or a check is written on a closed account.

If the PHA has not agreed to accept payment at a later date, a Notice to Vacate will be issued for failure to pay rent.

J. SCHEDULES OF SPECIAL CHARGES

Schedules of special charges for services, repairs, utilities and rules and regulations which are required to be incorporated into the lease by reference shall be publicly posted in a conspicuous manner in the project office, and they will be provided to applicants and tenants upon request.

K. MODIFICATIONS TO THE LEASE

Schedules of special charges and rules and regulations are subject to modification or revision. Residents and resident organizations will be provided at least thirty days written notice of the reason(s) for any proposed modifications or revisions, and they will be given an opportunity to present written comments. Comments will be taken into consideration before any proposed modifications or revisions become effective.

A copy of such notice shall be posted in the central office, and:

> Posted in at least two conspicuous places within each structure or building in which tenants affected by the modifications or revisions are located.

After the proposed changes have been incorporated into the lease and approved by the Board, each family will be notified of the effective date of the new lease.

Any modifications of the lease must be accomplished by a written addendum to the lease and signed by both parties.

L. CANCELLATION OF THE LEASE

Cancellation of the tenant's lease is to be in accordance with the provisions contained in the lease agreement and as stated in this policy.

M. INSPECTIONS OF PUBLIC HOUSING UNITS

Initial Inspections

The PHA and the family will inspect the premises prior to occupancy of the unit in order to determine the condition of the unit and equipment in the unit. A copy of the initial inspection, signed by the PHA and the tenant, will be kept in the tenant file.

Any adult member may sign the inspection form for the head of household.

Vacate Inspections

The PHA Inspection Department will access the Vacate Report prepared by housing management staff and will perform a move-out inspection when the family vacates the unit, and will encourage the family to participate in the move-out inspection.

The purpose of this inspection is to determine necessary maintenance and whether there are damages that exceed normal wear and tear. The PHA will determine if there are tenant caused damages to the unit. Tenant caused damages may affect part or all of the family's security deposit.

The move-out inspection also assists the PHA in determining the time and extent of the preparation and repairs necessary to make the unit ready for the next tenant.

The resident is encouraged to participate in the move-out inspection**.**

Annual Inspections

The PHA will inspect all units annually using HUD's Uniform Physical Condition Standards (UPCS) as a guideline. In addition, HUD will conduct random inspections for compliance with UPCS at least bi-annually.

The unit will be considered to have failed HUD's Uniform Physical Condition Standards if there are any *life-threatening* Health and Safety deficiencies or if:

There are one or more non-life-threatening Health and Safety deficiencies.

If a unit fails inspection due to housekeeping or tenant-caused damages, the resident will be given 5 days to correct noted items, after which a follow-up inspection will be conducted.

Residents will be issued a copy of the inspection report with required corrections.

If necessary to bring the unit into UPCS compliance, needed repairs will be completed by the PHA.

All inspections will include a check of all smoke alarms to ensure proper working order.

Inspection report will indicate whether required corrections are to be charged to the resident or covered by the PHA.

Damages beyond "normal wear and tear" will be billed to the tenant.

Residents who repeatedly "fail" the inspection or cause excessive damage to the unit may be in violation of their lease.

Residents who are in violation of their lease due to repeated failed inspection will be scheduled for a lease violation conference.

Quality Control Inspections

The housing management staff will conduct periodic quality control inspections to determine the condition of the unit and to identify problems or issues in which the PHA can be of service to the family.

The purpose of these quality control inspections is to assure that repairs were completed at an acceptable level of craftsmanship and within an acceptable time frame.

The property manager will conduct periodic inspections to determine the condition of the unit and to identify problems or issues in which the PHA can be of service to the family.

Special Inspections

Housing management staff may request the inspection supervisor to conduct a special inspection for housekeeping, unit condition, or suspected lease violation.

HUD representatives or local government officials may review PHA operations periodically and as a part of their monitoring may inspect a sampling of the PHA's inventory.

Other Inspections

Playground inspections are conducted quarterly to determine playground safety.

Building exterior and grounds inspections are conducted at all Public Housing properties to determine hazardous conditions as well as to assist in budget preparation.

HUD REAC random inspections will be conducted on a periodic basis.

Emergency Inspections

Housing management staff, including PHA inspectors may initiate an emergency inspection report to generate a work order if they believe that an emergency exists in the unit or on a Public Housing site. In addition, the inspector may conduct an emergency inspection without a work order and generate a work order after the inspection has been conducted (see Entry of Premises Notice in this chapter.) Repairs are to be completed within 24 hours from the time the work order is issued.

Emergency Repairs to be Completed in Less than 24 Hours

The following items are to be considered emergency in nature and require immediate (less than 24 hour) response:

Lock-out (with proper identification of resident)

Broken lock that affects unit security

Broken window glass that affects unit security, is a cutting hazard, or occurs within inclement weather (to be secured or abated)

Escaping gas

Plumbing leaks that can cause flooding or damage to the unit

Natural gas leaks or smell of fumes

Backed-up sewage

Electrical hazard

Units with elderly residents in which the PHA-owned air conditioner or heater (seasonal) or refrigerator is inoperable

Inoperable smoke detectors will be treated as a 24-hour emergency and will be made operable by the PHA if the smoke detector is in need of repair.

Residents who disengage smoke detectors for convenience purposes will be cited. (See "Housekeeping Citations" in this chapter.)

Entry of Premises Notices

The PHA will give prior written notice for non-emergency inspections. Non-emergency entries to the unit will be made during reasonable hours of the day.

The PHA will provide the family with 48-hour notice prior to entering the unit for non-emergency reasons other than the annual inspection.

An adult family member must be present in the unit during the inspection.

Where the PHA is conducting regular annual examinations of its housing units, the family will receive reasonable advance notice of the inspection to allow the family to prepare and be able to pass the inspection.

Reasons the PHA will enter the unit are:

Inspections and maintenance

To make improvements and repairs

To show the premises for leasing

In cases of emergency

The family must call the PHA at least 24 hours prior to the scheduled date of inspection to reschedule the inspection, if necessary.

The PHA will reschedule the inspection no more than once unless the resident has a verifiable medical reason that has hindered the inspection. The PHA may request verification.

Non-Inspection Emergency Entry

The PHA staff will allow access to the unit to proper authorities when issues of health or safety of the tenant are concerned.

Family Responsibility to Allow Inspection

The PHA must be allowed to inspect the unit at reasonable times with reasonable notice. A not less than 24-hour advance written notice will be considered reasonable advance notice in all cases**.**

The resident is notified of the inspection appointment in writing. The family must call the PHA at least 24 hours before the inspection date to reschedule the inspection, if necessary.

If the resident refuses to allow the inspection, the resident will be in violation of the lease**.**

Housekeeping Citations

Residents who "fail" an inspection due to housekeeping will be issued a Housekeeping Citation, and a reinspection will be conducted within 14 working days by housing management staff.

A family that fails to comply with the reinspection is considered in violation of the lease.

More than three citations will be considered a violation of the lease.

Tenant Damages

Repeated failed inspections or damages to the unit beyond normal wear and tear may constitute serious or repeated lease violations.

"Beyond normal wear and tear" is defined as items that could be charged against the tenant's security deposit under state law or court practice.

Chapter 10

PET POLICY – ELDERLY/DISABLED PROJECTS
[24 CFR Part 5, Subpart C]

INTRODUCTION

PHAs have discretion to decide whether or not to develop policies pertaining to the keeping of pets in public housing units. This Chapter explains the PHA's policies on the keeping of pets and any criteria or standards pertaining to the policy for elderly/disabled projects. The rules adopted are reasonably related to the legitimate interest of this PHA to provide a decent, safe and sanitary living environment for all tenants, to protecting and preserving the physical condition of the property, and the financial interest of the PHA.

The purpose of this policy is to establish the PHA's policy and procedures for ownership of pets in elderly and disabled units and to ensure that no applicant or resident is discriminated against regarding admission or continued occupancy because of ownership of pets. It also establishes reasonable rules governing the keeping of common household pets.

The PHA chooses not to publish rules governing the keeping of common household pets. Residents will comply with the dwelling lease, which requires that no animals or pets of any kind be permitted on the premises without prior written approval of the PHA. This does not apply to animals that are used to assist persons with disabilities.

Nothing in this policy or the dwelling lease limits or impairs the right of persons with disabilities to own animals that are used to assist them.

Animals that Assist Persons with Disabilities

Pet rules will not be applied to animals that assist persons with disabilities. To be excluded from the pet policy, the resident/pet owner must certify:

> That there is a person with disabilities in the household;
> That the animal has been trained and certified to assist with that household member's disability.

A. MANAGEMENT APPROVAL OF PETS

All pets must be approved in advance by the PHA management.

The pet owner must submit and enter into a Pet Agreement with the PHA.

Registration of Pets

Pets must be registered with the PHA before they are brought onto the premises. Registration includes a certificate signed by a licensed veterinarian or State/local authority that the pet has received all inoculations required by State or local law, and that the pet has no communicable disease(s) and is pest-free.

Registration must be renewed and will be coordinated with the annual recertification date and proof of license and inoculation will be submitted at least 30 days prior to annual reexamination.

Dogs and cats must be spayed or neutered and documentation must be provided to verify this.

Execution of a Pet Agreement with the PHA stating that the tenant acknowledges complete responsibility for the care and cleaning of the pet will be required.

Registration must be renewed and will be coordinated with the annual recertification date.

Approval for the keeping of a pet shall not be extended pending the completion of these requirements.

Refusal to Register Pets

The PHA may not refuse to register a pet based on the determination that the pet owner is financially unable to care for the pet. If the PHA refuses to register a pet, a written notification will be sent to the pet owner stating the reason for denial and shall be served in accordance with HUD Notice requirements.

The PHA will refuse to register a pet if:

> The pet is not a *common household pet* as defined in this policy;
>
> Keeping the pet would violate any House Pet Rules;
>
> The pet owner fails to provide complete pet registration information, or fails to update the registration annually;
>
> The PHA reasonably determines that the pet owner is unable to keep the pet in compliance with the pet rules and other lease obligations. The pet's temperament and behavior may be considered as a factor in determining the pet owner's ability to comply with provisions of the lease.

The notice of refusal may be combined with a notice of a pet violation.

A resident who cares for another resident's pet must notify the PHA and agree to abide by all of the pet rules in writing.

B. STANDARDS FOR PETS

If an approved pet gives birth to a litter, the resident must remove all pets from the premises except one.

Pet rules will not be applied to animals that assist persons with disabilities.

Persons with Disabilities

To be excluded from the pet policy, the resident/pet owner must certify:

That there is a person with disabilities in the household;
That the animal has been trained to assist with the specified disability; and
That the animal actually assists the person with the disability.

Types of Pets Allowed

No types of pets other than the following may be kept by a resident.

Tenants are permitted to have more than one *type* of pet, except for categories 1 and 2.

1. Dogs

   Maximum number: one
   Maximum adult weight: 25 pounds
   Must be housebroken
   Must be spayed or neutered
   Must have all required inoculations
   Must be continually licensed as specified by State law and local ordinance

2. Cats

   Must be spayed or neutered
   Must have all required inoculations
   Must be trained to use a litter box or other waste receptacle
   Must be continually licensed as specified by State law or local ordinance

3. Birds

   Maximum number: two
   Must be enclosed in a cage at all times

4. Fish

   Maximum aquarium size: 20 gallons
   Must have insurance to cover water damage
   Must be maintained on an approved stand

5. Rodents (Rabbit, guinea pig, hamster, or gerbil ONLY)

   Maximum number: one
   Must be enclosed in an acceptable cage at all times
   Must be kept current in inoculations as specified by State law or local ordinance

6. Turtles

   Maximum number: one
   Must be enclosed in an acceptable cage or container at all times

C. PETS TEMPORARILY ON THE PREMISES

Pets that are not owned by a tenant will not be allowed.

Residents are prohibited from feeding or harboring stray animals.

This rule excludes visiting pet programs sponsored by a humane society or other non-profit organization and approved by the PHA.

State or local laws governing pets temporarily in dwelling accommodations shall prevail.

D. ADDITIONAL FEES AND DEPOSITS FOR PETS

The PHA will charge a refundable Pet Deposit of $200.00 for each dog or cat and require insurance for fish tanks. This Pet Deposit is intended to cover additional costs not otherwise covered.

Residents with pets prior to the change in the amount of the Pet Deposit will not be required to increase their Pet Deposits.

The PHA will refund the Pet Deposit to the tenant, less any damage caused by the pet to the dwelling unit, upon removal of the pet or the owner from the unit.

The PHA will return the Pet Deposit to the former tenant or to the person designated by the former tenant in the event of the former tenant's incapacitation or death.

The PHA will provide the tenant or designee identified above with a written list of any charges against the pet deposit. If the tenant disagrees with the amount charged to the pet deposit, the PHA will provide a meeting to discuss the charges.

All reasonable expenses incurred by the PHA as a result of damages directly attributable to the presence of the pet in the project will be the responsibility of the resident, including:

The cost of repairs and replacements to the resident's dwelling unit;

Fumigation of the dwelling unit;

Common areas of the project.

Pet Deposits are not a part of rent payable by the resident**.**

E. ALTERATIONS TO UNIT

Residents/pet owners shall not alter their unit, patio, premises or common areas to create an enclosure for any animal. Installation of pet doors is prohibited.

F. PET WASTE REMOVAL CHARGE

Pet deposit and pet waste removal charges are not part of rent payable by the resident.

All reasonable expenses incurred by the PHA as the result of damages directly attributable to the presence of the pet will be the responsibility of the resident, including:

The cost of repairs and replacements to the dwelling unit;

Fumigation of the dwelling unit.

If the tenant is in occupancy when such costs occur, the tenant shall be billed for such costs as a current charge.

If such expenses occur as the result of a move-out inspection, they will be deducted from the pet deposit. The resident will be billed for any amount that exceeds the pet deposit.

The pet deposit will be refunded when the resident moves out or no longer has a pet on the premises, whichever occurs first.

The expense of flea deinfestation shall be the responsibility of the resident**.**

G. PET AREA RESTRICTIONS

Pets must be maintained within the resident's unit. When outside of the unit (within the building or on the grounds) dogs and cats must be kept on a leash or carried and under the control of the resident or other responsible individual at all times.

Pets are not permitted in common areas including lobbies, community rooms and laundry areas except for those common areas which are entrances to and exits from the building.

H. NOISE

Pet owners must agree to control the noise of pets so that such noise does not constitute a nuisance to other residents or interrupt their peaceful enjoyment of their housing unit or premises. This includes, but is not limited to loud or continuous barking, howling, whining, biting, scratching, chirping, or other such activities**.**

I. CLEANLINESS REQUIREMENTS

Litter Box Requirements.

All animal waste or the litter from litter boxes shall be picked up immediately by the pet owner, disposed of in sealed plastic trash bags, and placed in a trash bin.

Litter shall not be disposed of by being flushed through a toilet.

Litter boxes shall be stored inside the resident's dwelling unit**.**

Removal of Waste from Other Locations. The Resident/Pet Owner shall be responsible for the removal of waste from the exercise area by placing it in a sealed plastic bag and disposing of it in an outside trash bin.

Any unit occupied by a dog, cat, or rodent will be fumigated at the time the unit is vacated.

The resident/pet owner shall take adequate precautions to eliminate any pet odors within or around the unit and to maintain the unit in a sanitary condition at all times.

J. PET CARE

All residents/pet owners shall be responsible for adequate care, nutrition, exercise and medical attention for his/her pet.

Residents/pet owners must recognize that other residents may have chemical sensitivities or allergies related to pets, or may be easily frightened or disoriented by animals. Pet owners must agree to exercise courtesy with respect to other residents.

K. RESPONSIBLE PARTIES

The resident/pet owner will be required to designate two responsible parties for the care of the pet if the health or safety of the pet is threatened by the death or incapacity of the pet owner, or by other factors that render the pet owner unable to care for the pet.

L. INSPECTIONS

The PHA may, after reasonable notice to the tenant during reasonable hours, enter and inspect the premises, in addition to other inspections allowed.

The PHA may enter and inspect the unit only if a written complaint is received alleging that the conduct or condition of the pet in the unit constitutes a nuisance or threat to the health or safety of the other occupants or other persons in the community under applicable State or local law.

M. PET RULE VIOLATION NOTICE

If a determination is made on objective facts supported by written statements, that a resident/pet owner has violated the Pet Rule Policy, written notice will be served.

The Notice will contain a brief statement of the factual basis for the determination and the pet rule(s) that were violated. The notice will also state:

> That the resident/pet owner has five days from the effective date of the service of notice to correct the violation or make written request for a meeting to discuss the violation;
>
> That the resident pet owner is entitled to be accompanied by another person of his or her choice at the meeting; and
>
> That the resident/pet owner's failure to correct the violation, request a meeting, or appear at a requested meeting may result in initiation of procedures to terminate the pet owner's tenancy.

N. NOTICE FOR PET REMOVAL

If the resident/pet owner and the PHA are unable to resolve the violation at the meeting or the pet owner fails to correct the violation in the time period allotted by the PHA, the PHA may serve notice to remove the pet.

The Notice shall contain:

> A brief statement of the factual basis for the PHA's determination of the Pet Rule that has been violated;
>
> The requirement that the resident /pet owner must remove the pet within five days of the notice; and
>
> A statement that failure to remove the pet may result in the initiation of termination of tenancy procedures.

O. TERMINATION OF TENANCY

The PHA may initiate procedures for termination of tenancy based on a pet rule violation if:

> The pet owner has failed to remove the pet or correct a pet rule violation within the time period specified; and

The pet rule violation is sufficient to begin procedures to terminate tenancy under terms of the lease.

P. PET REMOVAL

If the death or incapacity of the pet owner threatens the health or safety of the pet, or other factors occur that render the owner unable to care for the pet, the situation will be reported to the Responsible Party designated by the resident/pet owner. In addition, pets that are poorly cared for or have been left unattended for over 72 hours will be removed.

If the responsible party is unwilling or unable to care for the pet, or if the PHA after reasonable efforts cannot contact the responsible party, the PHA may contact the appropriate State or local agency and request the removal of the pet.

If the pet is removed as a result of any aggressive act on the part of the pet, the pet will not be allowed back on the premises.

Q. EMERGENCIES

The PHA will take all necessary steps to insure that pets that become vicious, display symptoms of severe illness, or demonstrate behavior that constitutes an immediate threat to the health or safety of others, are referred to the appropriate State or local entity authorized to remove such animals.

If it is necessary for the PHA to place the pet in a shelter facility, the cost will be the responsibility of the tenant/pet owner.

Chapter 11

PET POLICY – GENERAL OCCUPANCY (FAMILY) PROJECTS

[24 CFR Part 960, Subpart G]

INTRODUCTION

This Chapter explains the PHA's policies on the keeping of pets in general occupancy projects and any criteria or standards pertaining to the policy. The rules adopted are reasonably related to the legitimate interest of this PHA to provide a decent, safe and sanitary living environment for all tenants, to protecting and preserving the physical condition of the property, and the financial interest of the PHA.

The purpose of this policy is to establish the PHA's policy and procedures for ownership of pets in general occupancy (family) projects and to ensure that no applicant or resident is discriminated against regarding admission or continued occupancy because of ownership of pets. It also establishes reasonable rules governing the keeping of common household pets.

This policy does not apply to animals that are used to assist, support or provide service to persons with disabilities, or to service animals that visit public housing developments.

Animals that Assist Persons with Disabilities

Pet rules will not be applied to animals that assist persons with disabilities. To be excluded from the pet policy, the resident/pet owner must certify:

> That there is a person with disabilities in the household;
> That the animal has been trained and certified to assist with that household member's disability.

A. MANAGEMENT APPROVAL OF PETS

All pets must be approved in advance by the PHA management.

The pet owner must submit and enter into a Pet Agreement with the PHA.

Registration of Pets

Pets must be registered with the PHA before they are brought onto the premises. Registration includes a certificate signed by a licensed veterinarian or State/local authority that the pet has received all inoculations required by State or local law, and that the pet has no communicable disease(s) and is pest-free.

Registration must be renewed and will be coordinated with the annual recertification date and proof of license and inoculation will be submitted at least 30 days prior to annual reexamination.

Dogs and cats must be spayed or neutered and documentation must be provided to verify this.

Execution of a Pet Agreement with the PHA stating that the tenant acknowledges complete responsibility for the care and cleaning of the pet will be required.

Registration must be renewed and will be coordinated with the annual recertification date.

Approval for the keeping of a pet shall not be extended pending the completion of these requirements.

Refusal to Register Pets

The PHA may not refuse to register a pet based on the determination that the pet owner is financially unable to care for the pet. If the PHA refuses to register a pet, a written notification will be sent to the pet owner stating the reason for denial and shall be served in accordance with HUD Notice requirements.

The PHA will refuse to register a pet if:

The pet is not a *common household pet* as defined in this policy;

Keeping the pet would violate any House Pet Rules;

The pet owner fails to provide complete pet registration information, or fails to update the registration annually;

The PHA reasonably determines that the pet owner is unable to keep the pet in compliance with the pet rules and other lease obligations. The pet's temperament and behavior may be considered as a factor in determining the pet owner's ability to comply with provisions of the lease.

The notice of refusal may be combined with a notice of a pet violation.

A resident who cares for another resident's pet must notify the PHA and agree to abide by all of the pet rules in writing.

B. STANDARDS FOR PETS

If an approved pet gives birth to a litter, the resident must remove all pets from the premises except one.

Pet rules will not be applied to animals that assist persons with disabilities.

Persons with Disabilities

To be excluded from the pet policy, the resident/pet owner must certify:

That there is a person with disabilities in the household;
That the animal has been trained to assist with the specified disability; and
That the animal actually assists the person with the disability.

Types of Pets Allowed

No types of pets other than the following may be kept by a resident.

Tenants are permitted to have more than one *type* of pet, except for categories 1 and 2.

1. Dogs

   Maximum number: one
   Maximum adult weight: 25 pounds
   Must be housebroken
   Must be spayed or neutered
   Must have all required inoculations
   Must be continually licensed as specified by State law and local ordinance

2. Cats

   Must be spayed or neutered
   Must have all required inoculations
   Must be trained to use a litter box or other waste receptacle
   Must be continually licensed as specified by State law or local ordinance

3. Birds

   Maximum number: two
   Must be enclosed in a cage at all times

4. Fish

   Maximum aquarium size: 20 gallons
   Must have insurance to cover water damage
   Must be maintained on an approved stand

5. Rodents (Rabbit, guinea pig, hamster, or gerbil ONLY)

   Maximum number: one
   Must be enclosed in an acceptable cage at all times
   Must be kept current in inoculations as specified by State law or local ordinance

6. Turtles

Maximum number: one
Must be enclosed in an acceptable cage or container at all times

C. PETS TEMPORARILY ON THE PREMISES

Pets that are not owned by a tenant will not be allowed.

Residents are prohibited from feeding or harboring stray animals.

This rule excludes visiting pet programs sponsored by a humane society or other non-profit organization and approved by the PHA.

State or local laws governing pets temporarily in dwelling accommodations shall prevail.

D. ADDITIONAL FEES AND DEPOSITS FOR PETS

The PHA will charge a refundable Pet Deposit of $200.00 for each dog or cat and require insurance for fish tanks. This Pet Deposit is intended to cover additional costs not otherwise covered.

Residents with pets prior to the change in the amount of the Pet Deposit will not be required to increase their Pet Deposits.

The PHA will refund the Pet Deposit to the tenant, less any damage caused by the pet to the dwelling unit, upon removal of the pet or the owner from the unit.

The PHA will return the Pet Deposit to the former tenant or to the person designated by the former tenant in the event of the former tenant's incapacitation or death.

The PHA will provide the tenant or designee identified above with a written list of any charges against the pet deposit. If the tenant disagrees with the amount charged to the pet deposit, the PHA will provide a meeting to discuss the charges.

All reasonable expenses incurred by the PHA as a result of damages directly attributable to the presence of the pet in the project will be the responsibility of the resident, including:

The cost of repairs and replacements to the resident's dwelling unit;

Fumigation of the dwelling unit;

Common areas of the project.

Pet Deposits are not a part of rent payable by the resident.

E. ALTERATIONS TO UNIT

Residents/pet owners shall not alter their unit, patio, premises or common areas to create an enclosure for any animal. Installation of pet doors is prohibited.

F. PET WASTE REMOVAL CHARGE

Pet deposit and pet waste removal charges are not part of rent payable by the resident.

All reasonable expenses incurred by the PHA as the result of damages directly attributable to the presence of the pet will be the responsibility of the resident, including:

The cost of repairs and replacements to the dwelling unit;

Fumigation of the dwelling unit.

If the tenant is in occupancy when such costs occur, the tenant shall be billed for such costs as a current charge.

If such expenses occur as the result of a move-out inspection, they will be deducted from the pet deposit. The resident will be billed for any amount that exceeds the pet deposit.

The pet deposit will be refunded when the resident moves out or no longer has a pet on the premises, whichever occurs first.

The expense of flea deinfestation shall be the responsibility of the resident**.**

G. PET AREA RESTRICTIONS

Pets must be maintained within the resident's unit. When outside of the unit (within the building or on the grounds) dogs and cats must be kept on a leash or carried and under the control of the resident or other responsible individual at all times.

Pets are not permitted in common areas including lobbies, community rooms and laundry areas except for those common areas which are entrances to and exits from the building.

H. NOISE

Pet owners must agree to control the noise of pets so that such noise does not constitute a nuisance to other residents or interrupt their peaceful enjoyment of their housing unit or premises. This includes, but is not limited to loud or continuous barking, howling, whining, biting, scratching, chirping, or other such activities**.**

I. CLEANLINESS REQUIREMENTS

Litter Box Requirements.

All animal waste or the litter from litter boxes shall be picked up immediately by the pet owner, disposed of in sealed plastic trash bags, and placed in a trash bin.

Litter shall not be disposed of by being flushed through a toilet.

Litter boxes shall be stored inside the resident's dwelling unit**.**

Removal of Waste from Other Locations. The Resident/Pet Owner shall be responsible for the removal of waste from the exercise area by placing it in a sealed plastic bag and disposing of it in an outside trash bin.

Any unit occupied by a dog, cat, or rodent will be fumigated at the time the unit is vacated.

The resident/pet owner shall take adequate precautions to eliminate any pet odors within or around the unit and to maintain the unit in a sanitary condition at all times.

J. PET CARE

All residents/pet owners shall be responsible for adequate care, nutrition, exercise and medical attention for his/her pet.

Residents/pet owners must recognize that other residents may have chemical sensitivities or allergies related to pets, or may be easily frightened or disoriented by animals. Pet owners must agree to exercise courtesy with respect to other residents.

K. RESPONSIBLE PARTIES

The resident/pet owner will be required to designate two responsible parties for the care of the pet if the health or safety of the pet is threatened by the death or incapacity of the pet owner, or by other factors that render the pet owner unable to care for the pet.

L. INSPECTIONS

The PHA may, after reasonable notice to the tenant during reasonable hours, enter and inspect the premises, in addition to other inspections allowed.

The PHA may enter and inspect the unit only if a written complaint is received alleging that the conduct or condition of the pet in the unit constitutes a nuisance or threat to the health or safety of the other occupants or other persons in the community under applicable State or local law.

M. PET RULE VIOLATION NOTICE

If a determination is made on objective facts supported by written statements, that a resident/pet owner has violated the Pet Rule Policy, written notice will be served.

The Notice will contain a brief statement of the factual basis for the determination and the pet rule(s) that were violated. The notice will also state:

> That the resident/pet owner has five days from the effective date of the service of notice to correct the violation or make written request for a meeting to discuss the violation;
>
> That the resident pet owner is entitled to be accompanied by another person of his or her choice at the meeting; and
>
> That the resident/pet owner's failure to correct the violation, request a meeting, or appear at a requested meeting may result in initiation of procedures to terminate the pet owner's tenancy.

N. NOTICE FOR PET REMOVAL

If the resident/pet owner and the PHA are unable to resolve the violation at the meeting or the pet owner fails to correct the violation in the time period allotted by the PHA, the PHA may serve notice to remove the pet.

The Notice shall contain:

> A brief statement of the factual basis for the PHA's determination of the Pet Rule that has been violated;
>
> The requirement that the resident /pet owner must remove the pet within five days of the notice; and
>
> A statement that failure to remove the pet may result in the initiation of termination of tenancy procedures.

O. TERMINATION OF TENANCY

The PHA may initiate procedures for termination of tenancy based on a pet rule violation if:

> The pet owner has failed to remove the pet or correct a pet rule violation within the time period specified; and
>
> The pet rule violation is sufficient to begin procedures to terminate tenancy under terms of the lease.

P. PET REMOVAL

If the death or incapacity of the pet owner threatens the health or safety of the pet, or other factors occur that render the owner unable to care for the pet, the situation will be reported to the Responsible Party designated by the resident/pet owner. In addition, pets that are poorly cared for or have been left unattended for over 72 hours will be removed.

If the responsible party is unwilling or unable to care for the pet, or if the PHA after reasonable efforts cannot contact the responsible party, the PHA may contact the appropriate State or local agency and request the removal of the pet.

If the pet is removed as a result of any aggressive act on the part of the pet, the pet will not be allowed back on the premises.

Q. EMERGENCIES

The PHA will take all necessary steps to insure that pets that become vicious, display symptoms of severe illness, or demonstrate behavior that constitutes an immediate threat to the health or safety of others, are referred to the appropriate State or local entity authorized to remove such animals.

If it is necessary for the PHA to place the pet in a shelter facility, the cost will be the responsibility of the tenant/pet owner.

Chapter 12

REEXAMINATIONS

[24 CFR 5.613, 24 CFR 5.615, 24 CFR Part 960 Subpart C]

INTRODUCTION

HUD requires that the PHA offer all families the choice of paying income-based rent or flat rent at least annually. Families who choose to pay flat rent are required to complete a reexamination of income, deductions and allowances at least once every three years. To determine the amount of income-based rent, it is necessary for the PHA to perform a reexamination of the family's income. At the annual reexamination, families who choose to pay income-based rent must report their current household composition, income, deductions and allowances. Between regular annual reexaminations, HUD requires that families report all changes in income, assets, and household composition. This Chapter defines the PHA's policy for conducting annual reexaminations. It also explains the interim reporting requirements for families, and the standards for timely reporting.

A. ELIGIBILITY FOR CONTINUED OCCUPANCY

Residents who meet the following criteria will be eligible for continued occupancy:

Qualify as a family as defined in this policy;

Are in full compliance with the obligations and responsibilities described in the dwelling lease;

Whose family members, age 6 and older, each have submitted their Social Security numbers or have certifications on file that they do not have a Social Security number;

Whose family members have submitted required citizenship/eligible immigration status/noncontending documents.

Attend all scheduled interview/conference appointments. The family may reschedule interview/conference appointments in advance once, but if the family fails to attend the rescheduled interview/conference appointment, the family's lease will be terminated. However, an exception may be made for documented family emergencies.

B. ANNUAL REEXAMINATION

The terms *annual recertification* and *annual reexamination* are synonymous.

In order to be recertified, families are required to provide current and accurate information on income, assets, allowances and deductions, and family composition.

Families who choose flat rent are to be recertified every three years. For families who move in on the first of the month, the annual recertifications will be completed within 12 months of the anniversary of the move-in date. (Example: If family moves in August 1, the annual recertification will be conducted to be effective on August 1, the following year.)

For families who move in during the month, the annual recertifications will be completed no later than the first of the month in which the family moved in, the following year. (Example: If family moves in August 15, the effective date of the next annual recertification is August 1.)

When families move to another dwelling unit:

> An annual recertification will be conducted (unless a recertification has occurred 120 days or less prior to the move-in date) and the anniversary date will be changed.

Reexamination Notice to the Family

All families will be notified of their obligation to recertify by first class mail. The notification shall be sent at least120 days in advance of the anniversary date. If requested as an accommodation by a person with a disability, the PHA will provide the notice in an accessible format. The PHA will also mail the notice to a third party, if requested as reasonable accommodation for a person with disabilities. These accommodations will be granted upon verification that they meet the need presented by the disability.

The notification shall explain family choice of income-based or flat rent, with an estimate of what the income-based rent would be and a statement of what the flat rent is.

> The family will indicate whether the family chooses income-based or flat rent by checking the appropriate box on the document, signing the document, and returning the document to the PHA.
>
> The family may call the PHA indicating whether the family chooses income-based or flat rent.
>
> If the family chooses flat rent, no reexamination appointment will be necessary.

Methodology

If the family chooses income-based rent, or if the family has paid the flat rent for three (3) years, the PHA will use the following methodology for conducting annual recertifications:

> If the PHA is doing face-to-face interviews, the PHA will notify the family of the date and time of the interview appointment. However, the PHA may conduct its recertifications through the mail.

Persons with Disabilities

Persons with disabilities, who are unable to come to the PHA's office, will be granted an accommodation of conducting the interview at the person's home, upon verification that the accommodation requested meets the need presented by the disability.

Collection of Information

The family is required to complete a *Personal Declaration Form* prior to all annual and interim recertification interviews.

Requirements to Attend

When the PHA determines it necessary to have a face-to-face interview, the following family members will be required to attend the recertification interview and sign the application for continued occupancy:

The head of household and/or spouse

If the head of household and/or spouse is unable to attend the interview:

The appointment will be rescheduled.

Failure to Respond to Notification to Recertify

The written notification will explain which family members are required to attend the recertification interview. The family may call to request another appointment date up to three days prior to the interview.

If the family does not appear for the recertification interview, and has not rescheduled or made prior arrangements with the PHA, the PHA will not reschedule a second appointment.

If the family fails to appear for the second appointment, and has not rescheduled or made prior arrangements, the PHA will

Terminate tenancy for the family.

The housing representative may give an exception to this policy, if the family is able to document an emergency situation that prevented it from canceling or attending the appointment**.**

Documents Required from the Family

In the notification letter to the family, the PHA will include instructions for the family to bring the following:

Documentation of income for all family members

Documentation of liquid and non-liquid assets

Documentation to substantiate any deductions or allowances

Personal Declaration form completed by head of household

Documentation to verify compliance with community service by all non-exempt adults

Verification of Information

All information, which affects the family's continued eligibility for the program, and the family's Total Tenant Payment (TTP) will be verified in accordance with the verification procedures and guidelines described in this Policy. Verifications used for recertification must be less than 120 days old. All verifications will be placed in the file, which has been established for the family.

When the information has been verified, it will be analyzed to determine:

The continued eligibility of the resident as a *family* or as the *remaining member* of a family;

The unit size required by the family;

The amount of rent the family should pay.

Changes in the Tenant Rent

If there is any change in rent, including change in family's choice in rent, the lease will be amended, or a new lease will be executed, or a Notice of Rent Adjustment will be issued [24 CFR 966.4(c)].

Tenant Rent Increases

If tenant rent increases, a reasonable advance notice will be mailed to the family prior to the anniversary date, unless the delay was due to the action or inaction of the family.

If reasonable advance notice is not possible through no fault of the tenant, the tenant rent increase will be effective on the first of the second month following the notice.

If there has been a misrepresentation or a material omission by the family, or if the family causes a delay in the reexamination processing, there will be a retroactive increase in rent to the anniversary date.

Tenant Rent Decreases

If tenant rent decreases, it will be effective on the 1st of the month following the reported and verified change.

If the family causes a delay so that the processing of the reexamination is not complete by the anniversary date, rent change will be effective on the first day of the month following completion of the reexamination processing by the PHA.

If tenant rent decreases and the change occurred within a month prior to the recertification appointment, but the family did not report the change as an interim adjustment, the decrease will be effective on the recertification anniversary date.

C. REPORTING INTERIM CHANGES

Families must report all changes in household composition to the PHA between annual reexaminations. This includes additions due to birth, adoption, return of minor or disabled children to the household, and court-awarded custody. The family must obtain PHA approval prior to all other additions to the household.

When there is a change in head of household or a new adult family member is added, the PHA will complete an application for continued occupancy and reverify, using the same procedures the PHA staff would use for an annual reexamination, except for effective dates of changes. In such case, the Interim Reexamination Policy would be used.

Other than the aforementioned additions, the family is limited to no more than a total of two people added in a 12-month period. In addition, all adult additions must have current income and a steady income history for the previous 12 months. If employed, they must be currently employed and have worked at least 32 hours per week for the previous 12 months. No additions, except for the aforementioned categories, may be added if the unit will be overcrowded and the family will not be eligible to transfer to a larger unit.

Family Request for Interim Reexamination

The PHA will conduct an interim reexamination upon family request.

Increases in Income to Be Reported

Families paying flat rent are not required to report any increases in income or assets.

Families must report all increases in income/assets of all household members to the PHA in writing within 14 calendar days of the occurrence.

Increases in Income and Rent Adjustments

The PHA will process applicable rent adjustments whenever there are additions to the household. An interim rent adjustment will not be conducted upon income increase, unless there is a pattern

of a family whose income declines just before an annual reexamination and then increases again right after the annual reexamination is completed.

Rent increases (except those due to misrepresentation or the action or inaction of the family) require a 20-day advance notice.

Decreases in Income and Rent Adjustments

Residents may report a decrease in income and other changes, such as an increase in allowances or deductions, that would reduce the amount of the total tenant payment.

The PHA will process rent adjustments whenever there is a decrease in income that will result in a rent reduction of $1.00 or more.

D. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS

The PHA will not reduce the public housing rent for families whose welfare assistance is reduced due to a "specified welfare benefit reduction," which is a reduction in welfare benefits due to:

Fraud by a family member in connection with the welfare program; or

Noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program

A "specified welfare benefit reduction" does not include a reduction of welfare benefits due to:

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

A situation where the family has complied with welfare program requirements but cannot or has not obtained employment, such as:

The family has complied with welfare program requirements, but the durational time limit, such as a cap on the length of time a family can receive benefits, causes the family to lose their welfare benefits.

Noncompliance with other welfare agency requirements.

Definition of "Covered Family":

A household that receives benefits for welfare or public assistance from a State or public agency program which requires, as a condition of eligibility to receive assistance, the participation of a family member in an economic self-sufficiency program.

Definition of "Imputed Welfare Income":

The amount of annual income, not actually received by a family, as a result of a specified welfare benefit reduction, that is included in the family's income for purposes of determining rent.

The amount of imputed welfare income is determined by the PHA, based on written information supplied to the PHA by the welfare agency, including:

The amount of the benefit reduction

The term of the benefit reduction

The reason for the reduction

Subsequent changes in the term or amount of benefit reduction

Imputed welfare income will be included at annual and interim reexaminations during the term of reduction of welfare benefits.

The amount of imputed welfare income will be offset by the amount of additional income a family receives that begins after the sanction was imposed. When additional income is at least equal to the imputed welfare income, the imputed income will be reduced to zero.

If the family was not an assisted resident of public housing when the welfare sanction began, imputed welfare income will not be included in annual income.

Verification Before Denying a Request to Reduce Rent

The PHA will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance *before* denying the family's request for rent reduction.

The PHA will rely on the welfare agency's written notice to the PHA regarding welfare sanctions.

Cooperation Agreements

The PHA has a **written** cooperation agreement in place with the local welfare agency that assists the PHA in obtaining the necessary information regarding welfare sanctions.

The PHA has taken a proactive approach to culminating an effective working relationship between the PHA and the local welfare agency for the purpose of targeting economic self-sufficiency programs throughout the community that are available to public housing residents.

The PHA and the local welfare agency have mutually agreed to notify each other of any economic self-sufficiency and/or other appropriate programs or services that would benefit public housing residents.

Family Dispute of Amount of Imputed Welfare Income

If the family disputes the amount of imputed income and the PHA denies the family's request to modify the amount, the PHA will provide the tenant with a notice of denial, which will include:

An explanation for the PHA's determination of the amount of imputed welfare income.

A statement that the tenant may request a grievance hearing.

If the tenant requests a grievance hearing, the tenant is not required to pay an escrow deposit pursuant to 966.55(e) for the portion of tenant rent attributable to the imputed welfare income.

E. OTHER INTERIM REPORTING ISSUES

An interim reexamination does not affect the date of the annual recertification.

Families with zero or minimal income must complete and return every 30 days a form indicating how they are meeting their needs, along with the expenditure receipts for the 30-day period.

Any changes reported by residents other than those listed in this section will be noted in the file by the staff person, but will not be processed between regularly scheduled annual recertifications.

PHA Errors

If the PHA makes a calculation error at admission to the program or at an annual or interim reexamination, an interim reexamination will be conducted to correct the error, but the family will not be charged retroactively. If the PHA has made a calculation error in favor of the PHA, the family will receive a rent adjustment back to the family's previous annual reexamination, if appropriate.

F. TIMELY REPORTING OF CHANGES IN INCOME AND ASSETS

Standard for Timely Reporting of Changes

The PHA requires that families report interim changes to the PHA within 14 working days of when the change occurs. Any information, document or signature needed from the family that is needed to verify the change must be provided within **three** working days of the change.

An exception will be made for TANF recipients who obtain employment. In such cases, families will have to report within 14 days of receipt of the Notice of Action from TANF that shows the full adjustment for employment income.

If the change is not reported within the required time period, or if the family fails to provide signatures, certifications or documentation, (in the time period requested by the PHA), it will be considered untimely reporting.

Procedures When the Change is Reported in a Timely Manner

The PHA will notify the family of any changes, with the exception of tenant action, inaction, or misrepresentation, in Tenant Rent to be effective according to the following guidelines:

Increases in the Tenant Rent are effective on the first of the month following at least thirty days' notice.

Decreases in the Tenant Rent are effective the first of the month following the month in which the change is reported.

Procedures When the Change Is Not Reported by the Tenant in a Timely Manner

If the family does not report the change as described under Timely Reporting, the family will have caused an unreasonable delay in the interim reexamination processing and the following guidelines will apply:

Increase in Tenant Rent will be effective retroactive to the date it would have been effective had it been reported on a timely basis. The family will be liable for any underpaid rent, and may be required to sign a Repayment Agreement.

Decrease in Tenant Rent will be effective on the first of the month following completion of processing by the PHA and not retroactively.

Procedures when the Change is not Processed by the PHA in a Timely Manner

"Processed in a timely manner," means that the change goes into effect on the date it should when the family reports the change in a timely manner. If the change cannot be made effective on that date, the PHA does not process the change in a timely manner.

Therefore, an increase will be effective after the required reasonable advance notice prior to the first of the month after completion of processing by the PHA.

If the change resulted in a decrease, the overpayment by the family will be calculated retroactively to the date it should have been effective, and the family will be credited for the amount.

G. REPORTING OF CHANGES IN FAMILY COMPOSITION

The members of the family residing in the unit must be approved by the PHA. The family must inform the PHA and request approval of additional family members, other than additions due to birth, adoption, return of minor or dependent children to the household, or court-awarded custody, before the new member occupies the unit.

The PHA will not approve the addition of family members, other than by birth, adoption, return of minor or dependent children, or court-awarded custody, where the occupancy standards would require a larger size unit. The PHA will not approve more than a total of two people added in a 12-month period, unless the addition is due to the aforementioned categories, or live-in aide. The PHA will not approve the addition of an adult to the household unless the adult has income and steady income for the last 12 months. If working, the adult must be currently working and has worked at least 32 hours per week for the past 12 months. The PHA may grant an exception to this standard for close blood relatives of the head of household or spouse if there is a documented hardship, but not if the addition will overcrowd the unit.

All changes in family composition must be reported within 14 working days of the occurrence in writing.

If an adult family member is declared permanently absent by the head of household, the notice must contain a certification by the head of household or spouse that the member (who may be the head of household) removed is permanently absent.

Increase in Family Size

The PHA will consider a unit transfer (if needed under the Occupancy Guidelines) for additions to the family in the following cases:

Return of minor or disabled child to the household.

Addition of a PHA-approved live-in attendant.

Addition due to birth, adoption or court-awarded custody.

Families who need a larger sized unit because of the above additions will have a lower priority on the Transfer List than other families who are required to change unit size and a lower priority than eligible families on the waiting list.

If a change due to birth, adoption, court-awarded custody, return of minor or disabled child to the household or a live-in attendant requires a larger size unit due to overcrowding, the change in unit size shall be made effective upon availability of an appropriately sized unit.

Definition of "Temporarily/Permanently Absent"

The PHA must compute all applicable income of every family member who is on the lease, including those who are temporarily absent.

Income of persons permanently absent will not be counted. If the spouse is temporarily absent and in the military, all military pay and allowances (except hazardous duty pay when exposed to hostile fire and any other exceptions to military pay HUD may define) are counted as income.

It is the responsibility of the head of household to report changes in family composition. The PHA will evaluate absences from the unit in accordance with this policy.

Absence of Entire Family

These policy guidelines address situations when the family is absent from the unit, but has not moved out of the unit. In cases where the family has moved out of the unit, the PHA will terminate tenancy in accordance with the appropriate lease termination procedures contained in this Policy.

Families are required to notify the PHA before they move out of a unit in accordance with the lease and to give the PHA information about any family absence from the unit.

Families must notify the PHA if they are going to be absent from the unit for more than fifteen, other consecutive days. A person with a disability may request an extension of time as an accommodation.

"Absence" means that no family member is residing in the unit.

In order to determine if the family is absent from the unit, the PHA may:

Conduct home visit

Write letters to the family at the unit

Post letters on exterior door

Telephone the family at the unit

Interview neighbors

Verify if utilities are in service

Check with Post Office for forwarding address

Contact emergency contact

If the entire family is absent from the unit, without PHA permission, for more than 30 consecutive days, the unit will be considered to be vacant and the PHA will terminate tenancy. However, extensions up to 180 consecutive days may be granted when the illness of a family member requires the family to be absent more than 30 consecutive days.

As a reasonable accommodation for a person with a disability, the PHA may approve an extension. (See Absence Due to Medical Reasons for other reasons to approve an extension.) During the period of absence, the rent and other charges must remain current.

Absence of Any Member

Any member of the household will be considered permanently absent if s/he is away from the unit for six consecutive months in a 12 month period except as otherwise provided in this Chapter.

Absence Due to Medical Reasons

If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, the PHA will seek advice from a reliable qualified source as to the likelihood and timing of their return. If the verification indicates that the family member will be permanently confined to a nursing home, the family member will be considered permanently absent. If the verification indicates that the family member will return in less than 180 consecutive days, the family member will not be considered permanently absent, as long as rent and other charges remain current.

If the person who is determined to be permanently absent is the sole member of the household, assistance will be terminated in accordance with the PHA's "Absence of Entire Family" policy.

Absence Due to Incarceration

If the sole member is incarcerated for more than 30 consecutive days, s/he will be considered permanently absent. Any member of the household, other than the sole member, will be considered permanently absent if s/he is incarcerated for 180 consecutive days. The rent and other charges must remain current during this period. A verification of the reason for incarceration is required and if incarceration is a result of prohibited activities, immediate action will be taken to terminate the lease.

Foster Care and Absences of Children

If the family includes a child or children temporarily absent from the home due to placement in foster care, the PHA will determine from the appropriate agency when the child/children will be returned to the home.

If the time period is to be greater than six months from the date of removal of the child(ren), the family will be required to move to a smaller size unit. If all children are removed from the home permanently, the unit size will be reduced in accordance with the PHA's occupancy guidelines.

Absence of Adult

If an appropriate agency has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period when both parents are absent, the PHA will treat that adult as a visitor for the first 14 calendar days.

If by the end of that period, court-awarded custody or legal guardianship has been awarded to the caretaker, and the caretaker qualifies under Tenant Suitability criteria, the lease will be transferred to the caretaker.

If the court has not awarded custody or legal guardianship, but the action is in process, the PHA will secure verification from social services staff or the attorney as to the status.

The caretaker will be allowed to remain in the unit, as a visitor, until a determination of custody is made.

The PHA will transfer the lease to the caretaker, in the absence of a court order, if the caretaker qualifies under the Tenant Suitability criteria and has been in the unit for more than six months and it is reasonable to expect that custody will be granted.

When the PHA approves a person to reside in the unit as caretaker for the child(ren), the income of the caretaker should be counted pending a final disposition. The PHA will work with the appropriate service agencies to provide a smooth transition in these cases.

If a member of the household is subject to a court order that restricts him/her from the home for more than 180 days, the person will be considered permanently absent.

If an adult child goes into the military and leaves the household, they will be considered permanently absent.

Full time students who attend school away from the home will be treated in the following manner:

> A student (other than head of household or spouse) who attends school away from home but lives with the family during school recesses may in certain circumstances, at the family's choice, be considered either temporarily or permanently absent. If the family decides that the member is permanently absent, income of that member will not be included in total household income, the member will not be included on the lease, and the member will not be included for determination of unit size.
>
> Students going to a public/private elementary or high school and/or living with family or friends (refer to shared custody) or students who have established separate households as indicated by one-year lease agreements must be considered permanently absent.

Visitors (See Chapter on Leasing)

Any adult not included on the HUD 50058 who has been in the unit more than 14 consecutive days, or a total of fifteen cumulative days in the month will be considered to be living in the unit as unauthorized household member.

Absence of evidence of any other address will be considered verification that the visitor is an unauthorized household member.

Statements from neighbors and/or PHA staff will be considered in making the determination.

The PHA will consider:

Statements from neighbors and/or PHA staff

Vehicle license plate verification

Post Office records

Driver's license verification

Law enforcement reports

Credit reports

Use of the unit address as the visitor's current residence for any purpose that is not explicitly temporary shall be construed as permanent residence.

The burden of proof that the individual is a visitor rests on the family. In the absence of such proof, the individual will be considered an unauthorized member of the family and the PHA will terminate the family's lease since prior approval was not requested for the addition.

Minors and college students who were part of the family but who now live away from home during the school year and are not considered members of the household may visit for up to 120 days per year without being considered a member of the household.

In a joint custody arrangement, if the minor is in the household less than 50% of the year, the minor will be considered to be an eligible visitor and not a family member. If both parents reside in Public Housing, only one parent would be able to claim the child for deductions and for determination for the occupancy standards.

H. REMAINING MEMBER OF TENANT FAMILY - RETENTION OF UNIT

To be considered the remaining member of the tenant family, the person must have been previously approved by the PHA to be living in the unit.

A live-in attendant or foster child will not be considered a remaining member of the Family.

In order for a minor child to continue to receive assistance as a remaining family member:

The court has to have awarded emancipated minor status to the minor or is legally married; or

The PHA has to have verified that social services and/or the Juvenile Court has arranged for another adult to be brought into the unit to care for the child(ren) for an indefinite period.

A reduction in family size may require a transfer to an appropriate unit size per the Occupancy Standards.

I. CHANGES IN UNIT SIZE

The PHA shall grant exceptions from the occupancy standards if the family requests and the PHA determines the exceptions are justified according to this policy.

The PHA will not assign a larger bedroom size due to additions of family members other than by birth, adoption, return of minor or disabled children to the household, or court-awarded custody.

The PHA will consider the size of the unit and the size of the bedrooms, as well as the number of bedrooms, when an exception is requested.

When an approvable change in the circumstances in a tenant family requires another unit size, the family's move depends upon the availability of a suitable size and type of unit. If the unit is not available at the time it is requested, the family will be placed on the Transfer List.

(Reference chapter on Occupancy Standards)

J. CONTINUANCE OF ASSISTANCE FOR "MIXED" FAMILIES

Under the Noncitizens Rule, "Mixed" families are families that include at least one citizen or eligible immigrant and any number of ineligible members.

"Mixed" families who were participants on June 19, 1995, shall continue receiving full assistance if they meet the following criteria:

> The head of household, co-head or spouse is a U.S. citizen or has eligible immigrant status; AND
>
> The family does not include any ineligible immigrants other than the head or spouse, or parents or children of the head, co-head or spouse.

Mixed families who qualify for continued assistance after 11/29/96 may receive prorated assistance only.

If they do not qualify for continued assistance, the member(s) that cause the family to be ineligible for continued assistance may move, or the family may choose prorated assistance (See Chapter titled "Factors Related to Total Tenant Payment Determination"). The PHA may no longer offer temporary deferral of termination (see Chapter on "Lease Terminations").

RESERVED

Chapter 13

LEASE TERMINATIONS

[24 CFR 966.4]

INTRODUCTION

The PHA may terminate tenancy for a family because of the family's action or failure to act in accordance with HUD regulations [24 CFR 966.4 (l)(2)], and the terms of the lease. This Chapter describes the PHA's policies for notification of lease termination and provisions of the lease.

A. TERMINATION BY TENANT

The tenant may terminate the lease by providing the PHA with a written 30-day (plus one day) advance notice as defined in the lease agreement.

B. TERMINATION BY PHA

Termination of tenancy will be in accordance with the PHA's lease.

The public housing lease is automatically renewable, EXCEPT the public housing lease shall have a 12-month term for community service and will not be renewed in the case of noncompliance with the community service requirements. See Chapter on Community Service.

A victim of domestic violence, dating violence, and staking will not be subject to lease termination for criminal activities unless the violent acts can be demonstrated by the PHA or manager to pose an actual and imminent threat to other tenants if that tenant is not evicted. The lease agreement may be bifurcated to allow a resident perpetrator to be evicted, while allowing the victim to remain in the unit.

The lease may be terminated by the PHA at any time by giving written notice for serious or repeated violation of material terms of the lease, such as, but not limited to the following:

> Nonpayment of rent or other charges due under the Lease, or repeated late payment of rent;
>
> Failure to provide timely and accurate statements of income, assets, expenses and family composition at Admission, Interim, Special or Annual Rent Recertifications;
>
> Assignment or subleasing of the premises or providing accommodation for boarders or lodgers;

Use of the premises for purposes other than solely as a dwelling unit for the Tenant and Tenant's household as identified in this Lease, or permitting its use for any other purposes;

Failure to abide by necessary and reasonable rules made by the PHA for the benefit and well being of the housing project and the Tenants;

Failure to abide by applicable building and housing codes materially affecting health or safety;

Failure to dispose of garbage waste and rubbish in a safe and sanitary manner;

Failure to use electrical, plumbing, sanitary, heating, ventilating, air conditioning and other equipment, including elevators, in a safe manner;

Acts of destruction, defacement or removal of any part of the premises, or failure to cause guests to refrain from such acts;

Failure to pay reasonable charges (other than for normal wear and tear) for the repair of damages to the premises, project buildings, facilities, equipment, or common areas; or

Violation of the requirement for the Tenant, any member of the Tenant's household, or a guest not engage in criminal activity, including drug-related criminal activity, *on or off* public housing premises (as defined in the lease), while the Tenant is a Tenant in public housing, and such criminal activity shall be cause for termination of tenancy. The term "drug-related criminal activity" means the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute, or use, a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

Any other person under the tenant's control shall not engage in such activity on public housing premises.

If contraband or a controlled substance is seized on the above premises, incidental to a lawful search or arrest, the PHA will be notified by the County Attorney's Office that it is to bring an unlawful detainer action against that Tenant. The PHA will then commence unlawful detainer procedures to terminate the Lease.

Alcohol abuse that the PHA determines interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.

Non-compliance with Non-Citizen Rule requirements.

Failure of a family member to comply with community service provisions, as grounds only for non-renewal of the lease and termination of tenancy at the end of the 12-month lease term;

Discovery after admission of facts that made the tenant ineligible;

Discovery of material false statements or fraud by the tenant in connection with an application for assistance or with reexamination of income;

Failure to accept the PHA's offer of a lease revision to an existing lease that is on a form adopted by the PHA in accordance with HUD regulations, with written notice of the offer of the revision at least 60 calendar days before the lease revision is scheduled to take effect; and with the offer specifying a reasonable time limit within that period for acceptance by the family.

Other good cause**.**

C. NOTIFICATION REQUIREMENTS

The PHA's written Notice of Lease Termination will state the reason for the proposed termination, the date that the termination will take place, and it will offer the resident all of the rights and protections afforded by the regulations and this policy. (See Chapter on Complaints, Grievances and Hearings.)

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

The return of the certified mail receipt, whether signed or unsigned, shall be considered to be proof that the resident received proper notification.

Disclosure of Criminal Records to Family

Before the PHA terminates the lease based on a criminal conviction record, the tenant and subject of record will be provided information regarding his/her criminal record. Tenants may dispute the accuracy and relevance of that record at the grievance hearing or court hearing.

Timing of the Notice

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

At least 14 calendar days prior to termination in the case of failure to pay rent;

A reasonable time, according to State law, considering the seriousness of the situation but not to exceed 30 days:

If the health or safety of other residents, PHA employees, or persons residing in the immediate vicinity of the premises is threatened; or

If any member of the household has engaged in any drug-related criminal activity or violent criminal activity; or

If any member of the household has been convicted of a felony.

At least thirty days prior to termination in all other cases.

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

Criminal Activity

The PHA will immediately terminate tenancy of persons convicted of manufacturing or producing methamphetamine on the premises of the assisted housing project in violation of any Federal or State law. "Premises" is defined as the building or complex in which the dwelling unit is located, including common areas and grounds.

The PHA will terminate assistance of participants in cases where the PHA determines there is reasonable cause to believe that the person is illegally using a controlled substance or engages in drug-related or other criminal activity. The same will apply if it is determined that the person abuses alcohol in a way that interferes with the health, safety or right to peaceful enjoyment of the premises by other residents. This includes cases where the PHA determines that there is a pattern of illegal use of controlled substances or a pattern of alcohol abuse.

The PHA will consider the use of a controlled substance or alcohol to be a *pattern* if there is more than one incident during the previous 12 months.

"Engaged in or engaging in or recent history of" drug related criminal activity means any act within the past five years by applicants or participants, household members, or guests which involved drug-related criminal activity including, without limitation, drug-related criminal activity, possession and/or use of narcotic paraphernalia, which did or did not result in the arrest and/or conviction of the applicant or participant, household members, or guests.

"Engaged in or engaging in or recent history of" criminal activity means any act within the past five years by applicants or participants, household members, or guests which involved criminal activity that would threaten the health, safety or right to peaceful enjoyment of the public housing premises by other residents or employees of the PHA, which did or did not result in the arrest and/or conviction of the applicant or participant, household members, or guests.

The PHA will not waive this policy.

D. RECORD KEEPING

A written record of every termination and/or eviction shall be maintained by the PHA at the development where the family was residing, and shall contain the following information:

Name of resident, number and identification of unit occupied;

Date of the Notice of Lease Termination and any other notices required by State or local law; these notices may be on the same form and will run concurrently;

Specific reason(s) for the Notices, citing the lease section or provision that was violated, and other facts pertinent to the issuing of the Notices described in detail (other than the

Date and method of notifying the resident;

Summaries of any conferences held with the resident including dates, names of conference participants, and conclusions.

Records for persons whose leases were terminated for any reason will be kept by the PHA indefinitely**.**

E. TERMINATIONS DUE TO INELIGIBLE IMMIGRATION STATUS

If the PHA determines that a family member has knowingly permitted an ineligible individual to reside in the family's unit on a permanent basis, without the permission of the PHA, the family's lease will be terminated for allowing an unauthorized person to reside in the unit. This provision does not apply to a family if the eligibility of the ineligible individual was considered in calculating any proration of assistance provided for the family.

RESERVED

Chapter 14

COMPLAINTS, GRIEVANCES AND APPEALS

[24 CFR Part 966 Subpart B]

INTRODUCTION

The informal hearing requirements defined in HUD regulations are applicable to participating families who disagree with an action, decision, or inaction of the PHA. This Chapter describes the policies to be used when families disagree with a PHA decision. It is the policy of the PHA to ensure that all families have the benefit of all protections due to them under the law.

Grievances shall be handled in accordance with the PHA's approved Grievance Procedures. The written grievance procedure is incorporated into this document by reference and is the guideline to be used for grievances and appeals.

A. COMPLAINTS

The PHA will respond promptly to all complaints**.**

Each complaint regarding physical condition of the units may be reported by phone to the Property Manager.

Complaints from families. If a family disagrees with an action or inaction of the PHA, complaints will be referred to the Property Manager. Complaints regarding physical condition of the units may be reported by phone to the Property Management Supervisor.

Complaints from staff. If a staff person reports a family is violating or has violated a lease provision or is not complying with program rules, the complaints will be referred to the Program Manager.

Complaints from the general public. Complaints or referrals from persons in the community in regard to the PHA or a family will be referred to the Program Manager, designee or Fraud Hotline.

Anonymous complaints will be checked whenever possible.

B. APPEALS BY APPLICANTS

Applicants who are determined ineligible, who do not meet the PHA's admission standards, or where the PHA does not have an appropriate size and type of unit in its inventory will be given written notification promptly, including the reason for the determination.

Ineligible applicants will be promptly provided with a letter detailing their individual status, stating the reason for their ineligibility, and offering them an opportunity for an informal hearing.

Applicants must submit their request for an informal review in writing to the PHA within 14 working days from the date of the notification of their ineligibility.

If the applicant requests an informal review, the PHA will provide an informal hearing within 30 working days of receiving the request. The PHA will notify the applicant of the place, date, and time.

Informal hearings will be conducted by an impartial hearing officer. The person who is designated as the hearing officer cannot be the person who made the determination of ineligibility or a subordinate of that person.

The applicant may bring to the hearing any documentation or evidence s/he wishes and the evidence along with the data compiled by the PHA will be considered by the hearing officer.

Within 30 working days, the hearing officer will mail a written decision to the applicant and place a copy of the decision in the applicant's file.

The grievance procedures for Public Housing tenants do not apply to PHA determinations that affect applicants.

C. APPEALS BY TENANTS

Grievances or appeals concerning the obligations of the tenant or the PHA under the provisions of the lease shall be processed and resolved in accordance with the Grievance Procedure of the PHA, which is in effect at the time such grievance or appeal arises.

(See the PHA's Grievance Procedure contained in this chapter.)

D. HEARING AND APPEAL PROVISIONS FOR "RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS"

Assistance to the family may not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of the decision on the INS appeal.

Assistance to a family may not be terminated or denied while the PHA hearing is pending but assistance to an applicant may be delayed pending the PHA hearing.

INS Determination of Ineligibility

If a family member claims to be an eligible immigrant and the INS SAVE system and manual search do not verify the claim, the PHA notifies the applicant or tenant within ten days of their right to appeal to the INS within thirty days or to request an informal hearing with the PHA either in lieu of or subsequent to the INS appeal.

If the family appeals to the INS, they must give the PHA a copy of the appeal and proof of mailing or the PHA may proceed to deny or terminate. The time period to request an appeal may be extended by the PHA for good cause.

The request for a PHA hearing must be made within fourteen days of receipt of the notice offering the hearing or, if an appeal was made to the INS, within fourteen days of receipt of that notice.

After receipt of a request for an informal hearing, the hearing is conducted as described in the "Grievance Procedures" section of this chapter for both applicants and participants. If the hearing officer decides that the individual is not eligible, and there are no other eligible family members the PHA will:

Deny the applicant family.

Terminate the participant.

If there are eligible members in the family, the PHA will offer to prorate assistance or give the family the option to remove the ineligible members.

All other complaints related to eligible citizen/immigrant status:

If any family member fails to provide documentation or certification as required by the regulation, that member is treated as ineligible. If all family members fail to provide, the family will be denied or terminated for failure to provide.

Participants whose assistance is pro-rated (either based on their statement that some members are ineligible or due to failure to verify eligible immigration status for some members after exercising their appeal and hearing rights described above) the family is entitled to a hearing based on the right to a hearing regarding determinations of Tenant Rent and Total Tenant Payment.

Families denied or terminated for fraud in connection with the non-citizens rule are entitled to a review or hearing in the same way as terminations for any other type of fraud.

E. GRIEVANCE PROCEDURES

See the Public Housing Lease Attachment B.

Definitions

Grievance. Any dispute which a tenant may have with respect to a Housing Authority action or failure to act in accordance with the individual tenant's lease or PHA regulations that adversely affect the individual tenant's rights, duties, welfare, or status.

Complainant. Any tenant whose grievance is presented to the PHA or at the site/management office informally or as part of the informal hearing process.

Hearing Officer/Hearing Panel. A person or persons selected in accordance with this grievance procedure to hear grievances and render a decision with respect thereto.

Tenant. A lessee or the remaining head of household of any tenant family residing in housing accommodations owned or leased by the PHA.

Elements of Due Process. An eviction action or a termination of tenancy in a State or local court in which the following procedural safeguards are required.

Adequate notice to the tenant of the grounds for terminating the tenancy and for eviction;

Opportunity for the tenant to examine all relevant documents, records, and regulations of the PHA prior to the trial for the purpose of preparing a defense;

Right of the tenant to be represented by counsel;

Opportunity for the tenant to refute the evidence presented by the PHA including the right to confront and cross-examine witnesses and to present any affirmative legal or equitable defense which the tenant may have;

A decision on the merits of the case.

Applicability

This Grievance Procedure applies to all individual grievances, except any grievance concerning a termination of tenancy or eviction that involves:

Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises of other residents or PHA employees, or

Any violent or drug-related criminal activity *on* or *off* such premises, or

Any criminal activity that resulted in felony conviction of a household member.

Chapter 15

FAMILY DEBTS TO THE PHA

INTRODUCTION

This Chapter describes the PHA's policies for the recovery of monies, which have been underpaid by families. It describes the methods that will be utilized for collection of monies and the guidelines for different types of debts. It is the PHA's policy to meet the informational needs of families, and to communicate the program rules in order to avoid family debts. Before a debt is assessed against a family, the file must contain documentation to support the PHA's claim that the debt is owed. The file must further contain written documentation of the method of calculation, in a clear format for hearing by the family or other interested parties.

When families owe money to the PHA, the PHA will make every effort to collect it. The PHA will use a variety of collection tools to recover debts including, but not limited to:

Requests for lump sum payments

Civil suits

Payment agreements

Collection agencies

Credit bureaus

Income tax set-off programs

A. PAYMENT AGREEMENT FOR FAMILIES

A Payment Agreement as used in this Plan is a document entered into between the PHA and a person who owes a debt to the PHA. It is similar to a promissory note, but contains more details regarding the nature of the debt, the terms of payment, any special provisions of the agreement, and the remedies available to the PHA upon default of the agreement.

The maximum length of time the PHA will enter into a payment agreement with a family is one year. However, if the payment plan is not affordable to the family, the program manager may grant extensions of longer duration.

Late Payments

A payment will be considered to be in arrears if:

The payment has not been received by the close of the business day on which the payment was due. If the due date is on a weekend or holiday, the due date will be at the close of the next business day.

If the family's payment agreement is in arrears, the PHA will:

Require the family to pay the balance in full

If the family requests a transfer to another unit and has a payment agreement in place and the payment agreement is not in arrears:

The family will be required to pay the balance in full prior to the unit transfer**.**

Payment Schedule for Monies Owed to the PHA

Initial Payment Due will be 10% of the total amount owed.

There are some circumstances in which the PHA will not enter into a payment agreement. They are:

If the family already has a payment agreement in place.

If the PHA determines that the family has committed program fraud or failed to provide true and complete information

If the PHA determines that the debt, due to fraud or failure to report income, is so large that it would take more than one year to repay.

Guidelines for Payment Agreements

Payment agreements will be executed between the PHA and the head of household and spouse**.**

Monthly payments may be decreased in cases of hardship with the prior notice of the family, verification of the hardship, and the approval of the Program Manager.

No transfer will be approved until the debt is paid in full unless the transfer is the result of the following causes, and the payment agreement is current:

Family size exceeds the maximum occupancy guidelines

A natural disaster

Additional Monies Owed

If the family has a payment agreement in place and incurs an additional debt to the PHA:

The PHA will not enter into more than one payment agreement at a time with the same family.

B. DEBTS DUE TO FRAUD/NON-REPORTING OF INFORMATION.

HUD's definition of program fraud and abuse is a single act or pattern of actions that constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead.

Non-reporting of information is the failure to fully and/or accurately report true and complete information regardless of whether this failure was deliberate.

Family Error/Late Reporting

Families who owe money to the PHA due to the family's failure to report increases in income will be required to repay in accordance with the guidelines in the Payment Section of this Chapter.

Program Fraud

Families who owe money to the PHA due to program fraud will be required to repay in accordance with the guidelines in Section A of this Chapter.

If a family owes an amount, which equals or exceeds $5,000 as a result of program fraud, the lease will be terminated and the case will be referred to the Inspector General. Where appropriate, the PHA will refer the case for criminal prosecution.

Payment Procedures for Program Fraud

Families who commit program fraud or untimely reporting of increases in income will be subject to the following procedures:

The maximum time period for a payment agreement will be 12 months.

The PHA may take terminate the family’s lease as a result of fraud

C. WRITING OFF DEBTS

Debts may be written off by the Director of HCD when determined un-collectable. In determining whether a debt is un-collectable several factors will be considered including the following:

Whether the debtor's whereabouts are unknown and the debt is more than one year old.

Whether the debtor is judgment proof.

Whether the debtor is deceased.

The debtor is confined to an institution indefinitely.

The amount is less than $250.00 and the debtor cannot be located.

However, the PHA will maintain records of the debt until paid and the family is ineligible to receive assistance in any federally funded housing program while the debt remains.

Chapter 16

COMMUNITY SERVICE

[24 CFR Part 960 Subpart F and 24 CFR 903.7(l)]

INTRODUCTION

IMPORTANT NOTICE

The community service requirement was suspended for Federal Fiscal Year 2002, for all developments. The requirement has been reinstated for Federal Fiscal Year 2003.

A. REQUIREMENT

Each adult resident of the PHA shall:

Contribute eight 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 (defined below) for eight hours per month; or

Perform eight hours per month of combined activities (community service and economic self-sufficiency program)

B. EXEMPTIONS

The PHA shall provide an exemption from the community service requirement for any individual who:

Is 62 years of age or older;

Is a blind or disabled individual, as defined under section 216[i][l] or 1614 of the Social Security Act, and who is unable to comply with this section, or is a primary caretaker of such individual;

Is engaged in a work activity as defined in section 407[d] of the Social Security Act;

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, 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

Is in a family receiving assistance under a State program funded under part A of title IV of the Social Security Act, 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, and has not been found by the State or other administering entity to be in noncompliance with such program.

The PHA will re-verify exemption status annually except in the case of an individual who is 62 years of age or older.

The PHA will permit residents to change exemption status during the year if status changes.

C. DEFINITION OF ECONOMIC SELF-SUFFICIENCY PROGRAM

For purposes of satisfying the community service requirement, participating in an economic self-sufficiency program is defined, in addition to the exemption definitions described above, by HUD as: Any program designed to encourage, assist, train or facilitate economic independence of assisted families or to provide work for such families.

These economic self-sufficiency programs can include job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, or any other program necessary to ready a participant to work (such as substance abuse or mental health treatment).

In addition to the HUD definition above, the PHA definition includes any of the following:

Participating in the Family Self-Sufficiency Program and being current in the steps outlined in the Individual Training and Services Plan.

Participating in the Family Self-Sufficiency Program and attending at least three FSS events annually.

Other activities as approved by the PHA on a case-by-case basis.

The PHA will give residents the greatest choice possible in identifying community service opportunities.

The PHA will consider a broad range of self-sufficiency opportunities.

D. ANNUAL DETERMINATIONS

For each public housing resident subject to the requirement of community service, the PHA shall, at least 30 days before the expiration of each lease term, review and determine the compliance of the resident with the community service requirement.

Such determination shall be made in accordance with the principles of due process and on a nondiscriminatory basis.

The PHA will verify compliance annually. If qualifying activities are administered by an organization other than the PHA, the PHA will obtain verification of family compliance from such third parties.

Family members will not be permitted to self-certify that they have complied with community service requirements.

E. NONCOMPLIANCE

If the PHA determines that a resident subject to the community service requirement has not complied with the requirement, the PHA shall notify the resident of such noncompliance, and that:

> The determination of noncompliance is subject to the administrative grievance procedure under the PHA's Grievance Procedures; and
>
> Unless the resident enters into an agreement to comply with the community service requirement, the resident's lease will not be renewed, and
>
> The PHA 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 PHA enters into an agreement, before the expiration of the lease term, with the resident providing for the resident to cure any noncompliance with the community service 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 head of household and the noncompliant adult must sign the agreement to cure.

Ineligibility for Occupancy for Noncompliance

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

F. PHA RESPONSIBILITY

The PHA will ensure that all community service programs are accessible for persons with disabilities.

The PHA will ensure that:

> The conditions under which the work is to be performed are not hazardous;
>
> The work is not labor that would be performed by the PHA's employees responsible for essential maintenance and property services; or

The work is not otherwise unacceptable.

G. PHA IMPLEMENTATION OF COMMUNITY SERVICE REQUIREMENT

The PHA will administer its own community service program, with cooperative relationships with other entities.

Chapter 17

PROGRAM REVIEW ADDENDUM

INTRODUCTION

The U.S. Department of Housing and Urban Development (HUD) conservatively estimates that 600 million dollars is paid annually to program participants who falsify or omit material facts in order to gain more rental subsidy than they are entitled to under the law. HUD further estimates that 12% of all HUD-assisted families are either totally ineligible or are receiving benefits that exceed their legal entitlement. The PHA is committed to assure that the proper level of benefits is paid to all tenants and that housing resources reach only income-eligible families so that program integrity can be maintained.

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

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

A. CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD

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

The PHA will initiate an investigation of a tenant family only in the event of one or more of the following circumstances:

> Referrals, Complaints, or Tips. The PHA will follow up on referrals received by mail, by telephone, or in person from other agencies, companies, or persons alleging that a tenant family is in noncompliance with or otherwise violating the lease or the program rules. Such follow-up will be made providing that the referral contains at least one item of information that is independently verifiable. A copy of the allegation will be retained in the tenant file.
>
> Internal File Review. A follow-up will be made if PHA staff discovers (as a function of a [re]certification, an interim redetermination, or a quality control review) information or facts that conflict with previous file data, the PHA's knowledge of the family, or statements made by the family.

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

B. STEPS THE PHA WILL TAKE TO PREVENT PROGRAM ABUSE AND FRAUD

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

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

Program Orientation Session. Mandatory orientation sessions will be conducted by the site manager for all prospective tenants either prior to or upon execution of the lease. At the conclusion of all program orientation sessions, the family representative will be required to sign a program-briefing certificate to confirm that all rules and pertinent regulations were explained to them.

Resident Counseling. The PHA may routinely provide tenant counseling as a part of every recertification interview in order to clarify any confusion pertaining to program rules and requirements.

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

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

Tenant Certification. All family representatives will be required to sign a tenant certification form.

C. STEPS THE PHA WILL TAKE TO DETECT PROGRAM ABUSE AND FRAUD

The PHA Staff will maintain a high level of alertness to indicators of possible abuse and fraud by assisted families.

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

Changes in reported Social Security numbers or dates of birth

Authenticity of file documents

Ratio between reported income and expenditures

Consistency of signatures with previously signed file documents

Observation. The PHA management and occupancy staff (to include maintenance personnel) will maintain high awareness of circumstances which may indicate program abuse or fraud, such as unauthorized persons residing in the household and unreported income.

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

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

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

At the time of final eligibility determination

When an allegation is received by the PHA wherein unreported income sources are disclosed.

When a tenant's expenditures exceed his/her reported income and no plausible explanation is given.

D. THE PHA'S HANDLING OF ALLEGATIONS OF POSSIBLE ABUSE AND FRAUD

The PHA staff will encourage all tenant families to report suspected abuse to The Program Review Division. All such referrals, as well as referrals from community members and other agencies, will be thoroughly documented and placed in the tenant file. All allegations, complaints, and tips will be carefully evaluated to determine whether they warrant follow-up. Program Review will not follow up on allegations that are vague or otherwise non-specific. They will only review allegations that contain one or more independently verifiable fact(s).

File Review. An internal file review will be conducted to determine if the subject of the allegation is a tenant of the PHA and, if so, whether the information reported has been previously disclosed by the family. The PHA will then determine whether it is the most appropriate authority to do a follow-up (as compared to police or social services). Any file documentation of past behavior as well as corroborating complaints will be evaluated.

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

E. HOW THE PHA WILL INVESTIGATE ALLEGATIONS OF ABUSE AND FRAUD

If the PHA determines that an allegation or referral warrants follow-up, either the staff person who is responsible for the file or a person designated by the Executive Director to monitor program compliance will conduct the investigation. The steps taken will depend upon the nature of the allegation and may include the items listed below. In all cases, the PHA will secure the written authorization from the program participant for the release of information.

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

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

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

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

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

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

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

F. PLACEMENT OF DOCUMENTS, EVIDENCE, AND STATEMENTS OBTAINED BY THE PHA

Documents and other evidence obtained by the PHA during the course of an investigation will be considered "work product" and will be kept either in the tenant file or in a separate "work file." In either case, the tenant file or work file will be kept in a secure area. Such cases under review will be discussed only among PHA staff who are involved in the process or have information that may assist in the investigation.

G. CONCLUSION OF THE PHA'S INVESTIGATIVE REVIEW

At the conclusion of the investigative review, the reviewer will report the findings to the executive director or designee. It will then be determined whether the facts are conclusive and, if so, whether a violation has or has not occurred.

H. EVALUATION OF THE FINDINGS

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

What type of violation has occurred (procedural noncompliance or fraud)

Whether the violation was intentional or unintentional

What amount of money (if any) is owed by the tenant

Whether the family is eligible for continued occupancy

I. ACTION PROCEDURES FOR VIOLATIONS THAT HAVE BEEN DOCUMENTED

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

Procedural Noncompliance

This category applies when the tenant "fails to" observe a procedure or requirement of the PHA but does not misrepresent a material fact and there is no retroactive rent owed by the family. Examples of noncompliance violations are:

Failure to appear at a prescheduled appointment

Failure to return verification in the time period specified by the PHA

Warning Notice to the Family. In such cases a notice containing the following will be sent to the family:

A description of the noncompliance and the procedure, policy, or obligation that was violated.

The date by which the violation must be corrected or the procedure complied with.

The action that will be taken by the PHA if the procedure or obligation is not complied with by the date specified by the PHA

The consequences of repeated (similar) violations.

Procedural Noncompliance - Retroactive Rent

When the tenant owes money to the PHA for failure to report changes in income or assets, the PHA will issue a notice of underpaid rent. This notice will contain the following:

A description of the violation and the date(s)

Any amounts owed to the PHA

The number of days within which a response must be received

Acknowledgment of the tenant's right to disagree and to request an informal hearing, along with instructions for requesting such a hearing

Tenant Fails to Comply with PHA's Notice. If the tenant fails to comply with the PHA's notice and a material provision of the lease has been violated, the PHA will initiate termination of tenancy.

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

Intentional Misrepresentations

When a tenant falsifies, misstates, omits, or otherwise misrepresents a material fact that results (or would result) in an underpayment of rent by the tenant, the PHA will evaluate whether or not:

The tenant had knowledge that his/her actions were wrong

The tenant willfully violated the lease or the law

Knowledge. This will be evaluated by determining whether the tenant was made aware of program requirements and prohibitions. The tenant's signature on various certifications, the briefing certificate, and the personal declaration are adequate to establish knowledge of wrongdoing.

Willful Intent. Any of the following circumstances will be considered adequate to demonstrate willful intent:

An admission by the tenant of the misrepresentation

Repetition of the misrepresentation

Use of a false name or Social Security number

Admissions of the illegal action or omission by the tenant to others.

Omission of material facts known to the tenant (e.g., employment of the tenant or other household member)

Falsification, forgery, or altering of documents

Uttering and certifying to statements at a rent (re)determination that are later independently verified to be false

The Tenant Conference for Serious Violations and Misrepresentations

When the PHA has established that a material misrepresentation has occurred, a tenant conference will be scheduled with the family representative and the PHA staff person who is most knowledgeable about the circumstances of the case.

This conference will take place prior to any proposed action by the PHA. The purpose of such a conference is to review the information and evidence obtained by the PHA with the tenant and to give the tenant an opportunity to explain any document findings that conflict with representations in the tenant file. Any documents or mitigating circumstances presented by the tenant will be taken into consideration by the PHA. The tenant will be given 14 days to furnish any mitigating evidence.

A secondary purpose of the tenant conference is to assist the PHA in determining the course of action most appropriate for the case. Prior to the final determination of the proposed action, the PHA may consider:

The duration of the violation

The number of false statements

The tenant's ability to understand the rules

The tenant's willingness to cooperate and to accept responsibility for his/her actions

The amount of money involved

The tenant's history

The presence or absence of criminal intent

Dispositions of Cases Involving Misrepresentations

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

Criminal Prosecution: If the PHA has established criminal intent and the case meets the criteria for prosecution, the PHA may:

Refer the case to the local state or district attorney, notify HUD's regional inspector general for investigation (RIGI), and terminate rental assistance.

Administrative Remedies: The PHA may:

Terminate tenancy and demand restitution in full.

Terminate tenancy and execute an administrative repayment agreement in accordance with the PHA's repayment policy

Terminate tenancy and pursue restitution through civil litigation

Permit continued occupancy at the correct rent and execute an administrative repayment agreement in accordance with the PHA's repayment policy.

Notification to Tenant of Proposed Action

The PHA will notify the tenant of the proposed action by certified mail no later than 30 days after the tenant conference.

RESERVED

GLOSSARY

I. TERMS USED IN DETERMINING RENT

ANNUAL INCOME (24 CFR 5.609)

Annual income is the anticipated total income from all sources. This includes net income derived from assets, received by the family head and spouse (even if temporarily absent) and by each additional family member for the 12 month period following the effective date of initial determination or reexamination of income. It does not include income that is temporary, non-recurring, or sporadic as defined in this section, or income that is specifically excluded by other federal statute. Annual income includes:

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

The net income from operation of a business or profession, including any withdrawal of cash or assets from the operation of the business. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining the net income from a business. An allowance for the straight-line depreciation of assets used in a business or profession may be deducted as provided in IRS regulations. Withdrawals of cash or assets will not be considered income when used to reimburse the family for cash or assets invested in the business.

Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for the straight-line depreciation of real or personal property is permitted. Withdrawals of cash or assets will not be considered income when used to reimburse the family for cash or assets invested in the property.

When the family has net family assets in excess of $5,000, Annual Income shall include the greater of the actual income derived from all net family assets, or a percentage of the value of such assets based on the current passbook savings rate as determined by HUD.

The full amount of periodic payments received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts.

NOTE: Treatment of lump sum payments for delayed or deferred periodic payment of social security or SSI benefits is dealt with later in this section.

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

All welfare assistance payments received by or on behalf of any family member. (24 CFR 913.106(b)(6) contains rules applicable to "as-paid" States).

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

All regular pay, special pay and allowances of a member of the Armed Forces (except special pay to a family member serving the Armed Forces who is exposed to hostile fire).

EXCLUSIONS FROM ANNUAL INCOME (24 CFR 5.609)

Annual income does not include the following:

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

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

Lump sum additions to family assets, such as inheritances, insurance payments (including payments under health, and accident insurance and workers' compensation) capital gains, and settlement for personal property losses;

Amounts received by the family that are specifically for, or in reimbursement of the cost of medical expenses for any family member.

Income of a live-in aide, provided the person meets the definition of a live-in aide.

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

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

Amounts received under HUD funded training programs (e.g. Step-up program); excludes stipends, wages, transportation payments and childcare vouchers for the duration of the training.

Amounts received by a person with disabilities that are disregarded for a limited time for purposes of Supplemental Security Income and benefits that are set aside for use under a Plan to Attain Self Sufficiency (PASS).

Amounts received by a participant in other publicly assisted programs that are specifically for, or in reimbursement of, out of pocket expenses incurred for items such as special equipment, clothing, transportation and childcare, to allow participation in a specific program.

Amount received as a Resident services stipend. A modest amount (not to exceed $200 per month) received by a public housing resident for performing a service for the PHA, 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, resident initiatives coordination, and serving as the resident member of the PHA governing Board. No resident may receive more than one such stipend during the same period of time.

Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of family members as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment-training program.

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

Medicare prescription drug subsidy.

Reparation payments paid by foreign governments pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era. (For all initial determinations and reexaminations of income on or after April 23, 1993.)

Earnings in excess of $480 for each full-time student 18 years old or older, (excluding the head of household and spouse).

Adoption assistance payments in excess of $480 per adopted child.

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 (42 U.S.C. 1437 et seq.), 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) is authorized by a Federal, State or local law; (2) is funded by the Federal, State or local government; (3) is operated or administered by a public agency; 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 as described in this section plus 18 months from the date the resident begins the first job acquired by the resident after completion of such program that <u>is not</u> 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.

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

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.

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.

Amounts specifically excluded by any other Federal Statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the United States Housing Act of 1937. (A notice will be published by HUD in the Federal Register identifying the benefits that qualify for this exclusion.

The following benefits are excluded by other Federal Statute as of August 3, 1933:

The value of the allotment provided to an eligible household for coupons under the Food Stamp Act of 1977;

Payments to volunteers under the Domestic Volunteer Service Act of 1973; examples of programs under this Act include but are not limited to:

The Retired Senior Volunteer Program (RSVP)

Foster Grandparent Program (FGP)

Senior Companion Program (SCP)

Older American Committee Service Program

National Volunteer Antipoverty Programs such as:

VISTA

Peace Corps

Service Learning Program

Special Volunteer Programs

Small Business Administration Programs such as:

National Volunteer Program to Assist Small Businesses

Service Corps of Retired Executives

Payments received under the Alaska Native Claims Settlement Act. [43 USC 1626 (a)]

Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes. [25 USC 459e]

Payments or allowances made under the Department of HHS' Low Income Home Energy Assistance Program. [42 USC 8624 (f)]

Payments received under programs funded in whole or in part under the Job Training Partnership Act (29 USC 1552 (b)

Income derived from the disposition of funds of the Grand River Band of Ottawa Indians (Pub. L. 94-540).

The first $2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the Court of Claims (25 USC. 1407-08), or from funds held in trust for an Indian Tribe by the Secretary of Interior.

Amounts of scholarships funded under Title IV of the Higher Education Act of 1965 including awards under the Federal work-study program or under the Bureau of Indian Affairs student assistance programs. [20 USC 1087 uu] Examples: Basic Educational Opportunity Grants (Pell Grants), Supplemental Opportunity Grants, State Student Incentive Grants, College-Work Study, and Byrd Scholarships.

Payments received under programs funded under Title V of the Older Americans Act of 1965 [42 USC 3056 (f)] Examples include Senior Community Services Employment Program, National Caucus Center on the Black Aged, National Urban League; Association National Pro Personas Mayores, National Council on Aging, American Association of Retired Persons, National Council on Senior Citizens, and Green Thumb.

Payments received after January 1, 1989 from the Agent Orange Settlement Fund or any other fund established in the In-Re Orange Product Liability litigation.

The value of any childcare provided or arranged (or any amount received as payment for such care or reimbursement for costs of incurred in such care) under the Child Care and Development Block Grant Act of 1990. (42 USC 9858q)

Earned income tax credit refund payments received on or after January 1, 1991. (26 USC 32)(j).

Living allowances under Americorps Program (Nelson Diaz Memo to George Latimer 11/15/94)

ADJUSTED INCOME

Annual income, less allowable HUD deductions.

Note: Under the Continuing Resolution, PHAs are permitted to adopt other adjustments to earned income for residents of Public Housing, but must absorb any resulting loss in rental income.

All Families are eligible for the following:

Childcare Expenses: A deduction of amounts anticipated to be paid by the family for the care of children under 13 years of age for the period for which the Annual Income is computed. Childcare expenses are only allowable when such care is necessary to enable a family member to be gainfully employed or to further his/her education. Amounts deducted must be unreimbursed expenses and shall not exceed: (1) The amount of income earned by the family member released to work, or (2) an amount determined to be reasonable by the PHA when the expense is incurred to permit education.

Dependent Deduction. An exemption of $480 for each member of the family residing in the household (other than the head or spouse, live-in aide, foster child) who is under eighteen years of age or who is eighteen years of age or older and disabled, handicapped, or a full-time student.

Handicapped Expenses. A deduction of unreimbursed amounts paid for attendant care or auxiliary apparatus expenses for handicapped family members where such expenses are necessary to permit a family member(s), including the handicapped/disabled member to be employed. In no event may the amount of the deduction exceed the employment income earned by the family member(s) freed to work.

Equipment and auxiliary apparatus may include but are not limited to: wheelchairs, lifts, reading devices for visually handicapped, and equipment added to cars and vans to permit use by the handicapped or disabled family member.

For non-elderly families and elderly families without medical expense: The amount of the deduction equals the cost of all unreimbursed expenses for handicapped care and equipment less three percent of Annual Income, provided the amount so calculated does not exceed the employment income earned.

For elderly families with medical expenses: The amount of the deduction equals the cost of all unreimbursed expenses for handicapped care and equipment less

three percent of Annual Income, (provided the amount does not exceed earnings) plus medical expenses as defined below.

For Elderly and Disabled Families Only:

Medical Expenses: A deduction of unreimbursed medical expenses, including insurance premiums anticipated for the period for which Annual Income is computed. Medical expenses include, but are not limited to: services of physicians and other health care professionals, services of health care facilities; insurance premiums, including the cost of Medicare), prescription and non-prescription medicines, transportation to and from treatment, dental expenses, eyeglasses, hearing aids and batteries, attendant care (unrelated to employment of family members), and payments on accumulated medical bills. To be considered by the PHA for the purpose of determining a deduction from the income, the expenses claimed must be verifiable.

For elderly families without handicapped expenses: The amount of the deduction shall equal total medical expenses less 3% of annual income.

For elderly families with both handicapped and medical expenses: The amount of handicapped assistance is calculated first, and then medical expenses are added.

Elderly/Disabled Household Exemption: An exemption of $400 per household.

II. GLOSSARY OF HOUSING TERMS

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

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

ACCESSIBLE ROUTE. For persons with a mobility impairment, a continuous, unobstructed path that complies with space and reach requirements of the Uniform Federal Accessibility Standards (UFAC). For persons with hearing or vision impairments, the route need not comply with requirements specific to mobility.

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

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

ALLOCATION PLAN. The plan submitted by the PHA and approved by HUD under which the PHA is permitted to designate a building, or portion of a building, for occupancy by Elderly Families or Disabled Families.

ANNUAL INCOME AFTER ALLOWANCES. The Annual Income (described above) less the HUD-approved allowances.

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

"AS-PAID" STATES. States where the welfare agency adjusts the shelter and utility component of the welfare grant in accordance with actual housing costs.

ASSETS. (See Net Family Assets.)

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

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

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

COVERED FAMILIES. The statutory term "covered families" designates the universe of families who are required to participate in a welfare agency economic self-sufficiency program and may, therefore, be the subject of a welfare benefit sanction for noncompliance with this obligation. "Covered families" means families who receive welfare assistance or other public assistance benefits from a State or other public agency under a program for which Federal, State, or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for the assistance.

DEPENDENT. A member of the family household (excluding foster children) other than the family head or spouse, who is under 18 years of age or is a Disabled Person or Handicapped Person, or is a full-time student 18 years of age or older.

DESIGNATED FAMILY. The category of family for whom the PHA elects to designate a project (e.g. elderly family in a project designated for elderly families) in accordance with the 1992 housing Act. (24 CFR 945.105)

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

DISABLED FAMILY. A family whose head, spouse, or sole member is a person with disabilities. A disabled family may include two or more persons with disabilities living together, or one or more persons with disabilities living with one or more live-in aides

DISABLED PERSON. See Person with Disabilities.

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

DISALLOWANCE. Exclusion from annual income.

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

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

DRUG-RELATED CRIMINAL ACTIVITY. Term means:

Drug-trafficking; or

Illegal use, or possession for personal use of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

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

ECONOMIC SELF-SUFFICIENCY PROGRAM. Any program designed to encourage, assist, train, or facilitate the economic independence of assisted families or to provide work for such families. Economic self-sufficiency programs can include job training, employment counseling, work placement, basic skills training, education, English proficiency, Workfare, financial or household management, apprenticeship, any other program necessary to ready a participant to work (such as: substance abuse or mental health treatment. Economic self-sufficiency program includes any work activities as defined in the Social Security Act (42 U.S.C. 607(d)). See the definition of work activities at Sec. 5.603(c). The new definition of the term "economic self-sufficiency program" is used in the following regulatory provisions, pursuant to the Public Housing Reform Act: family income includes welfare benefits reduced because of family failure to comply with welfare agency requirements to participate in an economic self-sufficiency program; and the requirement for public housing residents to participate in an economic self-sufficiency program or other eligible activities.

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

ELDERLY PERSON. A person who is at least 62 years old.

ELIGIBLE FAMILY (Family). A family is defined by the PHA in the Admission and Continued Occupancy Plan.

EXCEPTIONAL MEDICAL OR OTHER EXPENSES. Prior to the regulation change in

1982, this meant medical and/or unusual expenses as defined in Part 889 which exceeded 25% of the Annual Income. It is no longer used.

EXCESS MEDICAL EXPENSES. Any medical expenses incurred by elderly families only in excess of 3% of Annual Income which are not reimbursable from any other source.

EXTREMELY LOW-INCOME FAMILY. A family whose annual income does not exceed 30 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 30 percent of the median income for the area if HUD finds that such variations are necessary because of unusually high or low family incomes.

FAMILY. The applicant must qualify as a family as defined by the PHA.

FAMILY OF VETERAN OR SERVICEPERSON. A family is a "family of veteran or serviceperson" when:

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

FAMILY SELF-SUFFICIENCY PROGRAM (FSS PROGRAM). The program established by a PHA to promote self-sufficiency of assisted families, including the provision of supportive services.

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

FOSTER CHILD CARE PAYMENT. Payment to eligible households by state, local, or private agencies appointed by the State, to administer payments for the care of foster children.

FULL-TIME STUDENT. A person who is attending school or vocational training on a full-time basis.

HANDICAPPED ASSISTANCE EXPENSES. Anticipated costs for care attendants and auxiliary apparatus for handicapped or disabled family members which enable a family member (including the handicapped family member) to work.

HANDICAPPED PERSON. [Referred to as a Person with a Disability]. A person having a physical or mental impairment which is expected to be of long-continued and indefinite duration;

substantially impedes his or her ability to live independently; and is of such a nature that such ability could be improved by more suitable housing conditions.

HEAD OF HOUSEHOLD. The person who assumes legal and financial responsibility for the household and is listed on the application as head.

HOUSING AGENCY. A state, country, municipality or other governmental entity or public body authorized to administer the program. The term "PHA" includes an Indian housing authority (IHA). ("PHA" and "IHA" mean the same thing.)

HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974. The Act in which the U.S. Housing Act of 1937 was recodified, and which added the Section 8 Programs.

HOUSING ASSISTANCE PLAN. A Housing Assistance Plan submitted by a local government participating in the Community Development Block Program as part of the block grant application, in accordance with the requirements of 570.303(c) submitted by a local government not participating in the Community Development Block Grant Program and approved by HUD. A Housing Assistance Plan meeting the requirements of 570.303(c) submitted by a local government not participating in the Community Development Block Grant Program and approved by HUD.

HOUSING QUALITY STANDARDS (HQS). The HUD minimum quality standards for housing assisted under the Public Housing and Section 8 programs.

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

HUD REQUIREMENTS. HUD requirements for the Section 8 programs. HUD requirements are issued by HUD headquarters as regulations. Federal Register notices or other binding program directives.

HURRA. The Housing and Urban/Rural Recovery Act of 1983 legislation that resulted in most of the 1984 HUD Regulation changes to the definition of income, allowances, and rent calculations.

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

IMPUTED INCOME. HUD passbook rate times the total cash value of assets, when assets exceed $5,000.

IMPUTED WELFARE INCOME. The amount of annual income not actually received by a family, as a result of a specified welfare benefit reduction, that is nonetheless included in the

family's annual income. This amount is included in family annual income and, therefore, reflected in the family rental contribution based on this income.

INCOME. Income from all sources of each member of the household as determined in accordance with criteria established by HUD.

INCOME-BASED RENT. The tenant rent paid to the PHA that is based on family income and the PHA rental policies. The PHA uses a percentage of family income or some other reasonable system to set income-based rents. The PHA has broad flexibility in deciding how to set income-based rent for its tenants. However, the income-based tenant rent plus the PHA's allowance for

tenant paid utilities may not exceed the "total tenant payment" as determined by a statutory formula.

INCOME FOR ELIGIBILITY. Annual Income.

INCOME TARGETING. The HUD admissions requirement that PHAs not admit less than the number required by law of families whose income does not exceed 30% of the area median income in a fiscal year.

INDIAN. Any person recognized as an Indian or Alaska Native by an Indian Tribe, the federal government, or any State.

INDIAN HOUSING AUTHORITY (IHA). A housing agency established either by exercise of the power of self-government of an Indian Tribe, independent of State law, or by operation of State law providing specifically for housing authorities for Indians.

INTEREST REDUCTION SUBSIDIES. The monthly payments or discounts made by HUD to reduce the debt service payments and, hence, rents required on Section 236 and 221 (d)(3) BMIR projects. Includes monthly interest reduction payments made to mortgagees of Section 236 projects and front-end loan discounts paid on BMIR projects.

INVOLUNTARILY DISPLACED PERSON. Involuntarily Displaced Applicants are applicants who meet the HUD definition for the local preference, formerly known as a federal preference.

LANDLORD. Either the legal owner of the property, or the owner's representative or managing agent as designated by the owner.

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

LIVE-IN AIDE. A person who resides with an elderly person or disabled person and who:

Is determined to be essential to the care and well-being of the person.

Is not obligated for the support of the person.

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

LOCAL PREFERENCE. A preference used by the PHA to select among applicant families without regard to their date and time of application.

LOW-INCOME FAMILY. This definition replaces a previous statutory reference. Generally, "low-income" designates a family whose income does not exceed 80 percent of area median income, with certain adjustments.

MARKET RENT. The rent HUD authorizes the owner of FHA insured/subsidized multi-family housing to collect from families ineligible for assistance. For unsubsidized units in an FHA-insured multi-family project in which a portion of the total units receive project-based rental assistance, under the Rental Supplement or Section 202/Section 8 Programs, the Market Rate Rent is that rent approved by HUD and is the Contract Rent for a Section 8 Certificate holder. For BMIR units, Market Rent varies by whether the project is a rental or cooperative.

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

MINIMUM RENT. An amount established by the PHA between zero and $50.00.

MINOR. A member of the family household (excluding foster children) other than the family head or spouse who is under 18 years of age.

MONTHLY ADJUSTED INCOME. 1/12 of the Annual Income after Allowances.

MONTHLY INCOME. 1/12 of the Annual Income before allowances.

NEAR-ELDERLY FAMILY. A family whose head, spouse, or sole member is at least 50, but less than 62 years of age. The term includes two or more near-elderly persons living together and one or more such persons living with one or more live-in aides.

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

OCCUPANCY STANDARDS. [Now referred to as Subsidy Standards] Standards established by a PHA to determine the appropriate number of bedrooms for families of different sizes and compositions.

PARTICIPANT. A family that has been admitted to the PHA program, and is currently assisted in the program.

PERSON WITH DISABILITIES

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

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

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

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

PUBLIC HOUSING AGENCY (PHA). A state, county, municipality, or other governmental entity or public body authorized to administer the programs. The term "PHA" includes an Indian housing authority (IHA). ("PHA" and "IHA" mean the same thing.)

QUALIFIED FAMILY. A family residing in public housing whose annual income increases as a result of employment of a family member who was unemployed for one or more years previous to employment; or increased earnings by a family member during participation in any economic self-sufficiency or on the job training program; or new employment or increased earnings of a family member, during or within 6 months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the PHA in consultation with the local TANF agency and Welfare to Work programs. TANF includes income and benefits & services such as one time payments, wage subsidies & transportation assistance, as long as the total amount over a 6-month period is at least $500.

QUALITY HOUSING AND WORK RESPONSIBILITY ACT OF 1998. The Act which amended the U.S. Housing Act of 1937 and is known as the Public Housing Reform Bill. The Act is directed at revitalizing and improving HUD's Public Housing and Section 8 assistance programs.

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

REMAINING MEMBER OF TENANT FAMILY. Person left in assisted housing after other family members have left and become unassisted.

RESIDENCY PREFERENCE. A local preference for admission of persons who reside in a specified geographic area.

RESPONSIBLE ENTITY. For the public housing, Section 8 tenant-based assistance, project-based certificate assistance and moderate rehabilitation program, the responsible entity means the PHA administering the program under an ACC with HUD. For all other Section 8 programs, the responsible entity means the Section 8 owner.

SECRETARY. The Secretary of Housing and Urban Development.

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

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

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

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

SPOUSE. The marriage partner of the head of the household.

SUBSIDIZED PROJECT. A multi-family housing project (with the exception of a project owned by a cooperative housing mortgage corporation or association) which receives the benefit of subsidy in the form of:

Below-market interest rates pursuant to Section 221(d)(3) and (5) or interest reduction payments pursuant to Section 236 of the National Housing Act; or

Rent supplement payments under Section 101 of the Housing and Urban Development Act of 1965; or

Direct loans pursuant to Section 202 of the Housing Act of 1959; or

Payments under the Section 23 Housing Assistance Payments Program pursuant to Section 23 of the United States Housing Act of 1937 prior to amendment by the Housing and Community Development Act of 1974;

Payments under the Section 8 Housing Assistance Payments Program pursuant to Section 8 of the United States Housing Act after amendment by the Housing and Community Development Act unless the project is owned by a Public Housing Agency;

A Public Housing Project.

SUBSIDY STANDARDS. Standards established by a PHA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

TENANT. (Synonymous with resident) The person or persons who executes the lease as lessee of the dwelling unit.

TENANT RENT. The amount payable monthly by the family as rent to the PHA.

TOTAL TENANT PAYMENT (TTP). The total amount the HUD rent formula requires the tenant to pay toward rent and utilities.

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

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

UTILITY ALLOWANCE. The PHA's estimate of the average monthly utility bills for an energy-conscious household. If all utilities are included in the rent, there is no utility allowance. The utility allowance will vary by unit size and type of utilities.

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

VERY LARGE LOWER-INCOME FAMILY. Prior to the change in the 1982 regulations this meant a lower-income family which included eight or more minors. (Term no longer used)

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

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

VIOLENT CRIMINAL ACTIVITY. Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.

WAITING LIST. A list of families organized according to HUD regulations and PHA policy who are waiting for subsidy to become available.

WELFARE ASSISTANCE. Welfare or other payments to families or individuals, based on need, that are made under programs funded, separately or jointly, by Federal, state, or local governments. **"Welfare assistance" means income assistance from Federal or State welfare programs, and includes only cash maintenance payments designed to meet a family's ongoing basic needs.** The definition borrows from the Department of Health and Human Services' TANF definition of "assistance" and excludes nonrecurring short-term benefits designed to address individual crisis situations. **For FSS purposes, the following do not constitute welfare assistance: food stamps; emergency rental and utilities assistance; and SSI, SSDI, and Social Security.**

III. GLOSSARY OF TERMS USED IN THE NONCITIZENS RULE

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

CITIZEN. A citizen or national of the United States.

EVIDENCE. Evidence of citizenship or eligible immigration status means the documents which must be submitted to evidence citizenship or eligible immigration status.

PHA. A housing authority- either a public housing agency or an Indian housing authority or both.

HEAD OF HOUSEHOLD. The adult member of the family who is the head of the household for purpose of determining income eligibility and rent.

HUD. Department of Housing and Urban Development.

INS. The U.S. Immigration and Naturalization Service.

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

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.

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

PHA. A housing authority who operates Public Housing.

RESPONSIBLE ENTITY. The person or entity responsible for administering the restrictions on providing assistance to noncitizens with ineligible immigration status (the PHA).

SECTION 214. Section 214 restricts HUD from making financial assistance available for noncitizens unless they meet one of the categories of eligible immigration status specified in Section 214.

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

VIOLENCE AGAINST WOMEN ACT (VWA) Signed into law by President Bush in January, 2006, the law places restrictions on denial, eviction, or termination based on violations that are directly related to a family member being the victim of domestic violence, dating violence, or stalking, unless the PHA can demonstrate an actual or imminent threat to other tenants or those employed at or providng service to the property.

RESERVED

HOUSING AUTHORITY COUNTY OF SAN DIEGO

Residential Lease

PUBLIC HOUSING LEASE

NAME OF RESIDENT		**BEDROOMS**	**NO. OF PERSONS**

ADDRESS OF HOUSING UNIT	**UNIT NO.**	**LEASE EFFECTIVE DATE**	**MONTHLY RENT**

1. The Housing Authority of the County of San Diego (HACSD) does hereby lease the dwelling unit described above to the following named Resident(s) each of whom has executed this Lease:

Resident_____ Resident_____

Resident_____ Resident_____

This agreement is between HACSD and each named Resident individually and severally. The term "Resident" shall apply to each named party. The named Resident(s) is/are jointly and severally responsible for performance of his/her/their obligations under this Lease including payment of rent.

2. **TERM OF LEASE:** This Lease shall be for a term of one (1) calendar year, and shall be automatically renewed for successive terms of one (1) calendar year, unless HACSD gives notice of it election to not renew the lease because of Resident's failure to comply with community service and self-sufficiency requirements [Paragraph 18(U)], or unless terminated by either party as herein provided.

3. **FAMILY COMPOSITION:** Resident agrees that the persons identified below are the only members of his/her household who will and must reside at the leased premises. No other person shall use this address as a residence or mailing address:

NAMES OF HOUSEHOLD MEMBERS

_____
_____
_____
_____
_____
_____
_____
_____
_____
_____
_____

The family must notify the HACSD in writing within 14 days of the birth, adoption, or court awarded custody of a child. The family must request prior HACSD approval to add any other family member or person as an occupant of the unit. With the prior consent of the HACSD, a foster child or live-in aide may reside in the unit in accordance with the HACSD's policies.

4. **PAYMENTS DUE UNDER THE LEASE:**

A. RENT: Rent is based on information provided by Resident regarding Resident's family composition and income sources. All information must be provided prior to the signing of this Lease, upon changes, and at annual recertification, and will be verified by HACSD. False statements are punishable under Federal Law Section 1001 of Title 18 of the U.S. Code. (Resident has the initial and annual option of a flat rent (market value) or income based calculated rent) The family has chosen an [ ] income-based rent [ ] flat rent.

RESIDENT RENT _____

Prorated rent in the amount of $ _____ to cover the period from _____ to _____ is due at the time this Lease is signed. Thereafter, monthly rent is due on the first day of each month. Checks or money orders are to be made payable to the County of San Diego or its designated Management agent. Please refer to the attached House Rules for more information.

B. SECURITY DEPOSIT: Resident's security deposit will be $_____, due and payable at the time Resident signs this Lease. HACSD will deduct from the security deposit at the termination of the Lease, those amounts necessary to (a) cure Resident's defaults in payment of rent; (b) clean or repair, except for normal wear and tear, any damages to the premises caused by guests or members of Resident's household; (c) restore, replace, or return personal property or appurtenances, except for normal wear and tear. The balance will be refunded in accordance with California State Law. Interest will accrue on the security deposit and be paid to or applied to account balance at time of Lease termination.

C. MAINTENANCE CHARGES: Charges shall be assessed for maintenance to repair damage caused by Resident, members of the household, or guests, in excess of ordinary wear and tear. Such charges shall be due and collectible fourteen (14) days after HACSD or its designee gives Resident written notice of charge. A schedule of charges shall be posted at HACSD area offices and provided in the Resident orientation package; however, work completed by an independent contractor will be charged according to the amount billed to the HACSD. Charges assessed for catastrophic damage incurred by a resident, member of the household, or guest shall be limited to the amount of HACSD insurance deductible at the time of occurrence (if HACSD's insurance policy covers the loss), or $5,000.00, whichever is less.

D. LATE CHARGES: Rent is delinquent if not received by close of business on the 5th of the month and a $10.00 late charge will be added to your account. This provision does not create a "grace period" for payment of rental obligations under the terms of this Lease. The late charge shall be due and collectible fourteen (14) days after the HACSD or its designee gives the Resident written notice of charge**.**

E. ATTORNEY, COURT AND EVICTION COST: Resident will be charged a fee to cover costs and/or reasonable attorney's fees the court may award whenever HACSD incurs costs and attorney fees in connection with legal proceedings in which the Resident does not prevail in the court action. In the event of an eviction, the Resident gives HACSD

permission to remove from the unit and store any personal property left in the unit and to dispose of such property as prescribed by law and agrees that the Resident will be responsible for the actual costs for removing any personal property from the unit, and any other costs directly associated with the eviction.

F. CREDIT REPORTING AND CREDIT CHECKING: Resident is notified that a negative credit report reflecting on Resident's credit record may be submitted to credit reporting agencies if Resident fails to fulfill the terms of Resident's credit obligations. If Resident fails to honor all obligations to HACSD, Resident authorizes HACSD and HACSD's agents permission to run credit reports on Resident for debt collection purposes, at any time during or after the tenancy, until the debt has been paid.

5. **CHECK REFUSAL:** The HACSD reserves the right to refuse payment by personal check if the Resident establishes a history of one (1) check payment returned by the bank for nonsufficient funds. There will be a charge of $25.00 for the first check returned by your bank and $35.00 for any subsequent returned check.

6. **UTILITIES, SERVICES AND EQUIPMENT:** A R indicates the utilities/appliances are paid for or provided by the Resident and an "O" indicates the utilities/appliances are paid for or provided by the HACSD. (Circle if utilities are gas or electric).

_____ Trash Collection _____Electricity _____ Gas _____ Water

_____ Gas/Electric Water Heating _____ Gas/ Electric Heating _____ Air Conditioner

_____ Sewer

Equipment Provided by HACSD: _____Gas/Electric Stove _____Refrigerator

7. **REDETERMINATION OF RENT, DWELLING SIZE AND ELIGIBILITY:** Resident may choose annually between paying an income-based rent or a flat rent.). (Section 3(a) USHA..

If the Resident chooses to pay an income-based rent, the HACSD shall re-examine the income and composition of all "income-based" households at least once every twelve (12) months and determine whether the Resident's unit size is still appropriate for the premises described in this lease and to determine whether adjustments in the rent, paid by the Resident, is required by HUD regulations. Residents choosing to pay a "flat rent" shall be re-examined every thirty-six (36) months**.** Resident agrees to furnish accurate information to HACSD as to identity, income, and employment of all persons residing upon leased premises. The Resident shall give the HACSD authorization to verify all information. After consultation with the Resident and upon verification of the information, HACSD shall make appropriate adjustments in the Total Resident Payment and Resident Rent in accordance with HUD regulations. The Resident must comply with provisions in Paragraph 18(C) regarding interim reporting of changes in family composition.

When the HACSD predetermines the amount of rent payable by the Resident, not including determination of the HACSD's schedule of Utility Allowances for families in the HACSD's public housing program, or determines that the Resident must transfer to another unit based on family composition, the HACSD shall notify the Resident that the Resident may ask for an explanation stating the specific grounds of the HACSD determination, and that if the Resident does not agree with the determination, the Resident shall have the right to request an informal hearing under the HACSD's grievance procedure.

The monthly Total Resident Payment (TTP) cannot be less than the minimum of ZERO dollars ($0).

8. **HACSD TREATMENT OF INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS:** If Resident has a reduction in the family's welfare assistance specifically because of fraud or failure to participate in an economic Self-Sufficiency program or to comply with a work activities requirement the HACSD must not reduce the annual income used to calculate rent of a family residing in public housing because of the welfare assistance reduction. (Section 12, USHA) A reduction in benefits as a result of a lifetime time limit for a family receiving welfare or public assistance benefits shall not be considered 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.

9. **MISREPRESENTATION:** Where the Resident, intentionally or by mistake, has misrepresented or failed to submit to the HACSD any facts required for the determination of rent, the HACSD may immediately charge and collect as rent the difference between the rent actually paid and the rent which would have been due had the proper information been submitted by the Resident. The HACSD shall also have available in such event, at its option, the remedy of termination as provided in Paragraph 20(B) of this Lease. The revised rent shall be made effective immediately and retroactive to the date of the change. If this Lease is an extension of occupancy by the Resident under prior lease or leases with the HACSD, such amount due under the prior lease or leases may be charged and collected as if the same had occurred hereunder.

10. **RESIDENT'S RIGHT TO USE AND OCCUPANCY:** The Resident shall have the right to exclusive use and occupancy of the leased premises by the members of the household authorized to reside in the unit in accordance with the lease, including reasonable accommodation of their guests. The term "Guest" means any person invited on the property that is the subject of the lease, this includes persons who come on the premises without an invitation, but whose presence is not opposed by the Resident.

A. Guests of the Resident may be accommodated, in a one-year period, for no longer than a period of two consecutive weeks or 45 days total per guest. Reasonable accommodation of resident's guests is understood to mean that guests cannot occupy the leased unit for more than one 14-day period in a year. If any visit will extend beyond two weeks, the Resident must notify the HACSD in writing, in advance of the two-week period, stating the reasons for the extended visit. Upon consideration, the HACSD may authorize, but is not obligated to authorize, an extension of time beyond the two-week period. Any such extension must be in writing, signed by an employee and/or agent of the HACSD.

B. Unless otherwise provided for by State law, members of the household, with the written consent of the HACSD, may engage in legal profitmaking activities in the dwelling unit, where the HACSD determines that such activities are incidental to primary use of the unit for residence by members of the household.

1. The HACSD will disapprove profitmaking activities involving storage of toxic, flammable or poisonous chemicals on the premises, in violation of State, and local health and safety codes;

2. If they attract large amounts of traffic, or if they generate unacceptable amounts of noise or odors, or create a nuisance.

C. Decision to approve or disapprove will be made on a case-by-case basis.

11. **INSPECTIONS:**

A. The HACSD and the Resident, or the Resident's representative shall inspect the premises prior to occupancy by the Resident. The HACSD will furnish the Resident with a written statement of the condition of the premises, the dwelling unit, and the equipment provided with the unit. The HACSD and the Resident should sign the statement, and a copy shall be retained by the HACSD in the Resident's folder.

B. At the time the Resident vacates the unit, the HACSD shall inspect the unit and furnish the Resident with a written statement of any charges to be made in accordance with Paragraph 18(Q). The HACSD shall notify the Resident of the inspection, and the Resident and/or Resident's representative may join in such inspection, unless the Resident vacates the premises without prior notice to the HACSD.

Resident understands that they may request a pre-move out inspection of the apartment and be present at that inspection. If requested, the inspection should be scheduled with the Manager two weeks before the anticipated move out date. (CA Civil Code 1950.5)

C. An inspection will be conducted each year at recertification. Additional inspections may be conducted to correct deficiencies and/or to meet U.S. Department of Housing and Urban Development regulations. Failure to pass inspections may result in termination of this Lease.

12. **SMOKE ALARM:** Disconnection of the smoke alarm is not only a safety hazard but is a violation of the Lease Agreement Paragraph 18 and a misdemeanor of California State Law that became effective January 1, 1987. It is Resident's responsibility to notify Landlord if Resident's smoke alarm is not functioning properly. Failure to do so or disconnecting the smoke alarm may result in Resident's liability for damage due to fire and may result in termination of tenancy.

13. **DEFECTS HAZARDOUS TO LIFE AND HEALTH:**

A. Resident shall immediately report damages to the HACSD.

B. The HACSD shall be responsible for repair of the unit within a reasonable time; provided, that if the damage was caused by Resident, Resident's household, or guests, the reasonable cost of the repairs shall be charged to Resident.

C. The HACSD shall offer standard alternative accommodations, if available, in circumstances where necessary repairs cannot be made within a reasonable time, but only when HACSD is required by law to do so.

D. Provisions shall be made for abatement of rent in proportion to the seriousness of the damage and loss in value as a dwelling in the event that repairs are not made in accordance with paragraph (B) of this section or alternative accommodations not provided according to paragraph (C) of this Section, except that no abatement of rent shall occur if the Resident rejects the alternative accommodation or if the damage was caused by the Resident, Resident's household, or guests.

14. **ENTRY OF PREMISES DURING TENANCY:** HACSD will have the right to enter the premises as allowed by law which includes entry in case of emergency, to make necessary or agreed repairs, decorations, alterations or improvements, supply necessary or agreed services, to test smoke detectors, or exhibit the dwelling unit to prospective or actual purchasers, mortgagees, tenants, workmen or contractors, to make an inspection pursuant to subdivision (f) of Section 1950.5, when the Resident has abandoned or surrendered the premises and pursuant to court order. HACSD will serve Resident with written notice before entry unless:

- Entry is due to an emergency, surrender or abandonment of the unit, or
- Resident and Landlord agree orally to an entry to make agreed repairs or supply agreed services at an approximate day and time within one week of the oral agreement, or
- Resident is present and consents to entry at the time of entry, or
- To exhibit the unit to prospective or actual purchasers of the property, provided that Landlord has notified Resident in writing within 120 days of the oral notice that the property is for sale and that Resident may be contacted to allow for an inspection.

Management will leave a written statement in the housing unit giving the date, time and purpose of entry before leaving the premises.

15. **PETS:** There will be no pets allowed unless specifically approved for residents residing on designated housing sites in accordance with HUD regulations. Service animals for the disabled are not considered to be "pets." If approved, an addendum will be attached to this Lease identifying the type and size of the pet and the amount of additional security deposit required.

16. **DISABILITY MODIFICATIONS AND/OR ACCOMMODATIONS:** A disabled person shall for all purposes under this Lease be provided reasonable modifications to the unit and/or reasonable accommodation 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. You may, at any time during your residency, request reasonable modifications to the unit and/or reasonable accommodation of a disabled household member, including reasonable accommodation so that the Resident can meet Lease requirements or other requirements of residency.

17. **OBLIGATIONS OF THE HACSD:** Shall be obligated, other than for circumstances beyond its control, as follows:

A. To maintain the premises and the project in a decent, safe, and sanitary condition.

B. To comply with requirements of applicable building codes, housing code, and HUD regulations materially affecting health and safety.

C. To make necessary repairs to the premises within a reasonable time period.

D. To keep project buildings, facilities, and common areas in a clean and safe condition not otherwise assigned to the Resident for maintenance and upkeep.

E. To maintain in good and safe working order and condition electrical, plumbing, sanitary, heating, ventilating, and other facilities and appliances, including elevators supplied or required to be supplied by the HACSD.

F. To provide and maintain appropriate receptacles and facilities (except containers for the exclusive use of an individual Resident household) for the deposit of ashes, garbage, rubbish, and other waste removed from the premises, by the Resident, in accordance with paragraph 18(K) of this Lease.

G. To supply running water and reasonable amounts of hot water and reasonable amounts of heat at appropriate times of the year.

H. To properly notify the Resident of the specific grounds for any proposed adverse action by the HACSD and the Resident's right to request a hearing. (Such adverse action includes, but is not limited to, a proposed lease termination, transfer of the Resident to another unit, or imposition of charges for maintenance and repair.)

18. **OBLIGATIONS OF THE RESIDENT:** Resident hereby agrees:

A. To provide complete and accurate information to the HACSD.

B. To notify the HACSD at every re-certification of any change in income, income sources, or family composition.

C. To notify the HACSD of any change in family composition and corresponding change of income, within fourteen (14) calendar days. To notify the HACSD of any change (increase or decrease) of income, within fourteen (14) calendar days, whether or not associated with a change in household composition.

D. To timely make all rental payments. Rent is due on the 1st day of the month; rent is late on the 6th. Late payment of rent is a violation of the Lease. Landlord may decline to renew Resident's Lease if Resident's payment is late four (4) late times within any twelve (12) month period.

E. To comply with mandatory transfer requirements, where the household is overhoused or underhoused, or the dwelling unit requires substantial rehabilitation, or HACSD has administrative need for the unit, and upon appropriate notice by the HACSD that an appropriate dwelling unit is available.

F. To use the premises solely as a private dwelling for the Resident and the Resident's household except for legal profitmaking activities with the prior consent of the HACSD as set out in Paragraph 10 of this Lease, **and not to use or permit its use for any other purpose.**

G. To abide by necessary regulations issued by the HACSD for the benefit and well being of the housing project and the Residents. **The** regulations shall be posted in the HACSD office and are incorporated by reference in this Lease. Violation of such regulations constitutes a violation of this Lease, provided; however, that any such regulations shall be consistent with the terms of this Lease. In the event of a conflict between any such regulations and any provision of this Lease, the provision of the Lease shall govern.

H. Not to assign the Lease or to sublease or transfer possession of the premises.

I. Not to provide accommodations for boarders or lodgers.

J. To keep the premises, adjacent grounds and other such areas as may be assigned to your use in a clean, orderly, and safe condition.

K. To dispose of all, garbage, rubbish, and other waste from the unit in a safe manner.

L. To use only in a reasonable manner, as intended, all electrical, plumbing, sanitary, heating, ventilating, air-conditioning and other facilities and appurtenances, including elevators supplied or required to be supplied by the HACSD. No clothes washers or dryers may be installed without prior written permission from HACSD. Gas, electric, water and sewer services must be connected during residency**.**

M. To refrain from, and to cause members of the household and guests to refrain from destroying, defacing, damaging or removing any part of the premises or project.

N. To maintain conduct, and cause household members or guests who are on the premises (whether or not such persons' presence on the premises is then known by you or you are aware of the conduct of such person**(**s**)**), to conduct themselves in a manner which is legal, orderly, and which will not disturb other residents' peaceful enjoyment of their accommodations and will be conducive to maintaining the project in a decent, safe, and sanitary condition.

O. To assure that members of the household, or guests, shall not engage in:

1. Any violent criminal activity, or other criminal activity that threatens the health, safety, or right to peaceful enjoyment of the HACSD's premises by other residents, employees, agent and/or contractor for the HACSD, including, on-site property management staff responsible for managing the premises.

2. Any drug-related criminal activity on or off such premises.
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. 802)).

3. Any abuse (or pattern of abuse) of alcohol that the HACSD determines affects the health, safety, or right to peaceful enjoyment of the premises by other residents, employees, agents and/or contractors of the HACSD.

P. To not keep dogs, cats, or other animals (except service animals for the disabled) in or on the premises (except in buildings designated as housing for the elderly), or (specific projects and/or buildings designated by the HACSD for registered pets).

Q. To pay charges (other than for normal wear and tear) for the repair of damages to the premises, project buildings, facilities or common areas caused by Resident, Resident's household or guests, or by Resident's failure to report needed repairs, in accordance with a schedule of charges as posted in the HACSD office. Any damage to the premises that is not described in the written report of inspection prior to Resident's occupancy will be presumed to have been caused by Resident.

R. To permit the HACSD, pursuant to the provisions of Paragraph 14, entrance to the premises for the purpose of performing periodic inventories and inspections, routine maintenance or repairs, providing extermination services, or showing the premises for re-leasing.

S. To not use or possess illegal firearms and/or other weapons.

T. To leave the dwelling unit, upon vacating the premises, in ~~a~~ clean condition, normal wear and tear excepted, and to return the keys to the HACSD. Any property left by Resident or Resident's household in or about the premises after Resident vacates will be considered as abandoned and may be disposed of as the HACSD determines in accordance with State law.

U. To comply with the requirement of Community Service and self-sufficiency. (Section 12, USHA)

1. **Requirement:** Each adult resident shall participate in 8 hours per month of either community service (not including political activities), or economic self-sufficiency classes or program. Exemption is provided, subject to specific requirements.

2. **Noncompliance:** This Lease shall not be renewed or extended unless Resident enters into an agreement with HACSD, before the expiration date, to cure any noncompliance by participating in an economic self-sufficiency program or contributing to community service as many hours as the resident needs to comply with the requirement of 8 hours per month.

V. Restrictions on Alterations:

No alteration, addition, or improvements shall be made in or to the premises without the prior consent of the Landlord in writing. The Landlord agrees to provide reasonable accommodation to an otherwise eligible tenant's disability, including making changes to rules, policies, or procedures, and making and paying for structural alterations to a unit or common areas. The Landlord is not required to provide accommodations that constitute a fundamental alteration to the Landlord's program or which would pose a substantial financial and administrative hardship. See the regulations at 24 CFR Part 8. In addition, if a requested structural modification does pose a substantial financial and administrative hardship, the Landlord must then allow the Resident to make and pay for the modification in accordance with the Fair Housing Act.

W. To comply with all obligations imposed upon tenants by applicable provisions of building and housing codes materially affecting health and safety.

19. AUTHORIZED MANAGERS, NOTICES, DEMANDS AND SERVICE OF PROCESS:

A. Except as provided in Paragraph 14, notice to the Resident shall be in writing and delivered to the Resident or to an adult member of the Resident's household residing in the dwelling unit, or sent by prepaid first-class mail, properly addressed to the Resident, or any other method authorized by law.

B. Notice to the HACSD shall be in writing, delivered to the HACSD office or sent by prepaid first-class mail, properly addressed to the HACSD's office and the Property Management Office (see House Rules for address).

C. Notices sent by regular first class mail shall be deemed delivered on the second business day after depositing the same for mailing with the U.S. Postal Service postage prepaid.

D. The Property Manager whose name, address and phone number is listed on the House Rules is authorized to manage the premises on behalf of the HACSD and is authorized to act on behalf of the HACSD for the purpose of receiving service of process and receiving notices and demands.

E. If the Resident is visually impaired, all notices must be in a accessible format.

20. TERMINATION OF LEASE:

A. Resident may terminate this Lease at any time by giving Management thirty (30) calendar days advance written notice. Failure to provide adequate notice will result in rent charged to the end of the 30-day period or until the unit is re-rented, whichever occurs first.

The HACSD shall not terminate or refuse to renew this Lease other than for serious or repeated failures by a resident to meet his or her obligations under this lease or for failure to comply with any rules or laws pertaining to program eligibility. Serious violations shall include but not be limited to the following:

1. Damage to the premises or other property of the HACSD caused by Resident, Resident’s household members or Resident’s guests which costs in excess of $500 to repair whether or not the cost is borne by the resident or the HACSD.

2. Failure to pay rent or other charges due under the lease or any judgment against resident and in favor of the HACSD.

3. Any failure by Resident to comply with the requirements of Paragraph 18A through V.

4. Engaging in drug trafficking.

5. Conviction of drug-related activity for manufacture or production of methamphetamine on the premises of federally assisted housing.

6. Fleeing to avoid prosecution or confinement after conviction, for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees.

7. Violating a condition of probation or parole imposed under Federal or State law.

8. Confiscation of illegal and/or a controlled substance by a law enforcement officer occurring on or off the premises.

9. Resident's intentional misrepresentation to HACSD or failure to advise HACSD as specified in Paragraph 9 of this Lease.

10. Serious or repeated violations of the lease such as, failure to make payments due under the lease, failure to fulfill household obligations, or other good cause.

B. Repeated violations shall be violations by Resident of any provision of the lease, including rules and regulations incorporated into the lease by reference, and more than twice in any 12 month period. Violations of different provisions of the lease shall be treated the same for purposes of this paragraph as successive violations of the same provision. Continuation of a lease violation shall be considered a new violation each time the HACSD issues a notice of the violation and the period given by that notice to the resident to correct the violation expires.

C. The HACSD shall give written notice of termination of the Lease of:

1. Fourteen (14) calendar days in the form of 14-Day Notice to Terminate Lease Due to Non-payment of Rent in the case of failure to pay rent, followed by three (3) calendar days in the form of 3-Day Notice to Pay Rent or Quit.

2. 3-Day Notice to Quit in the case of any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the HACSD's public housing premises of other Residents or employees of the HACSD. You do not have the right to grieve this type of 3-Day Notice to Quit, as specified in the County of San Diego Procedure section 2(A)(1). Legal proceedings for unlawful detainer action will begin after expiration of the 3-Day Notice.

3. Thirty (30) calendar days, in the form of 30-Day Notice of Intent to Terminate Lease, for any drug-related criminal activity on or off the public housing premises. Drug-related criminal activity means the illegal manufacture, sale distribution, use or possession with intent to manufacture, sell, distribute, or use a controlled substance, including confiscation of illegal and/or controlled substance by a law enforcement officer occurring on or off the premises. You do not have the right to grieve this type of 30-Day Notice to Quit.

4. Thirty (30) calendar days in all other cases.

5. If any additional notice is required by State or local law to terminate the Lease, such notice may be combined with, or run concurrently with, any notice specified above.

D. The notice of Lease termination to the Resident shall state specific grounds for termination and shall inform the Resident of the Resident's right to make such reply as the Resident may wish. The notice shall also inform the Resident of the right to examine HACSD's documents directly relevant to the termination or eviction. When the HACSD is required to afford the Resident the opportunity for a grievance hearing, the notice shall also inform the Resident of the Resident's right to request a hearing in accordance with the HACSD's grievance procedure.

E. When the HACSD is required to afford the Resident the opportunity for hearing under the HACSD's grievance procedure for a grievance concerning the Lease termination, the residency shall not terminate (even if any notice to vacate has expired) until the time for the Resident to request a grievance hearing has expired, and (if a hearing was requested in a timely manner by the Resident) the grievance process has been completed.

F. HACSD does not waive the right to terminate the Lease for cause other than non-payment of rent if HACSD accepts rent pro-rated to the termination date specified in the notice.

G. When the HACSD is not required to afford the Resident the opportunity for a hearing under the administrative grievance procedure for a grievance concerning the lease termination, the notice of termination shall:

1. State that the Resident is not entitled to a grievance hearing on the termination.

2. Specify that the judicial eviction procedure to be used by the HACSD for eviction procedure provides the opportunity for a hearing in court.

3. State whether the eviction is for a criminal activity or for drug-related criminal activity as described in the HACSD's Occupancy Policy and this Lease.

H. Notice to Post Office: When the HACSD evicts a family for engaging in criminal activity, including drug-related criminal activity, the HACSD shall notify the local post office serving that dwelling unit that such family is no longer residing in the dwelling unit.

I. The HACSD shall provide the Resident reasonable opportunity to examine, at the Resident's request, before an HACSD grievance hearing or court trial concerning a termination of residency or eviction, any documents, records, and regulations which are in the possession of the HACSD, and which are directly relevant to the termination of residency or eviction. The Resident shall be allowed to copy any such documents, records, and regulations at the Resident's expense. If the HACSD does not make documents available for examination upon request by the Resident in accordance with this, HACSD may not proceed with the eviction.

J. If a signer of this Lease ceases to be a member of the household, or if a family member is added to this Lease after required screening, the Lease will be amended to add or delete the family member, and Lease change must be initialed by the remaining adult members of the family, provided they are eligible for continued occupancy. If Resident is transferred to another housing unit managed by HACSD, this Lease shall be terminated and a new Lease must be signed by Resident for the housing unit into which Resident's family will move. If Resident's housing unit is destroyed or significantly damaged by fire or other means, this Lease shall automatically be terminated.

21. **REGISTERED SEX OFFENDERS NOTICE:** The California Department of Justice, sheriff's departments, police departments serving jurisdictions of 200,000 or more and many other local law enforcement authorities maintain for public access a data base of the locations of persons required to register pursuant to paragraph (1) of subdivision (a) of Section 290.4 of the Penal Code. The database is updated on a quarterly basis and a source of information about the presence of these individuals in any neighborhood. The Department of Justice also maintains a Sex Offender Identification Line through which inquiries about individuals may be made. This is a "900" telephone service. Callers must have specific information about individuals that they are checking. Information regarding neighborhoods is not available through the "900" telephone service. Locally, the database can be searched at the Licensing Division of the San Diego County Sheriff's Department, 9621 Ridgehaven Court, and San Diego.

22. **GRIEVANCE:** If Resident disputes any HACSD action or failure to act involving this Lease or HACSD regulations which adversely affect Resident's rights, duties, welfare or status, Resident may file a grievance within seven (7) working days of HACSD's action or inaction in accordance with the procedure attached hereto. HOWEVER, Resident may not file a grievance for a 3-Day Notice issued for any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the HACSD's public housing premises of other Residents or employees of the HACSD, or for a 30-Day Notice issued for any drug-related criminal activity on or off such premises.

23. **MODIFICATIONS:** Modifications of this Lease will be accompanied by a written addendum to the Lease executed by the HACSD and the Resident, except for rent redeterminations, eligibility for public

housing, appropriateness of dwelling size, schedules of special charges for services and repairs, and rules and regulations which are incorporated in the Lease by reference. Matters incorporated in the Lease by reference shall be publicly posted in a conspicuous manner in the HACSD's office and shall be furnished to Residents upon request. HACSD shall provide at least thirty (30) days notice to Residents and Resident organizations setting forth proposed changes in the Lease form used by HACSD, and providing an opportunity to present written comments, which shall be taken into consideration by the HACSD before formal adoption of any new Lease form.

24. **WAIVER:** The failure of the HACSD or the Resident to exercise any right or remedy as provided herein shall not affect the right to do so at a later date for similar or other causes.

25. **HOUSE RULES:** By initialing below, Resident acknowledges he/she has received, read, and understands and will comply with the House Rules. A copy of the House Rules is attached hereto, marked as Attachment A, and is incorporated herein by reference as though fully set forth at length. Said House Rules shall be deemed covenants of this agreement.

Initials _____

26. **GRIEVANCE PROCEDURE:** By initialing below, Resident acknowledges he/she has received, read and understands the copy of the HACSD Grievance Procedure. A copy of the Grievance Procedure is attached hereto, marked as Attachment B, and is incorporated herein by reference as though fully set forth at length.

Initials _____

27. **RECEIPT:**

I have read and understand this entire Lease. I hereby certify that all the information, which I have provided and upon which this Lease is based, is true and accurate.

Resident understands that the lease term paragraph 2 above contains provisions under which this Agreement may automatically continue on successive one-year terms until terminated by either party in accordance with the lease and applicable law.

_____ _____
Resident Date

_____ _____
Resident Date

_____ _____
Resident Date

_____ _____
Resident Date

HACSD

By: _____ _____
Representative Date

ATTACHMENT A

Public Housing Lease

HOUSE RULES

For the benefit and well being of the housing project and the residents, all residents agree to abide by these necessary and reasonable regulations set forth by the HACSD known as **House Rules:**

THE UNIT

RESIDENT'S INITIALS

_____ Noise must be held to a minimum at all times, especially before 8:00 am and after 10:00 pm. Loud music, radio or television is not permitted at any time.

_____ Brooms, mops and other personal belongings are to be stored on the patio, not in the entry of the unit. Do not hang items on walls, fences, railings or hedges. Stored items cannot be visible from the street or create a fire hazard.

_____ Leaky faucets and pipes must be reported to resident management immediately.

_____ Do not use sticky-backed contact paper or other decorative items on any surface in your unit.

_____ All window coverings are to be white from the street side; no colored window coverings are to be visible from outside the apartment.

_____ Any change to the building structure must be approved in writing in advance, including holes for telephone jacks, cable hookups, security screens and window bars.

_____ Waterbeds may not be used unless evidence of insurance is provided and the HACSD is named as insured. The policy shall be written for no less than $100,000 of coverage.

THE GROUNDS AND COMMON AREAS

_____ Children must be supervised at all times.

_____ Children may play only on designated playgrounds, not on lawn area or parking lots.

_____ Residents are responsible for picking up and properly disposing of litter and debris from around their apartment.

_____ It is your responsibility to use the laundry facilities only within posted hours and to clean after each use.

_____ Consumption of alcohol is not permitted outside the unit or on common grounds.

_____ The area in front of your apartment is to be kept litter free. You are responsible for picking up litter and keeping debris away from your apartment.

TRASH

_____ If individual trashcans are provided for trash collection, place them on the street no sooner than the night before pickup and remove them by the morning after pickup.

_____ Trash is to be tied in plastic bags whenever possible and should be carried out by an adult or someone tall enough to reach the dumpster.

_____ Place only the trashcans on the street. Garbage bags, boxes, loose garbage or trash left on the street will not be picked up.

CARS AND OTHER VEHICLES

_____ Residents must park in designated parking spots.

_____ Visitors may not park in parking areas designated for residents.

_____ Washing cars is not permitted on the premises.

_____ Automobile, motorcycle or any other heavy machinery repairs may not be made in the parking area or on any other portion of the housing sites. The repair of flat tires is exempted.

_____ Non-working cars must be repaired or removed from the premises within five (5) days.

_____ Oil spills in the parking area are to be cleaned immediately with degreaser.

_____ Abandoned or non-working vehicles will be ticketed and towed away at your expense.

INSTALLATIONOF SATELLITE DISHES

_____ Satellite dishes must be installed within a unit patio or balcony. Residents may not install a satellite dish in common areas, on the roof, or on an exterior wall. Satellite dishes may be installed entirely inside a unit.

_____ Satellite dishes must not be larger than one meter in diameter (3 feet, 3 inches), measured across its widest part.

_____ Dishes must be securely mounted and may not extend beyond the edge of the apartment. Your dish must be mounted in such a manner that it cannot become dislodged. It must not extend beyond the edge of the patio or balcony railing. Hanging a satellite dish out of a window is prohibited.

_____ Drilling holes in railing, exterior walls, or any other location where holes might impair the building's weatherproofing or there is a risk of striking electrical or water lines is prohibited.

_____ Dish must be professionally installed and management staff will supervise the installation**.**

_____ Residents much provide proof of liability insurance to management to ensure that any injury or damage to persons or property caused by a satellite dish is covered.

KEYS

_____ I will not install chain locks, deadbolt or slide bolt locks or any other lock without management authorization.

.

_____ I will return all door and mailbox keys when I move out. I understand that rent will be charged until all keys have been returned and management and I complete a joint move-out inspection. I understand that if I fail to return my mailbox key, the cost of changing the mailbox lock will be deducted from my security deposit.

RESERVED

Attachment B

Public Housing Lease

GRIEVANCE PROCEDURE

SECTION 1. SCOPE AND PURPOSE

The purpose of this grievance procedure is to assure that Residents are afforded an opportunity for a hearing if a Resident disputes, within a reasonable time, any action, or failure to act, involving the Resident's lease with the Housing Authority of the County of San Diego (HACSD) or HACSD Regulations which adversely affect the individual Resident's rights, duties, welfare or status. This grievance procedure is incorporated in the dwelling lease and is a part thereof.

SECTION 2. APPLICABILITY

A. This grievance procedure is applicable to all individual grievances as defined in Section 3 between the Resident and the HACSD, except that this procedure shall not be applicable to any termination of tenancy or eviction that involves:

(1) Any violent criminal activity or, other criminal activity that threatens the health, safety, or right to peaceful enjoyment of the HACSD's premises by other residents, employees, agents and/or contractors for the HACSD, including, on-site property management staff responsible for managing the premises.

(2) Any drug-related criminal activity on or off such premises.

B. This grievance procedure shall not be applicable to disputes between Residents not involving the HACSD or to class grievances, nor is this procedure intended to be a form for initiating or negotiating policy changes between a group or groups of Residents and the Housing Authority of the County of San Diego's Board of Commissioners.

SECTION 3. DEFINITIONS

The following definitions of terms shall be applicable to this grievance procedure:

A. **Business Days:** Monday through Friday of each week, except for legal holidays recognized by the Federal government.

B. **CFR:** The Code of Federal Regulations, which contains the Federal regulations governing this grievance procedure.

C. **Housing Authority:** The Housing Authority of the County of San Diego

D. **Complainant:** Any Resident whose grievance is presented to the HACSD in accordance with the requirements set forth in this procedure.

E. **Drug-related Criminal Activity:** The illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell**,** distribute, or use of a controlled substance, as defined in SEC. 102 of the Controlled Substances Act (21 U.S.C. Sec. 802) as from time to time amended.

F. **Elements of Due Process:** The following procedural safeguards are required to be followed in an eviction action or a termination of tenancy in a State or local court:

(1) Adequate notice to the Resident of the grounds for terminating the tenancy and for eviction.

(2) Right of the Resident to be represented by counsel.

(3) Opportunity for the Resident to refute the evidence presented by HACSD, including the right to confront and cross examine witnesses and to present any affirmative legal or equitable defense which the Resident may have.

(4) A decision on the merits.

G. **Grievance:** Any dispute which a Resident may have with respect to HACSD's action or failure to act in accordance with the individual Resident's Lease or HACSD regulations which adversely affects the individual Resident's rights, duties, welfare, or status.

H. **Hearing Officer:** An impartial person selected in accordance with 24 CFR Sec 966.55 and this grievance procedure to hear grievances and render decisions with respect thereto.

I. **Hearing Panel:** A panel selected in accordance with 24 CFR Sec 966.55 and this procedure to hear grievances and render decisions with respect thereto.

J. **HUD:** The United States Department of Housing and Urban Development.

K. **Notice:** As used herein, the term notice shall, unless otherwise specifically provided, indicates written notice.

L. **Resident:** The adult person (or persons) other than a live-in aid:

(1) Who resides in the unit and who executed the Lease with the HACSD as lessee of the dwelling unit, or if no such person resides in the unit;

(2) The person who resides in the unit, and who is the remaining head of the household of the Resident family residing in the dwelling unit.

M. **Resident Organization:** An Organization of Residents, which includes any Resident Council.

SECTION 4. INFORMAL SETTLEMENT OF GRIEVANCE

A. **Initial Presentation**

Any grievance must be personally presented, either orally or in writing, to the HACSD within seven (7) business days after the occurrence of the event-giving rise to the grievance.

B. **Informal Conference**

If the grievance is not determined by the HACSD to fall within one of the two exclusions mentioned in section 2A(1) and 2A(2) above, then the HACSD shall within five (5) business days, after the initial presentation of the grievance, informally discuss the grievance with the Complainant or his representatives in an attempt to settle the grievance without the necessity of a hearing. If the informal conference cannot occur at the time the grievance is initially presented by the Complainant, then the Complainant shall be promptly notified in writing of the time and place for the informal conference.

C. **Written Summary**

Within 30 business days after the informal conference a summary of the discussion shall be prepared by the HACSD and a copy thereof shall be provided to the Complainant. The summary shall be in writing and shall specify the names of the participants in the discussion, the date(s) of the discussion, the nature of the proposed disposition of the grievance, and the specific reasons for such disposition. This written summary shall also specify the procedures by which the Complainant may obtain a hearing if not satisfied by the proposed disposition of the grievance. A copy of the written summary shall also be placed in Complainant's Resident file.

D. A person or persons not a party to the dispute or their subordinate shall act as qualified and impartial Hearing Officers or Hearing Panel members to conduct grievance hearings, should the informal conference result in no change of action.

SECTION 5. PROCEDURE TO OBTAIN A HEARING

The following procedures apply to the request for a grievance hearing under this grievance procedure:

A. Request for Hearing

If the Complainant is not satisfied with the results of the informal conference, the Complainant must submit a written request for a hearing to the HACSD within 14 business days after the date Complainant receives the summary of the informal conference discussion, delivered as required under Section 4 above.

Complainant's written request for a grievance hearing must specify:

(1) The reason(s) for the grievance; and

(2) The action or relief sought by the Complainant; and

(3) If the Complainant so desires, a statement setting forth the times at which the Complainant shall be available for a hearing during the next 30 business days; and

(4) If the Complainant has failed to attend an informal conference, a request that the hearing officer or panel waive this requirement.

(5) Complainant must inform and request arrangements to accommodate a handicap prior to the hearing. Reasonable accommodation may include qualified sign language interpreters, readers, accessible locations, or attendants.

If the Complainant fails to request a hearing within 14 business days after receiving the written summary of the informal conference, the HACSD's decision rendered at the informal conference becomes final and the HACSD is not thereafter obligated to offer the Complainant a hearing.

B. Selection of Hearing Officer or Panel

A grievance hearing shall be conducted by an impartial person or persons appointed by the HACSD, other than a person who made or approved the HACSD action under review or a subordinate of such person.

(1) The HACSD shall appoint a person or persons (who may be an officer or employee of the HACSD).

(2) The HACSD may consult with resident organizations before the appointment of each hearing officer or panel member. Any comments or recommendations submitted by the tenant organizations shall be considered by the HACSD before the appointment**.**

C. **Scheduling of Hearings**

(1) **Hearing Prerequisites:** A Complainant does not have the right to a grievance hearing unless the Complainant has satisfied the following prerequisites to such a hearing:

a. The Complainant has requested a hearing in writing.

b. The Complainant has completed the informal conference procedure or has requested a waiver for good cause.

c. If the matter involves the amount of rent which the HACSD claims is due under the Complainant's lease, the Complainant shall have paid to the HACSD an amount equal to the amount due and payable as of the first of the month preceding the month in which the complained of act or failure to act took place. And, in the case of situations in which reviews are for any reason delayed, the Complainant shall thereafter deposit the same amount of the monthly rent in an escrow account monthly until the complaint is resolved by decision of the hearing officer or hearing panel. Unless waived by the HACSD in writing, no waiver shall be given by the HACSD except in cases of extreme and undue hardship to the Complainant, determined in the sole and absolute discretion of the HACSD**.**

(2) **Time, Place and Notice:** Upon Complainant's compliance with the prerequisites to the review set forth above, and unless there are extenuating circumstances, a review shall be scheduled by the hearing officer for a time not less than seven (7) business days, nor more than 30 business days after the Complainant has completed such compliance.

A written notice specifying the time, place, and the procedures governing the hearing shall be delivered to the Complainant and the HACSD.

SECTION 6. PROCEDURES GOVERNING HEARINGS

A. Hearing

The hearing shall be held before a hearing officer or hearing panel as described above in Section 5. The Complainant shall be afforded a fair hearing, which shall include:

(1) The opportunity to examine before the hearing any HACSD documents, including records and regulations that are directly relevant to the hearing.

The Complainant shall be allowed to copy any such document at no expense. If the HACSD does not make the document available for examination upon request by the complainant, the HACSD may not rely on such document at the grievance hearing.

(2) The right to be represented by counsel or other person chosen as the Complainant's representative and to have such person makes statements on the Complainant's behalf.

(3) The right to a private hearing unless the Complainant requests a public hearing. The right to present evidence and arguments in support of the Complainant's complaint, to controvert evidence relied on by HACSD and to confront and cross examine witnesses upon whose testimony or information the HACSD relies; and

(4) A decision based solely and exclusively upon the facts presented at the hearing.

B. **Prior Decision in Same Matter**

The hearing officer or panel may render a decision without proceeding with the hearing if they determine that the issue has been previously decided in another proceeding.

C. **Failure to Appear**

If the Complainant or HACSD fails to appear at a scheduled hearing, the hearing officer/panel will make a determination that the party failing to attend has waived the right to a hearing. In such event, the hearing officer shall notify the Complainant and the HACSD of the determination. A complainant may be allowed to reschedule a hearing for a documented emergency.

The failure to attend a grievance hearing shall not constitute a waiver of any right the Complainant may have to contest the HACSD's disposition of the grievance in an appropriate judicial proceeding.

D. **Required Showing of Entitlement to Relief**

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

E. **Informality of Hearing**

The hearing shall be conducted informally by the hearing officer or hearing panel, and oral or documentary evidence pertinent to the facts and issues raised by the complaint may be received without regard to admissibility under the rules of evidence applicable to a judicial proceeding.

F. **Orderly Conduct Required**

The hearing officer or hearing panel shall require the HACSD, the Complainant, counsel, and other participants or spectators to conduct themselves in an orderly fashion. Failure to comply with the directions of the hearing officer or hearing panel to obtain order may result in exclusion from the proceedings or in a decision adverse to the interests of the disorderly party and granted or denial of the relief sought, as appropriate.

G. **Transcript or Audio Tape of Hearing**

The Complainant or may arrange in advance, and at the expense of the party making the arrangement, for a transcript or audio tape of the hearing. Any interested party may purchase a copy of such transcript or audiotape.

H. **Accommodations to Handicapped Persons**

The HACSD must provide reasonable accommodation for persons with disabilities to participate in grievance hearings. Complainant must inform and request arrangements to accommodate a handicap prior to the hearing. Reasonable accommodation may include qualified sign language interpreters, readers, accessible locations, or attendants.

SECTION 7. DECISION OF THE HEARING OFFICER OR HEARING PANEL

At or subsequent to the completion of the grievance hearing, the hearing officer or panel shall make a determination as to the merits of the grievance and the following provisions shall govern:

A. **Written Decision**

The hearing officer or panel shall prepare a written decision, together with the reasons for the decision within 30 business days after the completion of the hearing.

(1) A copy of the decision shall be sent to the Complainant and the HACSD. The HACSD shall retain a copy of the decision in the Complainant's Resident folder.

(2) A copy of such decision, with all names and identifying references deleted, shall also be maintained on file by the HACSD and made available for inspection by any prospective Complainant, his representative, or hearing officer or hearing panel.

B. **Binding Effect**

The written decision of the hearing officer or panel shall be binding upon the HACSD, which shall take all actions, or refrain from any actions, necessary to carry out the decision unless the HACSD Program Manager decides, within a reasonable time, and properly notifies the Complainant of its determination, that:

(1) the grievance does not concern the HACSD action or failure to act in accordance with or involving the Complainant's lease, or the HACSD's regulations, which adversely affect the Complainant's rights, duties, welfare or status, or

(2) the decision of the hearing officer or panel is contrary to applicable Federal, State, or local law, HUD regulations or requirements of the annual contributions contract between HUD and the HACSD

C. **Continuing Right of Complainant to Judicial Proceedings**

A decision by the hearing officer or panel or by HACSD Program Manager in favor of the HACSD or which denies the relief requested by the Complainant, in whole or in part, shall not constitute a waiver of, nor effect in any way the rights of the Complainant to a trial or judicial hearing in any judicial proceedings, which may thereafter be sought in the matter.

SECTION 8. NOTICES

All notices under this grievance shall be deemed delivered: (1) upon personal service therefore upon the Complainant or an adult member of the Complainant's household, (2) upon the date receipted for or refused by the addressee, in the case of certified or registered U.S. Mail, or (3) on the second day after the deposit thereof for mailing, postage prepaid, with the U.S. Postal Service, if mailed by first class mail other than certified or registered mail.

If a Resident is visually impaired, any notice hereunder delivered to such Resident shall be in an accessible format.

SECTION 9. MODIFICATION

This grievance procedure may not be amended or modified except by approval of a majority of the Board of Commissioners of the HACSD, present at a regular meeting or a special meeting called for such purposes. Further, in addition to the forgoing, any changes proposed to be made to this grievance procedure must provide for at least thirty (30) days advance notice to Residents and Resident organizations, setting forth the proposed changes and providing an opportunity to present written comments. The comments submitted shall be considered by the before final adoption of any amendments hereto.

SECTION 10. HOUSING AUTHORITY EVICTION ACTIONS

If a Resident has requested a hearing in accordance with Section 5 on a complaint involving a HACSD notice of termination of tenancy and the Hearing Officer or Hearing Panel upholds the HACSD's action to terminate the tenancy, the HACSD shall not commence an eviction action in a State or local court until it has served a notice to vacate on the Resident, and in no event shall the notice to vacate be issued prior to the decision of the Hearing Officer or the Hearing Panel, having been mailed or delivered to the Complainant. Such notice to vacate must be in writing and specify that, if the Resident fails to quit the premises within the applicable statutory period, appropriate action shall be brought against him/her and he/she may be required to pay court costs and attorney fees.

RESERVED

HOUSING AUTHORITY OF THE COUNTY OF SAN DIEGO

Section 8 Housing Choice Voucher Program

April 2007

Administrative Plan

BOARD OF SUPERVISORS

GREG COX
District 1

DIANNE JACOB
District 2

PAM SLATER-PRICE
District 3

RON ROBERTS
District 4

BILL HORN
District 5

WALTER F. EKARD
Chief Administrative Officer

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

CATHERINE TROUT LICHTERMAN
Director

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RESERVED

Chapter

1

STATEMENT OF POLICIES AND OBJECTIVES

The Section 8 Program was enacted as part of the Housing and Community Development Act (Act) of 1974, which re-codified the U.S. Housing Act of 1937. The Act has been amended from time to time, and its requirements, as they apply to the Section 8 Tenant-Based Assistance Program, are described, as implemented, throughout this Administrative Plan. The Section 8 rental assistance programs are federally funded and administered for the County of San Diego by the Housing Authority of the County of San Diego (HACSD).

Administration of the Section 8 Program and the functions and responsibilities of the housing staff shall be in compliance with the County of San Diego personnel policy and the Department of Housing and Urban Development's (HUD) Section 8 regulations as well as all federal, state and local fair housing laws and regulations.

JURISDICTION

The jurisdiction of the HACSD includes the cities of Chula Vista, Coronado, Del Mar, El Cajon, Escondido, Imperial Beach, La Mesa, Lemon Grove, Poway, San Marcos, Santee, Solana Beach, Vista, and the unincorporated county areas.

MISSION STATEMENT

The HCD Mission Statement:

Promoting safe, affordable housing opportunities and improved communities in the San Diego region.

HUD Mission Statement:

"To promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination"

OTHER RENTAL ASSISTANCE PROGRAMS

In addition to the Housing Choice Voucher Rental Assistance Program, the HACSD operates the following housing assistance programs:

Moderate Rehabilitation Program

Mobilehome Demonstration Program

Preservation/Enhanced Voucher Program

Public Housing

Other rental assistance programs administered by the Community Development Division

CORE VALUES AND ETHICAL STANDARDS

All officers or employees of the HACSD will comply with the Code of Ethics of the County of San Diego as well as those mandated under the Housing Choice Voucher Program. This includes compliance with the conflict of interest requirements of the Housing Choice Voucher Program under 24 CFR 982.161. The conflict of interest provision prohibits the PHA or any of its contractors or subcontractors entering into any contract or arrangement in connection with the tenant based programs in which any of the following classes or persons have any interest, direct or indirect, during tenure or for one year thereafter. The classes or persons include: (1) any present or former member or officer of the PHA (except a participant commissioner); (2) any employee of the PHA, or any contractor or subcontractor or agent of the PHA, who formulates policy or who influences decisions with respect to the programs; (3) any public official, member of a governing body, or State or local legislator, who exercises functions or responsibilities with respect to the programs; and, (4) any member of the Congress of the United States. Any members of the classes described in this section must disclose their interest or prospective interest to the PHA and HUD. The HUD field office may waive for good cause the conflict of interest prohibition under this section.

All HACSD officers, employees, contractors, subcontractors or agents will comply with all requirements that prohibit the solicitation or acceptance of gifts or gratuities, in excess of a nominal value.

All HACSD officers, employees, contractors, subcontractors or agents will conduct business with integrity and in an honest and professional manner.

Any violations of code of ethics, core values and ethical standards policies will result in disciplinary action ranging from letter(s) of warning to termination of employment and/or contract. Opportunity may be offered, on a case-by-case basis, to correct a conflict of interest. Code of ethics, core values and ethical standards policies will be communicated to the above groups upon initial employment, prior to execution of a contract, and at least annually.

LOCAL GOALS

[24 CFR 982.1]

To expand the supply of assisted housing, and support the efforts of housing development agencies, as well as, to increase the inventory of affordable housing for families in need as identified in local consolidated plans.

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

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

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

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

To administer an efficient, high-performing agency through continuous improvement of the HACSD's support systems and commitment to its employees.

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

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

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

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

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

PURPOSE OF THE PLAN

[24 CFR 982.54]

The purpose of this Administrative Plan (Plan) is to establish policies for carrying out the programs in a manner consistent with HUD requirements, and in a manner consistent with local goals and objectives outlined in the agency plan. All pre-merger regular tenancy contracts, Housing Voucher contracts, and over fair market rent tenancy contracts have been transitioned to the Housing Choice Voucher Program as of October 1, 2001.

The HACSD is responsible for complying with all changes in HUD regulations pertaining to the HUD programs it administers. If such changes conflict with this Plan, HUD regulations will have precedence. The HACSD Board of Commissioners must approve the original Plan, and any significant changes. The pertinent sections must be included in the agency plan with a copy provided to HUD.

Applicable regulations include:

24 CFR Part 5: General Program Requirements

24 CFR Part 8: Nondiscrimination

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

24 CFR 984: Self Sufficiency Program

24 CFR 985: Management Assessment Program

Local rules incorporated in this Plan are intended to promote local housing objectives consistent with the intent of federal housing legislation.

ADMINISTRATIVE ERROR

If the HACSD discovers an administrative error that resulted in an underpayment of housing assistance payments, it will correct the error back to the previous action taken, and issue a payment to the owner or participant, if appropriate. If the HACSD discovers an administrative error resulted in an overpayment of assistance, the error will be corrected with a 30-day advance notice.

ADMINISTRATIVE FEE RESERVE

[24 CFR 982.155]

The HACSD must maintain an administrative fee reserve for the program to pay program administrative expenses in excess of administrative fees paid by HUD.

If the HACSD has not adequately administered any Section 8 program, HUD may prohibit use of funds in the administrative fee reserve and may direct the HACSD to use funds in the reserve to improve administration of the program or to reimburse ineligible expenses. HUD may also prohibit the use of funds for certain purposes.

HUD requires the PHA Board of Commissioners or other authorized officials to establish the maximum amount that may be charged against the administrative fee reserve without specific approval.

Expenditures from the administrative fee reserve will be made in accordance with all applicable Federal requirements. Expenditures from the administrative fee reserve will not exceed $100,000 per occurrence without prior approval of the HACSD Board of Commissioners.

RULES AND REGULATIONS

[24 CFR 982.52]

This Plan defines the HACSD's local policies for operation of the housing programs in the context of federal laws and regulations. Generally, not fully addressed in this document are Section 8 issues governed by federal regulations, HUD memos, notices, guidelines, or other applicable law. If any issue is not found in this plan or in the resources named above, the HACSD may address the issue with a policy notice to HACSD staff and posted on the HACSD website, unless the new policy is a significant program change as defined in the Agency Plan. The policies in this Plan have been designed to ensure compliance with the consolidated annual contributions contract (ACC) and all HUD–approved applications for program funding.

TERMINOLOGY

The Housing Authority of the County of San Diego is referred to as the "HACSD" or "PHA" or "Housing Authority" throughout this document.

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

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

"Landlord" and "owner" are used interchangeably.

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

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

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

"Failure to Provide" refers to all requirements of the Family Obligations of the program as outlined elsewhere in the Plan.

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

See Glossary for other terminology.

FAIR HOUSING POLICY

[24 CFR 982.54(d)(6)]

The Housing Authority will fully comply with all federal, state and local nondiscrimination laws, rules and regulations governing fair housing and equal opportunity in housing and employment.

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

The PHA shall administer the program in compliance with the Violence Against Women Act (VAWA) and Department of Justice Reauthorization Act of 2005 (Pub. L. 109-162).

To further the HACSD commitment to full compliance with applicable civil rights laws, at the family briefing, the HACSD will provide federal/state/local information regarding unlawful discrimination, and any recourse to those who believe they are victims of a discriminatory act. All applicable fair housing information and discrimination complaint forms will be included in the voucher holder's briefing packet, and will be available upon request.

All HACSD staff members may be required to attend fair housing training. These employees, in the overall commitment to quality customer service, are informed of the importance of affirmatively furthering fair housing, providing equal opportunity to all families, and providing reasonable accommodations to persons with disabilities. Fair housing posters may be displayed throughout the Housing Authority office, including in the lobby and interview rooms, and in such a manner as to be readable from a wheelchair.

The equal opportunity logo will be used on all outreach materials. To keep current with new developments, staff may attend local fair housing update training sponsored by HUD, or other organizations.

Except as otherwise provided in 8.21(c)(1), 8.24 (a), 8.25, and 8.31 of the regulations, no individual with disabilities shall be denied the benefits of, or be excluded from participation in programs, or otherwise be subjected to discrimination because the HACSD's facilities are inaccessible to, or unusable by persons with disabilities.

The Housing Authority of the County of San Diego is accessible to persons with disabilities. The California Relay Service provides accessibility for the hearing impaired**.**

REASONABLE ACCOMMODATIONS POLICY

[24 CFR 8.4(b)(i), 8.24 and 8.33]

When a family member requires an accessible feature(s) or policy modification to accommodate a disability, PHAs must provide such feature(s) or policy modification unless doing so would result in a fundamental alteration in the nature of the program, or an undue financial and administrative burden. It is the policy of the HACSD to be service oriented, and to exercise and demonstrate a high level of professionalism. The HACSD shall make reasonable accommodation, upon request, to the reported physical or mental limitations of an otherwise qualified person with disabilities.

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

In order to process a request for a reasonable accommodation, the requester must make the request in advance and may be required to certify (if apparent) or verify (if not apparent) to be an individual with a disability under the following definition:

> A physical or mental impairment that substantially limits one or more of the major life activities of an individual
>
> A record of such impairment; or being regarded as having such an impairment
>
> Does not include any individual who is an alcoholic or drug abuser whose current use of alcohol or drugs prevents the individual from participating in the program
>
> Note: This is not the same as the HUD definition used for purposes of determining allowances.

Rehabilitated former drug users and alcoholics are covered under the Americans with Disabilities Act (ADA). However, a current drug user is not covered. In accordance with 24 CFR Part 8.3, individuals are not considered disabled for eligibility purposes solely on the basis of any drug or alcohol dependence. Individuals whose drug or alcohol addiction is a material factor to their disability are excluded from the definition. Individuals are considered disabled if disabling mental and physical limitations would persist if drug or alcohol abuse discontinued.

The HACSD will require at least annually that a professional third party competent to make the assessment of disability provide written verification that the individuals need a specific accommodation due to their disability, exactly what accommodation is recommended, exactly how this accommodation will allow them to fully access the program, and that the change is required for them to have equal access to the housing program.

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

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

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

The HACSD will provide a written decision to the person requesting the accommodation within a reasonable time. If a person is denied the accommodation, or feels that the alternative suggestions are inadequate, s/he may request an informal meeting with a supervisor to discuss the HACSD's decision.

Reasonable accommodation will be made for persons with a disability who require an advocate or accessible offices. In addition, a designee may represent the individual with a disability, but only with written permission of the disabled person.

VERIFICATION OF DISABILITY

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

LIMITED ENGLISH PROFICIENCY (LEP)

The HACSD conducted a 2004 survey of its program that indicates the "number or proportion" of its LEP clients at 2.7% or 288 persons (or households) for all language groups is far below the "threshold" of 5% or 1000 persons in any language-specific group. The HACSD has low frequency of contact with LEP clients regarding its program. The "nature" of the Section 8 program in providing housing assistance to the needy is "important" enough to have "serious or even life-threatening implications for the LEP individual," which is the very reason the HACSD monitors any "denial or delay of access" to its program, and provides language services when requested. The HACSD provides appropriate assistance to its clients at a reasonable expense due to the recruitment of multi-lingual staff and availability of outside resources to provide a mixture of LEP services for interpretation and translation.

TRANSLATION OF DOCUMENTS

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

The availability of local organizations to provide translation services to non-English speaking families.

Bilingual staff available to provide translation for non-English speaking families.

The need of clientele for translated documents.

APPLYING FOR ADMISSION

All persons who wish to apply for any of the HACSD's programs must submit pre-applications, which may be written or verbal. Applications will be made accessible upon request from a person with a disability.

To provide specific reasonable accommodation to persons with disabilities, upon request, the information may be mailed to the applicant, mailed to the applicant's contact person, completed by a designee, or any other specified reasonable accommodation.

The full application is completed in the applicant's own handwriting, unless the applicant is a disabled person who requests assistance or other accommodation. The HACSD staff may interview applicants to review the information on the full application form. Verification of disability as it relates to 504, Fair Housing, or ADA reasonable accommodation may be requested at that time, or mailed to the applicant. All applicants are advised that reasonable accommodations are available.

MANAGEMENT ASSESSMENT OBJECTIVES

The HACSD can demonstrate to HUD auditors that it applies resources in a manner that reflects its commitment to quality and service. The HACSD policies and practices are consistent with following HUD and SEMAP requirements:

Selection from the waiting list

Reasonable rent

Determination of adjusted income

Utility allowance schedule

HQS quality control inspections

HQS enforcement

Expanding housing opportunities

FMR/exception rent and payment standards

Annual Reexaminations

Correct tenant rent calculations

Pre-contract HQS inspections

Annual HQS inspections

Lease rate

Family self-sufficiency enrollment and escrow account balances

De-concentration of families

A supervisor, or other qualified person, other than the person who performed the work, will perform supervisory quality control reviews, as required by HUD, on the following SEMAP factors:

Selection from the waiting list

Rent reasonableness

Determination of adjusted income

HQS enforcement

HQS quality control

The annual sample of files and records is drawn randomly from computer-generated lists or other reports, such a field logs, which leave a clear audit trail.

The SEMAP required minimum sample size is reviewed for all SEMAP indicators that require a random sample.

INSUFFICIENT FUNDING

[24 CFR 982.314(e)(1), 982.454]

The regulations allow the HACSD to deny families permission to move and to terminate HAP Contracts if funding under the consolidated ACC is insufficient to support annual program HAP expenses. If the HACSD determines that it has insufficient funding to support its active contracts, it may take any or all of the following actions that it deems appropriate and necessary to reduce its HAP costs:

1. Reduce payment standards if payment standards exceed 90% of the current FMR
2. Reduce its subsidy standards
3. Eliminate exceptions to its subsidy standards
4. Terminate HAP contracts
5. Deny permission to move to higher cost units
6. Deny permission to move

If the HACSD determines that the necessary action to reduce HAP costs within the funding level is to terminate HAP contracts, it will terminate HAP contracts based on one of the following criteria:

1. Terminate HAP contracts on units with gross rents that exceed the new payment standards and offer landlords new contracts under the current subsidy standards and payment standards.
2. Terminate HAP contracts for non-disabled, non-elderly households that have been on the program the longest.

RECORDS FOR MONITORING PERFORMANCE

In order to demonstrate compliance with HUD and other pertinent regulations, the HACSD will maintain and retain records, reports and other documentation in accordance with HUD requirements. These records will be maintained in a manner that will allow an auditor, housing professional, or other interested party, to follow, monitor and or assess the HACSD's operational procedures objectively, with accuracy, and in accordance with SEMAP requirements, and internal management controls.

In addition to the required SEMAP documentation**,** supervisory staff will monitor the following functions:

All annual recertifications will be monitored for completion at least 30 days before the re-exam due date.

All annual inspections will be monitored for completion at least 30 days before the due date

All new applications will be monitored for compliance with the regulations.

RECORD KEEPING

[24 CFR 982.158]

The HACSD must maintain complete and accurate accounts and other records for the program in accordance with HUD requirement, in a manner that permits a speedy and effective audit. All such must be made available to HUD or the Comptroller General of the United States upon request.

In addition, the HACSD must ensure that all applicants and participant files are maintained in a way that protects an individual's privacy rights.

During the term of each assisted lease, and for at least three years thereafter, the HACSD must keep:

A copy of the executed lease.

The HAP contract

The application from the family

The HACSD must keep for at least three years:

Records that provide income, racial, ethnic, gender and disability status data on program applicants and participants.

A application from each ineligible family and notice that the applicant is not eligible.

HUD required reports

Unit inspection reports

Lease-based paint records as required by 24 CFR 35, Subpart B

Accounts and other records supporting PHA budget and financial statements for the program.

Records to document the basis for HACSD determination that rent to owner is reasonable rent (initially and during the term of the HAP contract)

Other records specified by HUD

If an informal hearing to establish a family's citizenship status is held, longer retention requirements apply for some types of documents.

All HACSD applicant and participant files and information will be kept in secure locations with access restricted to authorized personnel.

CRIMINAL RECORDS

The HACSD may only disclose criminal conviction records received from a law enforcement agency to officers or employees of the HACSD, or to authorized representatives of the HACSD who have a job-related need to access the information. [24-CFR 5 .903(e)]

The HACSD maintains such criminal records in secure areas that are accessible only to authorized personnel. Staff is instructed to not misuse or improperly disseminate these records, which are destroyed once they are no longer needed. [24 CFR 5.905 (g). This requirement does not apply to information that is public information, or is obtained by the HACSD under 24 CFR 5.905.

MEDICAL/DISABILITY RECORDS

The HACSD will not inquire about the specific nature or extent of a person's disability. The HACSD will not inquire about a person's diagnosis or details of treatment for a disability or medical condition.

CHILDREN WITH ENVIRONMENTAL BLOOD LEAD LEVELS

The PHA has certain responsibilities relative to children with environmental intervention blood lead levels that are receiving HCV assistance. The HACSD has certain reporting requirements, data collection and record keeping responsibilities that the HACSD is subject to.

The HACSD is required to report the name and address of a child identified as having an environmental intervention blood lead level to the public health department within five business days of being so notified by any other medical health care professional. The HACSD will provide the public health department notice that it is available, upon request, the name and address of any child identified as having an environmental intervention blood lead level.

Data Collection

At least quarterly, the HACSD must attempt to obtain from the public health department(s) with a similar area of jurisdiction, the names and/or addresses of children less than six years old with an identified environmental blood lead level and match this information with the names and addresses of families receiving HCV assistance.

The public health department has stated it does not wish to receive a quarterly report of an updated list of addresses of Section 8 units. Therefore, the HACSD will not provide this report.

PRIVACY RIGHTS

[24 CFR 982.551 and CFR 5.212]

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

The HACSD's policy regarding release of information is in accordance with state and local laws that restrict the release of family information.

The HACSD will not request specific information regarding a person's disability. The HACSD will ask that a health professional to confirm that a person's disability indicates a need for specified services or accommodation. If specific information is received regarding the disabled person's disability, the information will be kept confidential, and be destroyed in a confidential manner after a determination has been made.

The HACSD's practices and procedures are designed to safeguard the privacy of applicants and program participants. All applicant and participant files are stored in a secure location, only accessible to authorized staff.

HACSD staff will not discuss or disclose family information contained in files, upfront income verification (UIV) information, or third party verifications, except for a business reason. Inappropriate discussion of family information or improper disclosure of family information by staff will result in disciplinary action. Security access for the Enterprise Income Verification (EIV) systems will be reviewed quarterly and all users will have a signed user agreement on file. The HACSD will not disclose information obtained through the EIV system to any person other than the person the income information pertains to, even if another person has a release of information. In addition, the HACSD will not take any adverse action against the family as a result of information obtained from the EIV system, but may take action if the information is confirmed by the family member or a third party.

Unauthorized persons may not remove files from secure storage areas.

The collection, maintenance, use and dissemination of social security numbers (SSN), employer identification number (EIN), any information derived from these number, and income information of applicants and participants must be conducted, to the

extent applicable, in compliance with the Privacy Act of 1974, and all other provisions of federal, state, and local law.

FAMILY OUTREACH

[24 CFR 982.206]

The HACSD will, on a regular basis, publicize and disseminate information to make known the availability of housing assistance, and related services for very low-income families. If the HACSD's waiting list is closed and then reopened, the HACSD will publicize the availability and nature of housing assistance for very low-income families in a newspaper of general circulation, minority media, or by other suitable means.

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

The HACSD will communicate the status of housing assistance availability to other service providers in the community, and advise them of housing eligibility factors and guidelines so they can make proper referrals to those in need of housing assistance.

OWNER OUTREACH

[24 CFR 982.54(d)(5)]

The HACSD makes a concerted effort to keep private owners informed of applicable legislative changes in program requirements.

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

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

The HACSD conducts periodic meetings with owners, upon request, to improve owner relations and to recruit new owners.

The staff of the HACSD initiates personal contact with private property owners and managers by telephone, or, upon request, at informal discussions and meetings.

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

The HACSD actively participates in community-based organizations comprised of private property and apartment owners and managers.

The HACSD may periodically:

Develop working relationships with owners and real estate broker associations.

Establish contact with civic, charitable and neighborhood organizations, and public agencies which have an interest in housing for low-income.

ISSUANCE OF VOUCHERS

[24 CFR 982.204(d), 982.54(d)(2)]

When funding is available, the HACSD issues vouchers to eligible applicants. The HACSD strives to issue enough vouchers to maintain a 100 percent lease-up rate, while managing within the available funding. The HACSD performs a monthly calculation to determine whether applications should be processed, the number of vouchers that can be issued, and to what extent vouchers can be over-issued (issue more vouchers than the budget allows to achieve maximum lease-up rate).

The HACSD may over issue vouchers to the extent necessary to meet leasing goals, if funding is available. All over-issued vouchers will be honored, unless the HACSD has insufficient funds to support the voucher, in which case the voucher will be suspended until there is sufficient funding. If the HACSD finds it is over-leased, it must adjust its future issuance of vouchers so as not to exceed the Annual Contributions Contract (ACC) fiscal year budget limitations.

PAYMENT STANDARDS

[24 CFR 982.503]

The payment standard is the basis for calculating the maximum subsidy a family may receive. In accordance with HUD regulation, and at the HACSD's discretion, the voucher payment standard amount is between 90 percent and 110 percent of the HUD published FMR. This is considered the basic range. The HACSD reviews the appropriateness of the payment standard annually upon publication of the new FMRs. The HACSD may at any time make the administrative decision to adopt a payment standard that is from 90 percent to 110 percent of the most recently published FMR, unless HUD approves an exception payment standard.

The HACSD will establish a single voucher payment standard amount for rental assistance, unless HUD has published more than one FMR area for its jurisdiction. For each FMR area, the HACSD will establish payment standard amounts for each unit size. The HACSD may, subject to available funding, adopt a FMR of up to 110

percent of FMR, if needed to expand housing opportunities outside areas of minority or poverty concentration. The HACSD may request an exception payment standard or adopt a higher payment standard for its Section 8 Homeownership participants.

The HACSD may, if funding is available, also approve a higher payment standard up to 110 percent of FMR, if required as a reasonable accommodation for a family that includes a person with disabilities.

Upon release of FMRs, the HACSD must update its payment standards, if the payment standards are no longer within the basic range of 90-110% of the current FMR.

The HACSD may review its payment standards in the following situations:

Upon release of new FMRs

Upon funding changes

Upon management directive

The HACSD may also review its payment standards to determine if a payment standards change could alleviate participants excessive rent burden, improve the quality of assisted units, increase unit availability, decrease lease-up time, or improve voucher utilization or success rate.

The payment standards may be changed at anytime and payment standards increases will not be applied retroactively to completed recertifications.

ADJUSTMENTS TO PAYMENT STANDARDS

[24 CFR 982.503]

Payment standards may be adjusted, depending on available funding, within HUD regulatory and financial limitations, to increase housing assistance payments to keep family rents affordable. The HACSD will not raise payment standards solely to make "high end" units available to voucher holders. The HACSD may use some or all of the measures below in making its determination of whether an adjustment should be made to the payment standards.

Assisted Families' Rent Burdens

The HACSD may review its voucher payment standard amounts to determine whether more than 40 percent of families in a particular unit size are paying more than 30 percent of their annual adjusted income for rent.

If it is determined that the rents of particular unit sizes in the HACSD's jurisdiction are creating rent burdens for families, the HACSD may modify its payment standards for those particular unit sizes.

The HACSD may establish a separate voucher payment standard, within the basic range, for designated parts of its jurisdiction, if it determines that a higher payment standard is needed in these designated areas to provide families with quality housing choices, and to give families an opportunity to move outside areas of high poverty or into neighborhoods with greater opportunity.

Quality of Units Selected

The HACSD may review the quality of units selected by participant families when making the determination of the percent of income families are paying for housing, to ensure that payment standard increases are needed to reach the mid-range of the market.

Families Rent Burden Analysis

The HACSD may review the average percent of income that families on the program are paying for rent. If more than 40 percent of families are paying more than 30 percent of monthly-adjusted income for a particular unit size, the HACSD may evaluate the number of families renting units larger than their voucher size, or luxury or high-end units.

If families are paying more than 30 percent of their income for rent due to the selection of larger bedroom size units or luxury units, the HACSD will decline to increase the payment standard. If this is not the primary reason for families' rent burden, the HACSD will continue increasing the payment standard within HUD regulatory limitations.

Rent to Owner Increases

The HACSD may review a sample of the units to determine how often owners are increasing rents and the average percent of increase by bedroom size.

Time to Locate Housing

The HACSD may consider the average time period for families to lease up under the voucher program. If voucher holders are unable to locate suitable housing within their voucher term due to unaffordable rents, the payment standard may be adjusted, if funding permits.

Lowering of the Payment Standard

Lowering of the FMR may require an adjustment of the payment standard. Additionally, statistical analysis may reveal that the payment standard should be lowered. In any case, the payment standard will not be set below 90 percent of the FMR, without authorization from HUD.

Financial Feasibility

Before increasing the payment standard, the HACSD may review its budget to determine the impact of projected subsidy increases on funding available for the program, and the number of families served.

For this purpose, the HACSD will compare the number of families served under higher payment standards, to the number assisted under current payment standards.

EXCEPTION PAYMENT STANDARDS

If the dwelling unit is located in an exception area, the HACSD must use the appropriate payment standard amount established for the exception area in accordance with regulation 24 CFR 982.503(c).

SUBSIDY STANDARDS

[24 CFR 982.402 (a) (b)]

The HACSD may take the administrative action at any time, if warranted by HUD funding limitations and/or reductions, to reduce its subsidy standards to two people per bedroom and living area with no exceptions. The HACSD may take the administrative action at any time to increase its subsidy standards, if funding allows and if necessary to improve or maintain the viability of the program.

UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS

CFR 5.632, 982.517]

The same utility allowance schedule is used for all tenant-based programs.

The utility allowance is intended to cover the cost of essential utilities not included in the rent, including the cost of tenant-provided/paid refrigerators, ranges, trash collection, water, sewer, gas and electricity. The allowance is based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. Allowances are not based on an individual family's actual energy consumption.

The utility allowance schedule must include essential utilities and services that are necessary in the locality to provide housing that complies with the housing quality standards. However, the HACSD may not include allowances for non-essential utility costs such as, cable, satellite television, telephone, or Internet connection.

The HACSD must classify utilities in the utility allowance schedule according to the following general categories: space heating, cooking, air conditioning, water heating, water, sewer, trash collection, other electric, refrigerator (for tenant supplied refrigerator), and range (for tenant-supplied range).

An allowance for tenant-paid air conditioning will be provided in those cases where the majority of housing units in the market have central air conditioning, or are wired for tenant installed air conditioners [24 CFR 982.517].

Given the often lower amount of the utilities than for other dwelling types, separate “flat rate” utility allowances for certain utilities may be allowed for mobilehomes in parks. Flat rate utilities are utility expenses charged to a mobilehome owner by the mobilehome park based on either sub metering, or total park costs divided amongst the residents by a set formula.

Complexes of five or more units may charge flat rate utilities based on the above formula. However, owners of houses, townhouses, duplexes, three-plexes, or four-plexes are not allowed to charge the tenants for shared-meter utilities.

The HACSD will review and revise the utility allowance schedule annually. Revised utility allowances will be applied in a participant family's rent calculation at the next reexamination.

The approved utility allowance schedule is given to families along with their voucher. The utility allowances are based on the actual unit size selected.

When families, including mobilehome owners and Section 8 Homeownership participants, provide their own range and refrigerator, the HACSD will establish an allowance adequate for the family to purchase or rent a range or refrigerator, even if the family already owns either appliance. Allowances for ranges and refrigerators will be based on the lesser of the cost of leasing or purchasing the appropriate new or used appliance over a twelve-month period.

Utility allowances for family-provided stove/and or refrigerator will not be given if the owner has available a stove and/or refrigerator, but it is the family’s preference to provide its own appliances.

When the calculation on the HUD 50058 results in a utility reimbursement payment due the family [24 CFR 5.632], the HACSD will provide a utility reimbursement payment for the family each month. The check will be issued to the family.

RESERVED

Chapter

2

WAITING LIST

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

INTRODUCTION

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

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

By maintaining an accurate waiting list, the HACSD is able to perform the activities in a manner that ensures an adequate pool of qualified applicants is available for the timely use of program funds.

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

ORDER OF SELECTION

[24 CFR 982.204(d) and (e)

The HACSD will select families according to date and time of application within preference groups. The HACSD will skip over families to select families that meet specific criteria if it receives targeted funding for those specific families. The HACSD

cannot skip over higher-cost families it has insufficient funds to assist in order to select families it can afford to assist.

Families will be selected from the waiting list based on the targeted funding or selection preferences(s) for which they qualify, and in accordance with the HACSD's hierarchy of preferences. Within each target funding or preference category, families will be selected on a first-come, first-served basis according to the date and time of their waiting list application is received.

LOCAL PREFERENCES

[24 CFR 5.410]

The following local preferences are established. When determining equally ranked preferences, the date and time of application is the final deciding factor.

RANKING PREFERENCES

Please refer to the glossary for definitions of the following groups.

Super Preference

The HACSD has established "super preferences" for two groups: (1) applicants who are being assisted by the HACSD under the Disaster Voucher Program (DVP) whose assistance is expiring **and** for (2) HACSD Public Housing residents who must move due to being the victim of domestic violence, dating violence, or stalking. This selection preference is superior to the following ranking preferences.

Category One

The HACSD uses equally weighted local preferences for applicants, with priorities for those ***who live or work in the HACSD jurisdiction*** and are in one or more of the following categories:

Families with dependent children.

Working Families - (At least one member must have worked at least 32 + hours per week for the previous 12 months. Applicants may combine job training or academic program participation as part of the previous 12-month requirement. Applicants receiving unemployment, disability, or workman's compensation benefits will be considered qualifying under this preference if those benefits were the result of 12 continuous months of employment at 32 + hours per week up to the start of the above referenced benefits).

Elderly families (head of household or spouse is 62 years of age or older).

Disabled families (head of household or spouse is disabled).

Veterans or surviving spouses of veterans (other than dishonorable discharge).

Homeless.

Category Two

Applicants who live or work in the HACSD jurisdiction, but who do not fit in Category One.

Category Three

Applicants who *do not live or work within the HACSD jurisdiction*, but are one or more of the following:

Families with dependent children.

Working Families - (At least one member must have worked at least 32 + hours per week for the previous 12 months. Applicants may combine job training or academic program participation as part of the previous 12-month requirement. Applicants receiving unemployment, disability, or workman's compensation benefits will be considered qualifying under this preference if those benefits were the result of 12 continuous months of employment at 32 + hours per week up to the start of the above referenced benefits)

Elderly families (head of household or spouse is 62 years of age or older).

Disabled families (head of household or spouse is disabled).

Veterans or surviving spouses of veterans (other than dishonorable discharge).

Homeless.

Category Four

All other applicants not indicated above.

GENERAL WAITING LIST MANAGEMENT

[24 CFR 982.204]

The HACSD uses a single waiting list for admission to its Section 8 tenant-based assistance program. The HACSD will not merge its waiting lists [24 CFR 982.20]. However, if the Section 8 waiting list is open when the applicant is placed on the Public Housing Program, another project based voucher program, or the Moderate Rehabilitation Program waiting list, the HACSD must offer to place the family on the tenant-based assistance list.

Moderate Rehabilitation Program applicants may be taken from the Section 8 waiting list. Mainstream Program applicants are taken from the Section 8 waiting list.

A family who lives in the jurisdiction of another cooperative housing authority named below will be advised of the benefit of being placed on the appropriate housing authority's waiting list, and the information will be forwarded to the appropriate cooperative housing authority upon verbal permission of the family.

COOPERATIVE AGREEMENT

The HACSD and the City of San Diego Housing Commission, along with the cities of Oceanside, National City, Encinitas, and Carlsbad, have a cooperative agreement to honor the application status of applicants who move into their jurisdiction from the jurisdiction of one of the other cooperating agencies.

Each PHA will exchange waiting list applicants, preserving the original time and date of application, for applicants residing in the jurisdiction of the other agency, provided the PHA has an open waiting list during that time period. If not, the applicant will be given the earliest date that the waiting list is reopened. In addition, applicants will not be accepted on the waiting list of the second PHA if the applicants do not live and/or work in the second PHAs jurisdiction.

Upon receipt of applicant information, each housing agency will integrate such applicants into their current waiting list, using the original time and date of application, providing the applicants live and/or work in that PHA's jurisdiction.

If the applicant lives and/or works in the other PHA's jurisdiction, his/her waiting list application will be forwarded to the housing agencies of the following jurisdictions:

National City
San Diego
Oceanside
Encinitas (which include Leucadia and Cardiff)

Carlsbad

The applicant who moves out of the jurisdiction of the HACSD may remain on the HACSD waiting list with the appropriate preference.

APPLICATIONS FOR PROGRAM ADMISSION

All applicants will be selected from the waiting list in accordance with policies and preferences and income targeting requirements defined in this Administrative Plan.

Special Admissions

The HACSD may admit up to ten percent of its annual admissions as special admissions [24 CFR 982.54(d)(3), 982.203]. However, these special admissions must be funded by special HUD-targeted funding. Examples of this special funding follow:

A family displaced because of demolition or disposition of a public housing project.

A family residing in a multifamily rental housing project when HUD sells, forecloses or demolishes the project.

For housing covered under the Low Income Housing Preservation and Resident Homeownership Act of 1990 (41 U.S.C. 4101 et seq).

A non-purchasing family residing in a project subject to a homeownership program (under 24 CFR 248.173).

A family displaced because of mortgage prepayment or voluntary termination of a mortgage insurance contract (as provided in 24 CFR 248.165).

A family residing in a project covered by a project-based Section 8 HAP contract at or near the end of the HAP contract term.

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

Targeted Funding

Under 24 CFR 982.204 (e), HUD may award the HACSD funding for a specified category of families on the HACSD waiting list. The HACSD will use this funding to assist the families who have been on the HACSD waiting list the longest, who reside in the jurisdiction of the HACSD, and who are determined to fall in the specified category required by the funding source.

Taking Applications to the Waiting List

The HACSD, at the time of preliminary application, will collect the following information necessary for proper selection from the waiting list:

Applicant name.

Applicant Address

Date and time of application.

Qualification for any local preference.

Gross annual income.

Disabled or Elderly household.

Racial or ethnic designation of the head of household.

Other targeted program qualifications.

The application for placement on the waiting list may be taken by telephone, in writing, on-line via a web-based internet applications system, or from an applicant who visits the office. All possible reasonable accommodation will be provided to families with persons with disabilities, if requested in advance per the reasonable accommodation policy. Bilingual staff is available to take waiting list applications of those with limited English proficiency or the services of the language line are utilized to assist applicants of limited English proficiency.

The applicant will not require an interview, the information may not be verified, and eligibility may not be determined, until the applicant's name has reached the top of the waiting list. Preferences may not be verified until final selection from the waiting list [24 CFR 982.207].

All applicants will be treated equally on the waiting list in accordance with the preferences, policies, and the regulations.

An applicant to the waiting list may be, at the discretion of the waiting list supervisor, required to provide verification of eligibility, such as proof of residence or proof of income.

Applicants determined to be ineligible will not be placed on the waiting list. Applicants who have been, or are in the process of being terminated from the Section 8 Rental Assistance Program or other federal housing programs for violent or drug related criminal activities that involve sales or production, will not be placed on the waiting list for five years from the date of termination. For all other violations, applicants will not be placed on the waiting list for three years from the date of termination. Applicants who owe money to a housing authority cannot apply until the debt is paid. If the applicant challenges the denial of placement on the waiting list, the applicant will be advised of their right to request an informal review.

Applicants are required to inform the HACSD of changes in address. Applicants are also required to respond to requests from the HACSD to update information on their application, or to determine their continued interest in assistance. Changes in an applicant's circumstances while on the waiting list may affect the family's entitlement to a preference.

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

Applicants in the waiting list with equal preference status will be organized by date and time of their applications.

Pulling Applicants from the Waiting List

Applicants will not be pulled from the waiting list for eligibility processing unless funding is available. Once funding is available, applicants will be pulled by preference group and income targeting guidelines and in proper order as determined by their date and time of placement on the waiting list. The method of selection off the waiting list will be clearly documented [24 CFR 982.207(e)].

RETURN TO THE WAITING LIST

Applicants who Must Reapply

Applicants who reapply to be placed back on the waiting list will be positioned on the waiting list as of the date and time they reapply.

If the family declines the offer of a voucher, the family will not be eligible to be returned to the waiting list. The family must reapply to the waiting list.

A family whose application is denied for failure to provide information must reapply to be placed back on the waiting list.

A family found ineligible for assistance must reapply to be placed back on the waiting list.

Applicants found ineligible for assistance because they exceed the current HUD published Section 8 income limits must reapply to be placed back on the waiting list.

Applicants Reinstated at Original Date and Time of Application

Applicants removed from the waiting list will be given the benefit of the doubt if there is a possibility they were removed from the waiting list through no fault of their own. These applicants may be reinstated on the waiting list if there is a possibility they were not notified, such as in the case of only one notice being issued. In order to be reinstated, applicants must submit a statement under penalty of perjury requesting reinstatement and stating that they had either submitted changes of address to the HACSD in a timely manner, that they had not changed their address, or that they should be reinstated as a reasonable accommodation.

Applicants Returned to the Waiting List at Original Date and Time of Application

If the family requests its name be returned to the waiting list at its former date and time of application prior to the completion of the eligibility process, the family may be returned to the waiting list as inactive unless is has been determined the family is ineligible.

Otherwise eligible applicants pulled from the waiting list and found not to meet preference or income-targeting requirements will be returned to the waiting list at original date/time of application.

CHANGE OF HOUSEHOLD WHILE ON THE WAITING LIST

While the applicant is on the waiting list, the HACSD will not change the head of household unless it receives either: (1) notarized statement from the head of household requesting the head of household be changed and documentation indicating replacement was residing with the head of household at the time of the original application; (2) death certificate, if head of household died **and** proof that the person requesting to become head of household was a significant other who resided with that person at the time of that person's death (utility bills and lease agreement reflecting address on record, marriage certificate, joint bank account statements, jointly owned property, etc.). However, once the applicant is selected from the waiting list, the listed head of household must be included in the eligibility determination.

An estranged significant other may be allowed to take the place of the head of household if s/he can provide documentation indicating s/he resided with the head of household at the address reflected on the waiting list records and was part of the head of household's family unit (lease agreement, notarized statement from property owner, joint bank account or other property). Before this change is made, a letter must be mailed to the head of household advising him/her that a request has been made to change his/her status on the waiting list. S/he will be advised that s/he will be dropped from the waiting list if s/he does not respond within 14 days. If there is no response by the deadline, a phone call will be attempted and documented. After that, providing the requester provides adequate documentation, the head of household may be changed to the remaining significant other. All documentation of this action must be retained for five years.

Information regarding a person's waiting list status may only be provided to the applicant. The HACSD must receive a written release of information from the applicant before information will be provided to a third party.

POINT IN TIME THAT FAMILY MUST BE ELIGIBLE FOR PROCESSING

A family selected off the waiting list is determined eligible or not eligible for eligibility processing based on the information provided on the eligibility declaration, the supporting documents submitted, and independent verification by the HACSD. The family must be eligible for the preferences it has claimed, income limits and targeting, and jurisdiction priority as of the date it was pulled off the waiting list.

A family change in circumstances after the date the family was pulled off the waiting list for eligibility processing will not be evaluated for a possible change in preference status, jurisdiction, income limits and targeting, unless the family change in circumstances, prior to voucher issuance, results in the family's income exceeding 50% of area median income, in which case, the family must be denied program admission.

The following scenarios are handled as follows:

Scenario Number One

A family met admission preferences and income targeting requirements as of the point of time of being pulled from the waiting list, but during the full application process, the family moved outside of the HACSD's jurisdiction. The family may continue to be processed for admission.

Scenario Number Two

A family was over income at the time it was pulled from the waiting list, but then the income was reduced as a result of termination of employment. The family must be denied as being over income at the time it was pulled off the waiting list and must

reapply.

Scenario Number Three

A family was at or below 30% of area median income at the time it was pulled from the waiting list, and then its income increased to over 30% of AMI but at or below 50% of AMI prior to completion of the full application and issuance of the voucher. The family met the income targeting requirements when it was pulled off the waiting list and is still income-eligible at completion of the full application and issuance of the voucher, so the family may be processed for admission.

Scenario Number Four

The family was income-eligible at the time it was pulled from the waiting list, but started working prior to the completion of the full application, which resulted in the family's income exceeding 50% of the AMI. The family must be denied as over-income and future changes in the family's circumstances cannot be considered, e.g., the family member quits his/her job. The family must reapply to the waiting list.

Scenario Number Five

The family's income increases after it was issued a voucher. The income increase will be handled in accordance with the HACSD's current interim policy, and will not be processed until the family's next annual reexamination after the family leases into an assisted unit.

INCOME TARGETING

In accordance with the Quality Housing and Work Responsibility Act of 1998, each fiscal year the HACSD will reserve a minimum of seventy-five percent (75%) of its Section 8 new admissions for families whose income does not exceed thirty percent (30%) of the area median income. HUD refers to these families as extremely low-income families. The HACSD will admit families who meet the HACSD preferences and who qualify under the extremely low-income limit to meet the income-targeting requirement. The HACSD's income-targeting requirement does not apply to low-income families continuously assisted as provided for under the 1937 Housing Act. The HACSD is also exempted from this requirement when providing assistance to low income or moderate-income families entitled to preservation assistance under the tenant-based program as a result of a mortgage prepayment or opt-out. The HACSD may, at least annually, exercise the "fungibility" provision of the QHWRA. This provision allows the HACSD to admit less than the required minimum forty percent (40%) of extremely low-income families in a fiscal year to its public housing program, if the admission of extremely low-income families in the tenant-based assistance program exceeds seventy-five percent (75%) of all admissions during the fiscal year. Upon exercising this option, the HACSD will follow the fungibility threshold limitations as set forth in QHWRA legislation. The HACSD determined fungibility procedures are reflected in its Public Housing Admissions and Continued

Occupancy Policy.

OTHER HOUSING ASSISTANCE

[24 CFR 982.205(b)]

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

If an applicant has applied for, received, or refused other housing, the HACSD will not: [24 CFR 982.205(b)]

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

Deny appropriate admission preferences to a qualified applicant

Change the applicant's appropriate ranking order on the waiting list

Remove the applicant from the waiting list

However, the HACSD may remove the applicant from the waiting list for tenant-based assistance, if the applicant has refused voucher program assistance.

PURGING

The waiting list will be purged periodically to ensure that it is current and accurate. In order to purge the waiting list, a notice will be mailed asking applicants for confirmation of continued interest. All notices requiring a response will state that failure to respond within fourteen days will result in the applicant's name being inactivated on the waiting list. If the applicant provides information that s/he did not respond to the notice because of a family member's disability, the HACSD will reinstate the applicant at the original date and time of application. The family will also be reinstated if there is any possibility the family was not notified due to circumstances that were beyond the family's control, as notated in the reinstatement policy outlined elsewhere in this Plan.

OPENING/CLOSING THE WAITING LIST

[24 CFR 982.206, 982.54(d)(1)]

It is generally the policy of the HACSD to not close the waiting list. However, the HACSD may stop accepting applications, if the waiting list contains enough applicants to fill anticipated openings for the next 24 months. The HACSD will give at least 30 days' notice prior to closing the list. The waiting list will not be closed if it has a discriminatory effect inconsistent with applicable civil rights laws. If the HACSD closes its waiting list, it will advertise reopening its waiting list through public notices

in the following suitable media outlets including, but not limited to: The HACSD website, a Spanish general circulation publication, and an English general circulation publication.

The notice will contain:

- The dates, times, and the locations where families may apply
- The programs for which applications will be taken
- A brief description of the program
- A statement that public housing residents must submit a separate application if they want to apply for Section 8
- Limitations, if any, on who may apply
- HACSD address
- HACSD telephone number
- Location/information on submitting applications
- Local Preferences

The notices will be provided in an accessible form. The HACSD also may issue news releases to radio and/or television stations, and provide presentations to organizations that provide assistance to special population groups, such as the elderly, or the disabled.

Upon request from a person with a disability, additional time will be given as a reasonable accommodation for submission of an application after the closing deadline, if there is a closing deadline. This reasonable accommodation is to allow persons with disabilities the greatest possible opportunity to submit an application.

Chapter

3

ELIGIBILITY FOR ADMISSION AND PARTICIPATION

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

INTRODUCTION

This chapter defines both HUD and the HACSD's criteria for admission and ongoing participation to the program. The policy of the HACSD is to strive for objectivity and consistency in applying program requirements to evaluate the eligibility of families who apply. The HACSD staff will review all information provided by the family carefully. In all cases, families will receive an explanation of the basis for any decision by the HACSD regarding eligibility.

SCREENING APPLICANTS/PARTICIPANTS

PURPOSE OF SCREENING APPLICANTS AND PARTICIPANTS

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 a controlled substance illegally, or terrorize neighbors. It is the intention of the HACSD to fully endorse and implement a policy designed to:

Help create and maintain a safe and drug-free community

Keep program participants and their families free from threats to their personal 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.

Not tolerate or enable families to act irresponsibly or in a manner that negatively affects others

SCREENING PROCESS

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, age, religion, familial status, disability, gender, or other legally protected groups.

To the maximum extent possible, the HACSD will involve other community and governmental entities in the promotion and enforcement of this policy.

This policy will be provided to applicants and participants upon request.

ELIGIBILITY FACTORS

[982.201; 982.551]

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 Federal Controlled Substances Act (21 U.S.C. 802) and its illegal use, as defined under federal guidelines, is prohibited.

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.

Household, for the purposes of 24 CFR Part 982 and this chapter, means the assisted family and PHA-approved live-in aide and foster children.

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.

Other Criminal Activity is criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents or persons residing in the immediate vicinity of the premises which may include but are not limited to: theft, vandalism, gang affiliation, prostitution or soliciting for prostitution, extortion, disturbing the peace, unlawful entry, etc.

"*Engaged in or engaging in"* criminal activity is a criminal act as defined in this Plan by an applicant or participant or household member, which may or may not have resulted in the arrest and/or conviction of the applicant, participant, or household member.

ELIGIBILITY FOR ADMISSION

To be eligible for participation, an applicant must meet HUD's criteria, as well as any permissible additional eligibility criteria established by the HACSD. In an effort to prevent future 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 or persons residing in the immediate vicinity of the premises. As required by 24 CFR 982, Subpart L and CFR Part 5, Subpart J, the HACSD will screen applicants as thoroughly and fairly as possible for illegal drug-related activities, alcohol abuse activities, sex offender registration requirement, violent criminal behavior, and other activities that may negatively impact others.

Such screening will apply to any member of the household who is 18 years of age or older; however, evidence of prohibited criminal activities conducted by minors in the household will also be cause for denial of assistance.

Admission to the program is ***never*** based on [982.202(b)]:

Where a family lives prior to admission to the program

Where the family will live with assistance under the program

Discrimination of a family, because it includes unwed parents, recipients of public assistance, or children born out of wedlock

Discrimination of a family, because it includes children

A family's participation in a family self-sufficiency program

Other reasons as listed in under the "Fair Housing and Reasonable Accommodations" sections

Eligibility criteria include:

The applicant's income [24 CFR 982.201(b), 982.353] must be within the appropriate income limits as follows:

The applicant must have an annual income at the time of admission that does not exceed the income limits for occupancy established by HUD.

The head or spouse is at least 18 years of age, or emancipated minors under state law.

The family must be taken from the waiting list in order of preference and income targeting guidelines.

The family is composed of one or more persons.

The HACSD will not admit families whose income exceeds 50 percent of the area median income, except those families included in 24 CFR 982.201(b) as described below.

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 federal assistance under the 1937 Housing Act within 120 days of voucher issuance

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 homeownership programs 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 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 homeownership program

Criminal Activity

Persons **evicted** from federally assisted housing because of drug-related criminal activity, for personal use, are ineligible for admission to the Section 8 program for a three-year period beginning on the later of the date of the act, arrest, eviction, or termination from a federal assistance program, and ending on the date of the eligibility interview or receipt of the eligibility booklet, whichever occurs first.

The household may be admitted, after considering the individual circumstances of the household, if the HACSD determines that the following applies:

Full restitution, including the cost of eviction, was made to the landlord, if lease violations occurred as a result of the criminal activity, and,

The evicted household member who engaged in drug-related criminal activity for personal drug use has successfully completed a supervised drug rehabilitation program approved by the HACSD, or,

The circumstances leading to eviction no longer exist because:

The criminal household member has died.

The criminal household member is no longer in the household and the head of household has certified that the criminal family member will never be allowed to return to visit the family. The head of household must certify that s/he understands that if the criminal family member is allowed to return to visit, the family's program participation will be terminated.

Applicants will be denied assistance and not admitted to the program**:**

If any member of the family has engaged in violent criminal activities, illegal drug sales, illegal drug trafficking, illegal drug production, or any other related illegal drug activities for a five-year period beginning on the later of the date of the act, arrest, conviction, eviction, or termination from a federally assisted program and ending on the date of the eligibility interview or receipt of the eligibility booklet, whichever occurs first.

If any member of the family has been evicted from federally assisted housing for serious violations of the lease, or drug related criminal activities for personal use for a three-year period beginning on the later of the date of the act, arrest, conviction or eviction from federally assisted housing and ending on the date of the current eligibility interview or receipt of the eligibility booklet, whichever occurs first [982.552(b)].

If any member of the family is subject to a lifetime registration requirement under a state sex offender registration program [982.552(b)].

If any member of the family has been convicted of production or manufacture of methamphetamine on federally assisted property [982.552(b)].

If any member of the family has engaged in any criminal activity within the past three years that may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity [982.553(2) (3)].

If any member of the family has engaged in any criminal activity within the last five years which may threaten the health or safety of the owner, property management staff, or persons performing a contract administration function or responsibility on behalf of the HACSD (including a PHA employee, contractor, subcontractor or agent).

If the family fails to meet the preference and income targeting requirements at the time of selection

If the family exceeds the income limits

If, as a past Section 8 program participant, any member violated an important family obligation, other than for illegal drug or criminal activities, within three years prior to the current eligibility interview.

A family will be given seven calendar days to pay in full an outstanding debt to a PHA before the family is denied admission. The family must be in compliance with any payment agreement with a PHA for a previous debt.

Other criteria as outlined in the next section.

ADMISSION AND PARTICIPATION ELIGIBILITY FACTORS

24 CFR 982.551, 982.552, 982.553

The HACSD will deny program participation or admission in cases where the HACSD determines there is reasonable cause to believe that a household member was or is illegally using a controlled substance, committing violent criminal acts as defined by

HUD or the PHA, or engaging in any criminal activity that may threaten the health, safety or right to peaceful enjoyment of other residents or persons residing in the immediate vicinity of the premises.

The HACSD will deny program participation or admission if there has been a pattern of alcohol abuse, which involves four or more serious incidents during the previous twelve months. It is considered "serious" if the party is driving while intoxicated or if the party is arrested or detained due to public intoxication.

Applicants or participants who engaged in violence, or illegal drug activities that involve, sales, trafficking, manufacture, or possession for sales, are prohibited from program participation for five years from the later of the date of the act, conviction, eviction, or termination from federally assisted housing.

Applicants or participants who engaged in threatening, abusive or violent behavior or who routinely use vulgar, demeaning, or hostile language and/or gestures and body movement that denotes an implied threat, excessive hostility, or intimidation are prohibited from program participation for five years from the later of the date of the act or termination from federally assisted housing.

> "Abusive or violent behavior" is direct physical abuse, violence or verbal abuse, including the use of expletives that are generally considered insulting, racial epithets, or other language, written or oral, that is customarily used to insult or intimidate, as well as aggressive or hostile gestures and body movement.
>
> "Threatening" refers to oral or written threats or physical gestures that communicate the intent to abuse or commit violence.
>
> The HACSD may waive or reduce the prohibition period depending on the severity of the incident and if the behavior was caused by a disability. However, the PHA will NEVER waive the prohibition period if there was physical violence, the threat of physical violence, or if more than one incident occurred.

Applicants or participants involved in the personal use of illegal drugs are prohibited from the program for one year from the later of the date of the act, arrest or the conviction, unless documentation is provided of successful rehabilitation. However, those who engaged in illegal drug use while participating in a federal housing program are ineligible for assistance for three years from later of the date of the conviction, eviction, or termination of assistance.

Applicants or participants involved in other criminal activities that threaten the health, safety or right to peaceful enjoyment of other residents or persons residing in

the immediate vicinity of the premises are ineligible for assistance for three years from the later of the date of the act, conviction, eviction, or termination of assistance.

Applicants or participants convicted of manufacturing or producing methamphetamine on the premises of federally assisted housing are prohibited from program participation for life.

Applicants found to be subject to the lifetime sex offender registration requirements under a state sex offender registration program are prohibited from HACSD Program participation for life. Current HACSD Program participants who became subject to the lifetime state sex offender registration requirement prior to May 24, 2001 will be allowed to remain on the Program. Program participants who become subject to the lifetime state sex offender registration while on the Program may be subject to termination based upon the participant's specific behavior.

Live-in aides or foster children who are found to be subject to a state sex offender registration requirement of a state sex offender registration program or who have currently or previously engaged in any criminal activities as described above, or other activities that may pose a risk will be disapproved for occupancy of the assisted unit. The existence of prohibited 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.

For participants, "currently engaging" means anytime while the participant was on the program a member or members of the household engaged in prohibited activities.

The HACSD may waive the prohibition of program admission for drug-related criminal activity for personal use or a pattern of alcohol abuse, if:

> The person demonstrates successful completion of a credible rehabilitation program approved by the HACSD, and the violation did not occur while the family was being assisted.

The HACSD may waive the prohibition of program admission for illegal drug-related, or violent criminal activities if:

> The circumstances leading to the violation no longer exist because the person who engaged in the illegal drug-related criminal activity or violent criminal activity is no longer in the household due to death or incarceration. Unless the violator is deceased, the family must sign a certification that states that they understand that the violator must not return to the household and that

they may be subject to the termination of benefits if the violator returns to the household.

If there is Inconclusive evidence that the act occurred. In this case, the HACSD may request additional evidence, such as a police report.

With the exception of the violations occurring as a direct result of a household member being the victim of domestic violence, dating violence, or stalking that do not pose a imminent threat to other tenants or those employed at or providing service to the property, the HACSD will **always**, upon receipt of adequate evidence, terminate program participation for drug-related or violent criminal activities, a pattern of alcohol abuse, or any other criminal activities that may threaten the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.

If any applicant/participant deliberately misrepresents information or provides untrue or incomplete information on which eligibility or tenant rent is established, the HACSD may deny or terminate assistance, set-up a collection account, and refer the family file/record to the proper authorities for appropriate disposition.

The family must provide verification of social security numbers [24 CFR 5.216, 5.218], prior to admission, for all family members age six and older, including live in aides and foster children, who have been issued a social security number by the Social Security Administration. Failure to furnish verification of social security numbers is grounds for denial or termination of assistance. A person not issued a social security number must sign a certification of not being issued a social security number. Persons who disclose their social security numbers, but cannot provide verification, must sign a certification, and provide verification within 60 days. Elderly persons must provide verification within 120 days.

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

In order to receive assistance, at least one family member must be a United States citizen, or eligible immigrant [24 CFR Part 5, Subpart E]. The HACSD will not provide assistance to families prior to the determination of the eligibility of at least one family member, pursuant to this section.

The family will be denied admission or continued assistance if it is found a member of the family has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program. The family will not be allowed to reapply to the waiting list for three years after the later of the date of discovery or termination of program participation.

The family will be denied admission or continued assistance if it currently owes rent or other amounts to the HACSD or to another PHA in connection with Section 8 or Public Housing assistance under the 1937 Act or if is found that the family owes any money to a housing agency or that an active repayment agreement is in arrears.

Prohibition Periods for Some Offenses for Applicants and Participants

Lifetime	Indefinitely	Five Years	Three Years	One Year
Program participants and applicants subject to lifetime sex offender registration under the state sex offender registration program. Exception are current HACSD Program participants who were on the program prior to 5/24/2001 who were registered sex offenders prior to 5/24/2001	Currently engaging in illegal drug activities including: use, production, or sales.	Previous violent criminal activity	From date of eviction from any federally assisted housing for illegal drug activities for personal drug use. (Does not apply with evidence of rehabilitation or violator absent.)	Illegal drug use, or possession for personal use, unless a family obligation was violated at the same time, then the three- year prohibition period applies. (One year does not apply, if proof of completing rehabilitation program is provided.)
Program participants and applicants convicted of the manufacture or production of methamphetamine on the premises of federally assisted housing.	Pattern of abuse, or abuse of alcohol that interferes with the health, safety, or right to peaceful enjoyment of others.	Previous illegal drug-related criminal activity, that involves: sales, transportation, manufacture, or possession for sale.	From date of termination of federal assistance for a violation of an important family obligation, except drug-related or violent criminal activities.	
	Currently engaging in violent criminal activity.	Violent or hostile behavior towards PHA personnel.	From date of eviction from federally assisted property for lease violations.	
	Actively engaging in other criminal activity that would threaten the health, safety, or right to peaceful enjoyment of the premises of others.	Previous other criminal activity that would threaten the health or safety of the PHA, owner, employee, contractor, subcontractor or agent of the PHA	From date of discovery for having committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.	
	Actively engaging in other criminal activity that would threaten the health or safety of the PHA, owner, employee, contractor, subcontractor or agent of the PHA		From date of the later of the act or termination of assistance for any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises or others.	
	Owes money or rent to any PHA.			

OTHER ONGOING PARTICIPATION ELIGIBILITY FACTORS

The HACSD must 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 HACSD's last housing assistance payment was made. The HACSD may not enter into a HAP contract if the family is ineligible for assistance.

If the HACSD determines that a family member has knowingly permitted an individual, who is not a legal resident, to reside permanently in the family's unit, the family's assistance will be terminated for 24 months, unless the family's assistance was already being prorated due to the ineligible family member. However, the family's program participation will be permanently terminated if it is found the family provided false, misleading, incomplete or untrue information regarding this person's residency status or violated their family obligations by allowing an unauthorized person to reside in the assisted unit.

The HACSD will terminate program participation of participants found to have engaged in drug-related or violent, or other criminal activities while participating in the program, unless the violations occurred as a direct result of domestic violence, dating violence, or stalking. On a case-by-case basis, the offender may be allowed to leave the household so that the remaining family may continue to receive assistance if the head of household signs a statement indicating that they understand that the violator must not return to the household to live or visit and if the violator does return that the family will be subject to termination of participation, and providing the family has no history of violating program or lease obligations, and only if full restitution is made to all parties who incurred expenses as a result of the criminal activities.

The HACSD must terminate program assistance, if the family is evicted for serious or repeated violations of the lease, or if there is evidence the family has committed serious or repeated lease violations.

The family's program assistance may be terminated for a violation of family obligations [24 CFR 982.551]. The deciding factors will be any history of previous violations, if the violation was intentional, the impact on the HACSD, the owner, other residents and the surrounding community, the family's speed in correcting the violation and/or making restitution, and other mitigating circumstances, such as the violation(s) occurring as a direct result of a family member being the victim of domestic violence, dating violence, or stalking. Family obligations include:

> The family must supply any information that the HACSD or HUD determines is necessary to administer 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 required information requested by the HACSD or HUD, for use in a regularly scheduled reexamination or interim reexamination of family income and composition.

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.

The PHA will terminate program participation of participants who become subject to lifetime state sex offender registration requirement after May 24, 2001.

All information supplied by the family must be true and complete.

The family is responsible for an HQS breach caused by the family for failure to pay tenant-provided utilities or maintain appliances, or for damages to the dwelling unit beyond normal wear and tear caused by any member of the household or guest. Damages beyond normal wear and tear will be considered damages, which could be assessed against the security deposit.

The family must allow the HACSD 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 HACSD will determine if the family has committed repeated/serious violations of the lease based on available evidence, including not limited to, court-ordered eviction, an owner's notice to evict, or witness statements. Serious/repeated lease violations will include, but are not limited to, nonpayment of rent, disturbance of neighbors, destruction of property, criminal activity, or living or housekeeping habits that cause damage to the unit or premises.

The family must notify the owner and, at the same time, notify the HACSD before the family moves out of the unit, or terminates the lease upon notice to the owner. The family must comply with lease requirements regarding written notice to the owner. The family must provide written notice to the HACSD at the same time the owner is notified.

The family must promptly give the HACSD 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 HACSD must approve the composition of the assisted family residing in the unit. The family must promptly inform the HACSD of the birth, adoption, return of a disabled or minor child to the family, or court-awarded custody of a child. The family must request prior HACSD approval to add any other family member as an occupant of the unit. The request to add a family must be submitted in writing and approved **prior** to the person(s) moving into the unit.

The family must promptly notify the HACSD if a family member moves.

A family must not receive Housing Choice Voucher assistance while residing in a unit owned by a parent, grandparent, grandchild, sister or brother of any member of the family, unless the HACSD has determined prior to approval of the unit, and has notified the owner and family in writing of such determination, that approving rent of the unit, notwithstanding such relationship, would provide reasonable accommodation for a family member who is a person with disabilities.

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

Members of the household may engage in legal profit-making activities in the unit, but only if such activities are incidental to the primary use of the unit as a residence by members of the family, do not cause damage or a nuisance, and the property owner has given permission for such activities. If the HACSD 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 owner legally disallows the profit-making activity in the unit, it will be considered a program violation. If the HACSD determines the business is not legal, it will be considered a program violation.

The family must not sublease or let the unit. Subleasing includes receiving payment to cover rent and utility costs by a person living in the unit who is not listed as a family member.

The family must not assign the lease or transfer the unit.

The family must promptly notify the HACSD when the family is expected to be absent from the unit more than 14-days.

The family must supply any information or certification requested by the HACSD to verify that the family is living in the unit, or to document a family absence from the unit. The family must cooperate with the HACSD for this purpose. The family must notify the HACSD, within 14 days, of temporary absence from the unit. The family must notify the HACSD prior to moving from the unit.

The family must not own or have any interest in the unit regardless of whether s/he is a member of the family, with the exception of a mobilehome owner renting the pad or a Section 8 Homeownership Program participant.

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.

For PHAs that have a Section 8 welfare-to-work program, assistance will be terminated from the program if the family has failed to fulfill its obligation under that program. The HACSD does not currently have a welfare-to-work voucher program.

No assistance shall be provided under Section 8 of the United States Housing Act of 1937 to any individual who is 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) **unless** the student is in at least **one** of the following categories: (1) over the age or 23, (2) a veteran, (3) has or is responsible for a dependent child, (4) is married, (5) is otherwise eligible or has a parent, or parents if both parents are together, or is living with someone acting as a parent, who is/are receiving or eligible to receive Section 8 assistance, or, (6) was a handicapped person receiving assistance as of November 30, 2005.

Chapter

4

VERIFICATION PROCEDURES and CALCULATION OF TTP AND FAMILY RENT

[[24 CFR Part 5, Subparts B, D, E and F; 982.54; 982.153; 982.551; 982.158; 24 CFR 5.617]

INTRODUCTION

The HACSD must verify eligibility, total tenant payment, and family share in accordance with HUD regulations. The HACSD staff will obtain written documentation from independent sources whenever possible. If written third party verifications are not obtained, the HACSD will attempt to obtain oral third party verifications, and will always document why third party verifications were not used.

Applicants and program participants must provide true and complete information to the HACSD whenever information is requested, and must supply any information that the HACSD determines is necessary in the administration of the program, including consenting to the HACSD's verification of that information.

This chapter explains HACSD's procedures and standards for verification of preferences, income, assets, allowable deductions, family status, and changes in family composition. This chapter also reviews key guidelines for the correct determination of the family's portion of the rent.

METHODS OF VERIFICATION AND TIME ALLOWED

[24 CFR 982.516]

The HACSD will verify information through the four methods of verification, acceptable to HUD, in the following ranking order:

1. Up Front Income Verification (UIV)

2. Third-party written (must be received directly from the third party)
3. Third-party oral (in person or via telephone directly from the third party)
4. Documents provided by family (e.g., pay stubs, bank statements, or social security award letters)
5. Certification/self-declaration

The HACSD will allow ten days for the return of written third-party verifications before going to the next method, which is oral verification. The HACSD will document the file as to why Up Front Income Verifications or third party written verifications were not used.

For verification of those subject to the Violence Against Women Act, the certification must be received 14-working days from applicant's/participant's receipt of the HACSD request.

For applicants, verifications may not be more than 60 days old at the time of voucher issuance. For participants, verifications are valid for 120 days from date of receipt.

The family may be required to certify that they do not have a particular type of income or benefit, or asset. If this is required, the certification must be written in the presence of a HACSD staff person and notarized.

1. **Up-front Income Verification:** The PHA's first choice is up-front income verification (UIV) which includes sources of information taken directly from on-line systems, such as from the Enterprise Income Verification System (EIV), direct on-line information from the local welfare system, the WorkNumber, etc.
2. **Third-Party Written**: The PHA's second choice is a written third party verification to substantiate claims made by an applicant or participant.
3. **Third-Party Oral**: The PHA's third choice is to use telephone verifications.
4. **Review of Documents**: The PHA's fourth choice is to review documents, when relevant, to substantiate the claim of an applicant or participant.
5. **Family Certification**: A **notarized** family certification will be accepted when no other form of verification is available.

If UIV or third party verification is not possible to obtain directly from the source, PHA staff will document the file as to why UIV and third party verification were impossible to obtain and attempt to obtain an oral third party, and document this attempt, before another method is used, such as reviewing family-provided documents.

The PHA will not delay the processing of an application beyond ten days because a third party information provider does not return the verification in a timely manner.

For applicants, verifications may not be more than 60-days old at the time of the issuance of the voucher. For participants, verifications are valid for 120 days from the date of receipt. The HACSD will accept documents dated within the last 12 months, if they are the most recent scheduled report from a given source (e.g., last quarter's quarterly money market account statement).

UP-FRONT INCOME VERIFICATION

Up-front income verification (UIV) is information provided directly from a central information collection point, which includes the EIV System wage, pension, social security and supplementary security (SSI) income, the WorkNumber for wage income information, the local public assistance provider on-line informational link for CalWorks or TANF income, etc. If this income information is received from this source and is reliable, no other verification is required.

The HACSD will not disclose information obtained through the EIV system to any person other than the person the income information pertains to, even if another person has a release of information. The HACSD will restrict access and safeguard EIV data in accordance with HUD guidance on security procedures, as issued and made available by HUD. EIV information will be retained in the confidential applicant/participant file and will be destroyed when the file is destroyed, in accordance with the HACSD's records retention policies.

The HACSD will not take any adverse action against the family as a result of information obtained from the EIV system, but may take action if the information is confirmed by the family member or a third party.

If the UIV income information is less than the family's income figure, the PHA will use the family information.

If the UIV income information is more than the family's income figure, the PHA will use the UIV, unless the family provides documentation of a change in circumstances to explain the discrepancy (e.g., a reduction in work hours). Upon receipt of acceptable family-provided documentation of a change in circumstances, the PHA will use the family-provided information.

If the UIV information for a particular income source differs from the information provided by the family by $200 or more per month, the PHA will follow these guidelines:

> Request a written third party verification from the discrepant income source in accordance with 24 CFR 45.236(b) (3)(i).

When the HACSD cannot readily anticipate income (e.g., in cases of seasonable employment, unstable working hours, suspected fraud) the PHA will review historical income data for patterns of employment, paid benefits, and receipt of other income.

The HACSD will analyze all UIV, third party, and family-provided data and attempt to resolve the income discrepancy.

The HACSD will use the most current income data and, if appropriate, historical income data to calculate the anticipated annual income.

THIRD-PARTY WRITTEN VERIFICATION

Third-party written verifications must be received **directly** from the third parties by either mail, email, or fax. The family will be required to sign an authorization for release of information to allow the third parties to release requested information. The first attempt to obtain third party verification will be written.

THIRD-PARTY ORAL VERIFICATION

Oral third-party verifications will be used when UIV or written third party verifications are delayed or not possible. The second attempt to obtain third party verification will be orally. When a third-party oral verification is used, staff will be required to notate in the file: the name of the person contacted, the date of the conversation, and the facts provided. If the third-party verification is provided by telephone, the HACSD must originate the call. If it is not possible to contact the third party by telephone due to either the agency's documented policy of not releasing information over the telephone, or unavailability of a telephone number for the third party, the HACSD will notate on the appropriate form and move to the next ranking verification source.

The HACSD will not delay the processing of an application beyond ten days because a third party information provider does not return the verification in a timely manner.

DOCUMENTS ACCEPTED AS VERIFICATION

If UIV, written or oral third party verification is not available or are not received in ten days, the HACSD will accept verifications in the form of documents, letters, or computerized printouts delivered by the family. Clear and legible documents from the following agencies are acceptable:

Social Security Administration	EDD	VA	Law Enforcement
Welfare	Retirement Agencies	Unemployment Compensation Board	Investment Companies
City and County Courts	Banks	Employers	Life Insurance Companies
Investment Groups	Other documents from sources		

SELF-CERTIFICATION/SELF-DECLARATION

When verification cannot be made by UIV, third-party verification or documents provided by the family, families are required to submit a notarized self-certification.

A notarized self-certification means a family-signed and dated affidavit/ certification/ statement under penalty of perjury in the presence of a notary public.

RELEASE OF INFORMATION

[24 CFR 5.230]

All required releases must be completed “as is” by all adult family members. Family members are not allowed to cross out, amend, add, or in anyway alter the forms. To do so is a program violation.

Adult family members must sign the *HUD 9886 Release of Information/Privacy Act* form.

Adult family members are those who are expected to be 18 years of age or older at the time of annual recertification, transfer, or final eligibility determination.

In addition, adult family members must sign additional release of information authorization forms, not covered by the above HUD required form.

Adult family members who are required to sign forms to release specific information will be provided copies of the forms for their review and signature.

A family's refusal to cooperate with the HUD prescribed verification requirement will result in denial of admission or termination of assistance, for violation of the family obligation to supply any information, and to sign consent forms requested by the HACSD or HUD.

CRIMINAL RECORDS

The HACSD verifies the criminal history of all adults at the time of program admission, adults admitted to the assisted household, adult family members who port into the jurisdiction of the HACSD, all adult family members transferring to another assisted unit and may verify the criminal history of all adult program participants on a regular basis. The verification is conducted by researching criminal history, including status of a family member subject to a sex offender registration requirement of a state sex offender registration program, by accessing the database of the San Diego County Sheriff's Department or sending written inquiries to states where the HACSD will screen all incoming portability admissions and participants for criminal history and registered sex offender status

The criminal history of participants/applicants may be verified through the Department of Justice and these applicants/participants may be required to provide fingerprints.

The HACSD 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, although the HACSD form may be retained in the file.

All criminal reports, while needed, will be housed in a secure area with access limited to individuals responsible for screening and determining eligibility for initial and continued assistance, as well as management.

The HACSD will document in the family's file the circumstances of the criminal activities.

COMPUTER MATCHING

HUD has conducted a computer matching initiative to independently verify resident income. HUD can access income information, and compare it to information submitted by the HACSD on the 50058 forms. HUD can disclose social security information to PHAs, but is precluded by law from disclosing federal tax return data to PHAs. If HUD receives information from federal tax return data indicating a discrepancy in the income reported by the family, HUD will notify the family of the discrepancy. The family is required to disclose the information to the PHA (24 CFR 5.240). HUD's letter to the family will also notify the family that HUD has notified the PHA in writing that the family has been advised to contact the PHA. HUD will send the PHA a list of families who have received "income discrepancy" letters.

When the HACSD receives notification from HUD that a family has been sent an "income discrepancy" letter, the HACSD will:

Wait 40 days after the date of notification before contacting the tenant.

After 40 days, the HACSD will contact the tenant by mail, requesting the letter or other notice from HUD concerning the amount or verification of family income.

The HACSD will place a copy of the letter to the family in the tenant file

When HACSD receives the required information, it will verify the accuracy of the income information provided by the family, review the HACSD interim recertification policy, identify unreported income, and if appropriate charge retroactive rent, change the rent, or terminate assistance.

If the amount of overpaid rent owed to the HACSD exceeds $1000, the HACSD may seek to terminate assistance.

If the participant fails to respond to the HACSD:

The HACSD will ask HUD to send a second letter with a verified tenant address.

After an additional 40 days, the HACSD will ask HUD to send a third letter.

After an additional 40 days, the HACSD will send a warning letter, advising the family of the action to be taken if it does not contact the HACSD within two weeks.

If the participant claims a letter from HUD was not received:

The HACSD will ask HUD to send a second letter with a verified tenant address.

After 40 days, the HACSD will contact the family.

If the family claims it has not received a HUD letter, the HACSD will ask HUD to send a third letter.

After an additional 40 days, the HACSD will set up a meeting with the family to complete IRS forms 4506 and 8821.

If the family fails to meet with the HACSD, or refuses to sign the IRS forms, it will be issued a warning letter indicating that termination proceedings will begin in one week, if the family fails to meet with the HACSD and/or sign IRS forms.

If the participant does receive a discrepancy letter from HUD:

The HACSD will schedule a family meeting.

If the family fails to attend the meeting, the HACSD will reschedule the meeting.

If the family fails to attend the second meeting, the HACSD will send a termination warning.

The family must bring the original HUD discrepancy letter to the HACSD.

If tenant disagrees with the federal tax data in the HUD discrepancy letter, the family must provide documented proof of incorrect tax data.

If the family does not provide document proof of incorrect tax data, the HACSD will obtain proof of tax data using third party verifications.

ITEMS TO BE VERIFIED

[24 CFR 982.516]

Reported family annual income and its source – both cash and non-cash.

Expenses related to deductions from annual income.

Student status for students, including high school students, who are or who will be eighteen years of age or over at the time of final initial or annual eligibility determination.

Current assets, including assets disposed of for less than fair market value in proceeding two years.

Childcare expenses if it allows an ***adult*** family member to be employed, go to school, or actively seek employment.

Total medical expenses of all family members in households whose head or spouse is elderly or disabled.

Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus for a disabled member of the family, which allow an ***adult*** family member to be employed.

Disability status for determination of preferences, allowances or deductions.

Elderly status for determination of preferences, allowances or deductions

U.S. citizenship/eligible immigrant status.

Social security numbers for all family members, six years of age or older, who have been issued a social security number.

"Preference" status.

Marital status when needed for head or spouse definition.

Verification of reduction in benefits for noncompliance in certain programs, such as GAIN sanctions of CalWorks benefits.

Verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance for determination of imputed income.

Verification of participation in a federal, state or local training program that is generating income.

Verification of being the victim of domestic violence, dating violence, or stalking.

VERIFICATION OF WAITING LIST PREFERENCES

[24 CFR 982.207]

Residency Preference: This preference applies to families who live, work or have been hired to work, in the jurisdiction of the HACSD. Acceptable documentation includes two or more of the following documents that indicate the current reported resident or employment address:

Rent receipts, leases, utility bills, employer or agency records, school records, drivers licenses, voters registration records, credit reports, bank statements, benefits award letter or, statement from household with whom the family is residing. If homeless, a lesser standard of documentation is acceptable.

Families who claim to work in the jurisdiction of the HACSD must provide an employer's verification and copies of pay stubs.

Families with Dependant Children Preference: To be eligible for this preference, the family must provide documentation that there are dependant children in the household or dependant children will be in the household once assistance is approved. A pregnant single person is no different than any other single applicant and is **not** considered a family with dependent children for admission preference purposes.

In most instances, self-certification is acceptable, unless there is reasonable doubt, in which case the HACSD will ask for further documentation of the placement of the children. This documentation of residence of the children may include:

School records
Court custody documents
Leases
Welfare agency information
Medical records

Veterans Preference: This preference is available to current members of the U.S. military armed forces, veterans, or surviving spouses of veterans.

The HACSD will require U.S. government documents that indicate that the applicant qualifies under the above definition.

Working Preference: This preference is available to families with at least one member who was employed at least 32 hours per week for the last twelve months, or to families whose head or spouse is receiving income based on their inability to work. The HACSD will require a statement from the employer, and may require copies of pay stubs, federal income tax returns, or other documentation.

Educational/Training Participants: Participation in educational or training programs may be used to augment a shortage in the working requirement. The HACSD will require a statement from the agency or institution providing the education or training, indicating the time committed to the educational or training program for the last twelve months.

Disability Preference: This preference is available to families with a head of household or spouse who is a person with disabilities as defined by HUD.

The HACSD will require appropriate documentation from a knowledgeable professional. The HACSD will not inquire as to the nature of the disability, but will ask a knowledgeable health professional to confirm that a certain unit size is necessary due to the person's disability.

Other acceptable documentation of disability is either an award letter, or proof of eligibility for social security disability or supplemental security income.

Elderly Preference: This preference is available to families with a head of household or spouse who is age 62 years or older.

The HACSD will require appropriate proof of age as verified by submittal of one or more of the following documents:

Birth Certificate

Passport

Drivers License

Resident Alien Card

Homeless Preference: The documentation requirement is less stringent for homeless given the absence of a permanent residence. A notarized self-certification is required if the homeless cannot provide documentation of employment/ residence in the jurisdiction of the HACSD. In addition to the

certification, documentation must be provided to demonstrate residence in San Diego County around the time of selection from the waiting list. Acceptable documentation includes the following:

Drivers License

Automobile Registration

Documentation from San Diego County benefit provider

Receipts from stores, restaurants, motels, etc.

VERIFICATION OF NON-FINANCIAL FACTORS

[24 CFR 5.617(b)(2)]

VERIFICATION OF A VICTIM OF DOMESTIC VIOLENCE, DATING VIOLENCE, OR STALKING

Innocent family members cannot be terminated from the program for criminal activity, lease violations, or other good cause if the violations were as a direct result of a family member being the victim of domestic violence, dating violence, or stalking, unless the housing agency can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property.

To verify the party is a victim in one of the above categories, the HACSD must receive the following documentation that must include the period of time the violent act(s) occurred, and if the act(s) were directly related to the violations:

Police reports or court records

Statement from a professional with expertise in working with victims of domestic violence who was working with the program participant

A certification from the victim by itself is not sufficient documentation but must accompany one of the above sources of documentation.

Information regarding the participant's status as a victim shall be retained in confidence and not entered into any shared data base nor provided to any related entity except when the disclosure is: consented by the individual in writing, required for use in eviction proceedings, or otherwise required by law.

To verify that the acts pose an actual and imminent threat to other tenants or those employed at or providing service to the property, the HACSD would collect any one of the following:

A statement under penalty of perjury

A restraining order

An arrest record

VERIFICATION OF LEGAL IDENTITY

In order to prevent program abuse, the HACSD will require applicants to furnish verification of legal identity for all family members. All adult family members must provide picture identification. Acceptable picture identification may be a driver's license, California identification card, or school picture identification. Family members who turn 18 years of age must provide picture identification as of the next annual reexamination.

Copies of the birth certificates for all family members must be on file, and only when that cannot be provided, will the following documents be temporarily accepted as proof of identify, birth, and residency:

Naturalization papers

Church issued baptismal certificate

Hospital birth certificate

Department of Motor Vehicles identification card

Current, valid driver's license

U.S. military discharge (DD 214)

U.S. passport

Voter's registration

Company/agency identification card

Hospital records

If a minor cannot provide a birth certificate, one of the following may be substituted temporarily:

Adoption papers

Hospital birth certificate

Custody agreement

Health and Human Services Identification

School records

If none of these documents can be provided, a third party who knows the person may, at the HACSD's discretion, provide a notarized verification.

The family must take steps to order a birth certificate, provide proof that these steps were taken, and be given a deadline to provide a birth certificate. If the birth certificate cannot be obtained, the family must provide documentation as evidence as to why the birth certificate cannot be obtained, in which case the secondary documents will be accepted permanently.

If a document submitted by a family is illegible or otherwise questionable, more than one of the above documents may be required and/or original documents must be brought in for review and verification.

VERIFICATION OF AGE

[24 CFR 982.516(a)(2)(iv)

It may be necessary to verify age in order to determine eligibility for program admission, as well as to determine income and deductions. The HACSD will accept any official document that indicates age including:

Birth certificate
Proof of social security retirement benefits
School records
Drivers license

VERIFICATION OF MARITAL STATUS

Marital status could affect the determination of total or adjusted income. For example, a working person under age 18 designated the spouse of the head of household would not have exempt wage income, or if a non-elderly or disabled head of household has a elderly or disabled spouse, that family would be designated an elderly or disabled household.

Generally, certification by the family is sufficient verification. However, if there is reasonable doubt about a marital relationship, the HACSD will require the following documentation:

Verification of divorce status will be a certified copy of the divorce decree, signed by a court officer.

Verification of a court ordered separation, may be a copy of court-ordered maintenance, or other records.

Verification of marriage status may include a marriage certificate, marriage license, or on-line data confirmation from public records.

FOSTER CHILDREN/ADULTS

The HACSD will verify the status and placement of temporary and permanent foster children/adults in the household by obtaining the following document:

Third party verification from the state or local government agency responsible for the placement of the individual with the family

FAMILIAL RELATIONSHIPS

24 CFR 982.516(A)(2)(IV]

The relationship of household members may affect the determination of adjusted income and must be verified. A family certification will normally be considered sufficient verification of family relationships. In cases where reasonable doubt exists, the family may be asked to provide verification.

The following verifications will always be required, if applicable:

Verification of relationship:

Official identification showing names

Birth certificates

Baptismal certificates

Verification of guardianship is:

Court-ordered assignment

Notarized affidavit of parent

Verification from social services agency

School records

VERIFICATION OF PERMANENT ABSENCE OF FAMILY MEMBER

If an adult member, formerly a member of the household, is reported permanently absent by the family, the HACSD will generally accept certification by the family of that family member's absence. If the HACSD has reasonable doubt about the absence of the family member, one or more of the following documents will be required as verification:

Documentation of legal separation (required in order to exclude income of absent spouse)

Order of protection/restraining order obtained by one family member against another

Proof of another home address, such as utility bills, canceled checks for rent, drivers license, lease, rental agreement, automobile registration, mail at new address, or credit report reflecting new address, if available

Statements from other agencies, such as social services, or a written statement from the landlord or manager, that the adult family member is no longer living at that location

If a family member is incarcerated, a document from the court or correctional facility stating how long s/he will be incarcerated

The HACSD will accept a notarized self-certification, signed under penalty of perjury, from the head of household, or the spouse or co-head, if the head is the absent member.

VERIFICATION OF CHANGE IN FAMILY COMPOSITION

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

VERIFICATION OF DISABILITY

Verification of disability must be obtained from documentation of SSI or SSA disability payments under Section 223 of the Social Security Act or 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7), or verified by the appropriate diagnostician, such as, California licensed physician, psychiatrist, psychologist, nurse, therapist, rehabilitation specialist, or licensed social worker, using the appropriate HUD definition of disability.

VERIFICATION OF CITIZENSHIP/ELIGIBLE IMMIGRANT STATUS

[24 CFR 5.508, 5.510,5.512, 5.514]

The HACSD will require citizens to provide documentation of citizenship, such as a birth certificate, passport, or naturalization papers**.**

To be eligible for assistance, individuals must be U.S. citizens or eligible immigrants. Individuals, who cannot demonstrate legal residency, may elect not to contend their status. Eligible immigrants are persons who are in one of the HUD-specified immigrant categories and must have their status verified by Immigration and Naturalization Service (INS).

For the citizenship/eligible immigration requirement, the status of each member of the family, except live in aides and foster children, is considered individually before the family's status is defined. Each family member must declare his/her status once. Assistance cannot be delayed, denied, or terminated while verification of status is pending; except that assistance to applicants may be delayed while the HACSD hearing is pending.

For this eligibility requirement only, the applicant is entitled to an informal hearing and not an informal review. The following determinations are made based on the verification of family status:

> 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.
>
> Citizens or Nationals of the United States are required to sign a declaration under penalty of perjury.
>
> Eligible Immigrants aged 62 or over are required to sign a declaration of eligible immigration status and provide proof of age.
>
> Non-citizens with eligible immigration status must sign a declaration of status and verification consent form, and provide original immigration documents. Front and back copies are retained and the original immigration documents are returned to the family. The HACSD verifies

the eligible immigration status through the INS SAVE system. If the initial search fails to verify status, the HACSD will request, within ten days, that the INS conduct a second manual search. If the documents have an expiration date, the applicants/participants must provide either a current document or an INS screen print of their current status.

Ineligible family members, who do not claim to be citizens or eligible immigrants, must be listed on a statement of ineligible family members signed by the head of household or spouse.

Non-citizen students on student visas as described in 24 CFR 5.522 are ineligible members, even though in the country lawfully. They must provide their student visa, but their status will not be verified. They do sign a declaration, but they are listed on the statement of ineligible members.

Failure to Provide. If an applicant or participant family member fails to sign required declarations and consent forms, or provide current documents or an INS status screen print, as required, s/he must be listed as an ineligible member. If the entire family fails to provide and sign documents as required, the family may be denied or terminated for failure to provide required information.

Time of Verification

For applicants, verification of U.S. citizenship/eligible immigrant status occurs at the same time as verification of other eligibility factors.

The HACSD will not provide assistance to any family prior to the affirmative establishment and verification of the eligibility of at least one member of the family.

The HACSD will verify the U.S. citizenship/eligible immigration status of all participants, no later than the date of the family's first annual reexamination following the enactment of the Quality Housing and Work Responsibility Act of 1998.

For family members added after other members have been verified, the verification must take place prior to the new member's addition to the household.

Once verification of eligible immigration status has been completed for any program participants, it need not be repeated, except for port-in families, if the initial PHA does not supply the documents.

Extensions of Time to Provide Documents

The HACSD will grant an extension of 30 days for families to submit evidence of eligible immigrant status.

Acceptable Documents of Eligible Immigration

The regulations stipulate only the following current documents are acceptable, unless changes are published in the Federal Register. These documents must be current and are subject to the limitations and additional requirements described in Chapter 5 of the HUD Housing Choice Voucher Guidebook.

SUMMARY OF DOCUMENTATION REQUIREMENTS FOR NONCITIZENS [HCV GB, pp. 5-9 and 5-10]	
• **All** noncitizens claiming eligible status must sign a declaration of eligible immigrant status on a form acceptable to the PHA. • Except for persons 62 or older, all noncitizens must sign a verification consent form • Additional documents are required based upon the person's status.	
Elderly Noncitizens • A person 62 years of age or older who claims eligible immigration status also must provide proof of age such as birth certificate, passport, or documents showing receipt of SS old-age benefits.	
All other Noncitizens • Noncitizens that claim eligible immigration status also must present the applicable USCIS document. Acceptable USCIS documents are listed below.	

• Form I-551 Alien Registration Receipt Card (for permanent resident aliens)
• Form I-94 Arrival-Departure Record annotated with one of the following:
  • "Admitted as a Refugee Pursuant to Section 207"
  • "Section 208" or "Asylum"
  • "Section 243(h)" or "Deportation stayed by Attorney General"
  • "Paroled Pursuant to Section 221 (d)(5) of the USCIS"
	• Form I-94 Arrival-Departure Record with no annotation accompanied by:
	  • A final court decision granting asylum (but only if no appeal is taken);
	  • A letter from a USCIS asylum officer granting asylum (if application is filed on or after 10/1/90) or from a USCIS district director granting asylum (application filed before 10/1/90);
	  • A court decision granting withholding of deportation; or
	  • A letter from an asylum officer granting withholding or deportation (if application filed on or after 10/1/90).

• Form I-688 Temporary Resident Card annotated "Section 245A" or Section 210".	Form I-688B Employment Authorization Card annotated "Provision of Law 274a. 12(11)" or "Provision of Law 274a.12".
• A receipt issued by the USCIS indicating that an application for issuance of a replacement document in one of the above listed categories has been made and the applicant's entitlement to the document has been verified; or • Other acceptable evidence. If other documents are determined by the USCIS to constitute acceptable evidence of eligible immigration status, they will be announced by notice published in the *Federal Register*	

A birth certificate is not an acceptable verification of status. All documents in connection with U.S. citizenship/eligible immigrant status must be kept five years.

The HACSD will verify the eligibility of a family member at any time such eligibility is in question, without regard to the position of the family on the waiting list.

VERIFICATION OF SOCIAL SECURITY NUMBERS

[24 CFR 5.216]

Social security numbers must be provided as a condition of eligibility for all family members, age six and over, who have been issued a social security number. Verification of social security numbers will be done through a social security card issued by the Social Security Administration. If a family member cannot produce a social security card, the documents listed below may be accepted for verification. The family may be required to certify in writing that the document(s) submitted in lieu of the social security card is/are complete and accurate:

A driver's license

Identification card issued by a federal, state or local agency

Identification card issued by a medical insurance company or provider (including Medicare and Medicaid)

An identification card issued by an employer or trade union

Earnings statements or payroll stubs

Bank Statements

IRS Form 1099

Benefit award letters from government agencies

Retirement benefit letter

Life insurance policies

Court records such as real estate, tax notices, marriage and divorce, judgment or bankruptcy records

Verification of benefits or social security number from Social Security Administration

New family members, age six and older, will be required to produce their social security cards or other acceptable documentation, as outlined above. This information must be provided at the time the HACSD adds the new family members to the household.

If an applicant or participant is able to disclose the social security number, but cannot meet the documentation requirements, the applicant or participant must sign a certification of being unable to provide required documentation. The applicant/participant or family member will have an additional 60 days to provide proof of his/her social security number. If s/he fails to provide this documentation, the family's assistance will be terminated.

In the case of an individual at least 62 years of age, the HACSD may grant an extension for an additional 60 days, up to a total of 120 days. If, at the end of this time, the elderly individual has not provided documentation, the family's assistance will be terminated.

If the family member states s/he has not been issued a social security number, the family member will be required to sign a certification to this effect.

NEED FOR LARGER UNIT OR A LIVE-IN AIDE

The family request for a larger voucher must be in writing and must clearly explain the need or justification for a larger voucher. If the request is for a reasonable accommodation, it must explain what about the additional bedroom will allow the person with disabilities better access to the program. If the request is for a live-in aide, it must explain why a live-in aide will be essential for the care and well being of an elderly, near elderly person or a person with disabilities.

The HACSD may require at anytime an update on the medical documentation, on HACSD forms, verifying the need or justification for a larger unit.

A state of California licensed doctor, or other state of California licensed medical professional, such as a nurse, psychiatrist, psychologist, or a social service professional must provide a certification of the need for an extra bedroom or live-in aide.

The HACSD will require only that information necessary to determine the need for an additional bedroom and not to determine the nature of the disability.

INCOME

The HACSD will verify and anticipate monetary and in-kind income as accurately as possible by reviewing all verifications and using the most accurate reflection of income for the next 12 months.

For admission, an unborn child is not considered when determining the income limits. For example, a pregnant single person is considered a one-person household when determining the income limits. To determine if the family is income-eligible for admission, the HACSD compares the annual income of the family to the applicable income limit for the family's size. Newly admitted families who exercise portability prior to receiving initial assistance must be within the applicable income limit of the receiving PHAs. This requirement does not include those who had been participants with the initial PHA.

Families, whose annual income exceeds the income limit, will be denied admission, removed from the waiting list, and offered an informal review.

Income: Includes all amounts, monetary or not, received on behalf of the family. HUD defines what is counted and excluded in determining the total tenant payment (TTP). In accordance with this definition, all income meeting the customary definition of income, not specifically excluded in the regulations, is counted.

Annual Income is defined as the gross amount of income that is anticipated to be received by the family, during the twelve months after certification or recertification. Gross income is the amount of income prior to any HUD allowable expenses or deductions or state and local taxes and deductions, and does not include income excluded by HUD. Annual income is used to determine whether or not applicants are within the applicable income limits. Wages for full-time employment are anticipated for a full 52 weeks unless documentation is provided that wages will not be earned for the full year.

Annual income may be anticipated using the previous year's income, rather than current income, if that is the most accurate reflection of the next year's income. A clear rationale must be documented to support the methodology used for the calculation of income.

AVERAGING INCOME

When annual income cannot be anticipated for a full twelve months, the HACSD may use one of the following methods to calculate annual income:

Average known sources of income that vary to eliminate interim adjustments

Annualize current income and conduct an interim adjustment when it goes down

Use prior year's income information to anticipate the following year

Average employer's year-to-date income information

For regularly received bonuses and/or commissions, the HACSD will verify and then average amounts received for the previous year, unless the family can provide credible documentation indicating the historical information is incorrect.

CalWorks benefits shall be anticipated as follows: use the higher of either a six-month average (from the current month back) vs. the current month's benefit, which is then multiplied by 12. The future month's benefit is not considered, as it may change.

The method used depends on the regularity, source and type of income.

AMOUNTS THE HACSD HAS DETERMINED DO NOT MEET THE DEFINITION OF INCOME

Employer Reimbursement of Mileage Expenses

Employer reimbursement for mileage expenses for use of a personal vehicle is not considered income as long as the reimbursement is reasonable as compared to the Internal Revenue Service (IRS) mileage rate. Mileage logs may be required. The amount of the mileage reimbursement that exceeds the standard rate will be counted as income.

Loans

Loans to a participant/applicant from an institution are not considered income. However, "loans" from private parties **are** considered income, if it is apparent there is little likelihood the loan will be repaid within the next three years, loans from the previous year have not been repaid, and if there was no written, well-defined notarized loan repayment agreement executed at the time the "loan" began.

Repayment of a loan back to the applicant/participant is not considered income if documentation can be presented that the loan was made by the applicant/participant to the person repaying the loan. If no documentation is

provided, the "repayments" are considered income. Repayments back of a loan made by the assisted household must be documented as follows in order to not count the payments as regular contributions to the family:

Bank statement withdrawals indicating the assisted household made the loan.

Cancelled checks indicating the amount of the loan and to whom the loan was paid.

Notarized loan repayment agreement executed around the time the loan was made, with the terms and amount of the loan.

Employer Contributions to a Flexible Spending Account

Employer contributions to a flexible medical or childcare expense account are not considered income as long as the money is only accessible to the family as reimbursement for out-of-pocket medical or childcare expenses. However, childcare or medical expenses will not be allowed as a deduction if they are reimbursable through a flexible employer contribution account.

Documentation regarding the requirements of the account may be required.

EXCLUDED INCOME

Excluded income need only be verified to the extent necessary to determine whether the income is to be excluded, such as in the case of an employed 16-year old family member, or a full-time student. In this case, the amount of excluded income is based on information provided by the family. However, earned income disallowance income must be verified because it is only partially excluded and the income amount must be correct to determine the amount of the incremental income increase.

Exclusions contained in 24 CFR 5.609(c) that have not been described elsewhere in this chapter include the following:

- Reimbursement of medical expenses [24 CFR 5.609(c)(4)]
- Amounts received by participants in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred and which are made solely to allow participation in a specific program [24 CFR 5.609(c)(8)(iii)]
- Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS) [(24 CFR 5.609(c)(8)(ii)]

- 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 [24 CFR 5.609(c)(10)]
- Adoption assistance payments in excess of $480 per adopted child [24 CFR 5.609(c)(12)]
- Refunds or rebates on property taxes paid on the dwelling unit [24 CFR 5.609(c)(15)]
- Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home [24 CFR 5.609(c)(16)]
- Amounts specifically excluded by any other federal statute [24 CFR 5.609(c)(17)]. HUD publishes an updated list of these exclusions periodically. It includes:
  (a) The value of the allotment provided to an eligible household under the Food Stamp Act of 1977 (7 U.S.C. 2017 (b))
  (b) Payments to Volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(g), 5058)
  (c) Payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626(c))
  (d) Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 459e)
  (e) Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f))
  (f) Payments received under programs funded in whole or in part under the Job Training Partnership Act (29 U.S.C. 1552(b)) (Effective July 1, 2000, references to Job Training Partnership Act shall be deemed to refer to the corresponding provision of the Workforce Investment Act of 1998 (29 U.S.C. 2931).)
  (g) Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Pub. L. 94-540, 90 Stat. 2503-04)
  (h) The first $2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U. S. Claims Court, the interests of individual Indians in trust or restricted lands, including the first $2,000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands (25 U.S.C. 1407-1408)
  (i) Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056(f))

(j) Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in *In Re Agent*-product liability litigation, M.D.L. No. 381 (E.D.N.Y.)
(k) Payments received under the Maine Indian Claims Settlement Act of 1980 (25 U.S.C. 1721)
(l) The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858q)
(m) Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 U.S.C. 32(j))
(n) Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation (Pub. L. 95-433)
(o) Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d))
(p) Any allowance paid under the provisions of 38 U.S.C. 1805 to a child suffering from spina bifida who is the child of a Vietnam veteran (38 U.S.C. 1805)
(q) Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act (42 U.S.C. 10602)
(r) Allowances, earnings and payments to individuals participating in programs under the Workforce Investment Act of 1998 (29 U.S.C. 2931)

EARNED INCOME TAX CREDIT

[24 CFR 5.609 (c)(17)]

Earned income tax credit refund payments are excluded from annual income. This tax credit may be paid once a year upon filing federal income tax forms, or it may be reflected on the employee's payroll check throughout the year.

LUMP SUM PAYMENTS

[24 CFR 5.609]

The policy of the HACSD is to not calculate retroactive tenant rent the family owes as a result of the lump sum receipt, as long as the family reported the

income in a timely manner. With the exception of lump sum retroactive social security/supplemental security income, if the family fails to report the income within 14 days, the HACSD may calculate an overpayment, and/or hold a tenant integrity conference to advise the family of possible repercussions if it fails to abide by the HACSD program obligations.

Lump-sum payments caused by delays in processing periodic payments, such as unemployment or welfare assistance, are counted as income; however, the HACSD generally (except for zero/minimal income families) evaluates income increases at annual reexamination, and any lump sum income received prior to the annual reexamination would not be counted. The remaining balance would be counted as an asset.

Lump sum payments from Social Security or Supplemental Security Income (SSI) are excluded from income, but any amount remaining will be considered an asset. Deferred periodic payments, which have accumulated due to a dispute, will be treated the same as periodic payments, which are deferred due to delays in processing.

Attorney Fees

The family's attorney fees may be deducted from lump sum payments, when computing annual income, if the attorney's efforts have recovered the compensation, and the recovery paid to the family does not include an additional amount to cover attorney fees.

DISALLOWANCE OF EARNED INCOME FROM RENT DETERMINATIONS FOR PERSONS WITH DISABILITIES

[24 CFR 5.617; 982.201(b)(3)]

This benefit is allowed once per family member in a lifetime. The benefit is for program participants – not new admissions.

The annual income for qualified families may not be increased as a result of increases in earned income of a family member who is a person with disabilities beginning on the date on which the increase in earned income begins and continuing for a cumulative twelve-month period. After the disabled family member receives twelve cumulative months of the full exclusion, annual income will include a phase-in of half the earned income excluded from annual income.

A family member qualified for the earned income exclusion is receiving tenant-based rental assistance under the Housing Choice Voucher Program; and one of the three conditions apply:

Whose annual income increases are a result of employment of a family member who is a person with disabilities, and who was previously unemployed for one or more years prior to employment; ***or***

Whose annual income increases are a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; ***or***

Whose annual income increases are a result of new employment or increased earnings of a family member who is a person with disabilities, during or within six months after receiving assistance, benefits or services under any state program for TANF provided that the total amount over a six-month period is at least $500. The qualifying TANF assistance may consist of any amount of monthly income maintenance, and/or at least $500 in such TANF benefits and services as one-time payments, wage subsidies and transportation assistance.

The HUD definition of "previously unemployed" includes a person with disabilities who has earned in the previous twelve months no more than the equivalent earnings for working ten hours per week for 50 weeks at the minimum wage. Minimum wage is the prevailing minimum wage in the state or locality.

The HUD definition of economic self-sufficiency program is: any program designed to encourage, assist, train or facilitate economic independence of assisted families or to provide work for such families. Such programs may include job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, or any other program necessary to ready a participant to work (such as substance abuse or mental health treatment).

Qualifying increases are any earned income increases of a family member who is a person with disabilities during participation in an economic self-sufficiency or job-training program, and not increases that occur after participation, unless the training provides assistance, training or mentoring after employment.

The amount of TANF received in the six-month period includes monthly income and such benefits and services as one-time payments, wage subsidies and transportation assistance.

The amount that is subject to the disallowance is the amount of <u>incremental</u> increase in income of a family member who is a person with disabilities. The incremental increase in income is calculated by comparing the amount of the family member with disabilities' income before the beginning of qualifying

employment or increase in earned income to the amount of such income after the beginning of employment or increase in earned income. Exempt income may never exceed the amount of employment income.

The disallowance is initially applied as of the first of the month following the income increase. An interim may be necessary to properly apply the initial and phase-in exclusion periods and to remove the exclusion.

Initial Twelve-Month Exclusion

During the cumulative twelve month period beginning on the date a member who is a person with disabilities of a qualified family is first employed, or the family first experiences an increase in annual income attributable to employment, the HACSD will exclude from annual income of a qualified family any increase in income of the family member who is a person with disabilities as a result of employment over the prior income of that family member.

Second Twelve-Month Exclusion and Phase-in

During the second cumulative twelve month period after the expiration of the initial cumulative twelve month period referred to above, the HACSD must exclude from annual income of a qualified family fifty percent (50%) of any increase in income of a family member who is a person with disabilities, as a result of employment, over income of that family member prior to the beginning of such employment.

Maximum Four-Year Disallowance

The earned income disallowance is limited to a lifetime 48-month period for each family member who is a person with disabilities. For each family member who is a person with disabilities, the disallowance only applies for a maximum of twelve months of full exclusion of incremental income increase, and a maximum of twelve months of phase-in exclusion during the 48-month period starting from the date of the initial exclusion.

If the period of increased income does not last for twelve consecutive months, the disallowance period may be resumed at any time within the 48-month period, and continued until the disallowance has been applied for a total of twelve months of each disallowance (the initial twelve month full exclusion and the second twelve month phase-in exclusion). No earned income disallowance will be applied beyond 48-months following the initial date the exclusion was applied.

Applicability to Child Care Expense Deductions

The amount deducted for childcare necessary to permit employment shall not exceed the amount of non-excluded employment income included in annual income. Therefore, for qualifying families entitled to the earned income disallowance, the amounts of the full and phase-in exclusions from income shall not be used in determining the cap for childcare deductions. In other words, child care expense deduction is limited by the included (counted) earned income.

Tracking the Earned Income Exclusion

The earned income exclusion will be reported on the HUD 50058 form. Documentation will be included in the family's file to show the reason for the reduced increase in rent. Interims will be performed if necessary to accurately calculate full, phase-in, and end of exclusion periods.

A form in the tenant file will track:

The date the increase in earned income was reported by the family

The effective date the income was first excluded from annual income for the initial cumulative twelve-month period of exclusion

The name of the family member whose earned income increased

The reason (new employment, participation in job training program, within six months after receiving TANF) for the increase in earned income

The amount of the increase in total income due to earned income (amount to be excluded)

The date(s) earned income ended and resumed during the initial cumulative twelve-month period of exclusion (if any)

The date the family member has received a total of twelve months of the initial exclusion

The date the second twelve-month phase-in period began

The date(s) earned income ended and resumed during the second cumulative twelve-month period (phase-in) of exclusion (if any)

The date the family member has received a total of twelve-months of the second phase-in exclusion

The ending date of the maximum 48-month (four year) disallowance period (48 months from the date of the initial earned income disallowance)

The earned income disallowance is only applied to determine the annual income of family members with disabilities in families who are participants in the Housing Choice Voucher Program, and therefore does not apply for purposes of admission to the program (including the determination of income eligibility or any income targeting that may be applicable).

DISALLOWANCE OF INCOME RESULTING FROM LOCAL, STATE OR HUD-FUNDED TRAINING PROGRAM

[24 CFR 5.609(c)(8) (i)]

All amounts received under training programs funded by HUD are excluded, as are amounts received by a family member for resident manager training. The incremental increase in earnings and benefits is exempt if they result from any family member participating in a qualifying State or local employment-training program with clear-defined goals and objectives.

A training program (for HUD-funded, state or local programs) is defined as "a learning process with goals and objectives generally having a variety of components, and taking place in a series of sessions over a period of time. It is designed to lead to a higher level of proficiency, and it enhances the individual's ability to obtain employment. It may have performance standards to measure proficiency. It will also include on-the-job training programs that provide participants "real life" job experiences. Training may include, but is not limited to: (1) classroom training in a specific occupational skill; (2) On-the-job training with wages subsidized by the program; or, (3) basic education."

Incremental earnings and benefits are defined as, "the difference between (1) the total amount of welfare assistance and earnings of a family member prior to enrollment in a training program and (2) the total amount of welfare assistance and earnings after and as a result of enrollment in the program."

Documentation to verify these exclusions include third party verification or documentation describing the program and the funding source.

Pre-enrollment income will be the income received prior to receipt of income from the training program.

FOSTER CARE INCOME [24 CFR 5.609 (C) (2)]
All income received for the care of foster children or foster adults is excluded from annual income. This excluded income includes California Kinship Guardian Assistance Payments (Kin-GAP), which should be excluded from annual income (August 10, 2005 email from Cecilia Ross, HUD Director of Public Housing in Los Angeles).

ADOPTION ASSISTANCE
The first $480.00 of Adoption Assistance is included in annual income. The remaining Adoption Assistance is excluded income. The dependent for whom the adoption assistance is paid is given a $480.00 dependent allowance.

STUDENTS
With the exception of the head, spouse or cohead, only the first $480 of earned income of each household member, 18 years of age or older who is a full time student, will be counted towards family income.

School expenses, including mileage are not allowable deductions.

Verification of full time student status includes:

Written verification from the registrar's office or other school official.

School records indicating enrollment for sufficient number of credits to be considered a full-time student by the educational institution.

Copy of student's registration information, indicating the semester, and the number of credits taken.

The family may be required to provide verification of completion of classes to verify that the full-time student maintained his/her full-time student status. If the full-time student did not maintain his/her full-time status and assistance was overpaid, an overpayment agreement may be calculated and executed.

School financial assistance, scholarships, work-study, and grants received by full or part-time students are counted as family income in the following instances:

The housing costs component of an athletic scholarship is counted as income.

Unless a student, including the head of household, spouse, or cohead, is over the age of 23 with a dependent child, or residing with parents receiving or eligible to receive Section 8 assistance, all financial aid (excluding loans) that

exceeds the cost of tuition, is **counted** as income if it is from the following sources: (a) amounts received under the Higher Education Act of 1965, such as Pell Grants and Federal Work Study; (b) amounts received from a private source, such as an individual, a trust, or a corporation; (c) amounts received from an institution of higher education as defined under the Higher Education Act of 1965; (d) other financial aid, such as amounts received for veterans under the G.I. Bill. Please complete the Student Eligibility Checklist and retain in the file. A dependent child must be the dependent child of the student and must meet the definition of dependent in 24 CFR 5.603.

A student, including the head of household, spouse, or cohead, 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) is not eligible for assistance, unless s/he is:

Married

A veteran

Responsible for a dependent child

Over the age of 23

Independent from his/her parents

Living with parents who are receiving or are eligible to receive Section 8 assistance

Has parents who are eligible for Section 8 assistance

A handicapped person receiving assistance as of November 30, 2005 or before

A student's status as an independent student is verified by documentation indicating the student has lived apart from his/her parents at least one year, that the student is not claimed as a dependent on the parents income tax returns, and by a written certification from parents that they have been paying zero support.

The income of the parents of a student will be determined based on a written certification, under penalty of perjury, completed by the parents.

EMPLOYMENT INCOME

Verification forms may request the employer specify the:

Dates of employment.

Amount and frequency of earnings.

Date of last pay increase.

Earning history.

Year to date earnings.

Expected change in employment status.

Effective date of any anticipated wage increase during next twelve months

Estimated income from overtime, tips, and bonus pay expected during next twelve months.

Anticipated unpaid time off.

Acceptable methods of verification include:

Employment verification form completed by the employer.

Check stubs or earning statements, which indicate the employee's gross pay, frequency of pay or year to date earnings.

W-2 forms or 1099 forms, plus income tax return forms.

Self-certifications or income tax returns signed by the family may be used for verifying self-employment income, or income from tips and other gratuities.

Applicants and program participants may be requested to sign an authorization for release of information from the Internal Revenue Service (IRS) for verification of income if there is evidence income has not been reported.

In cases with questions about the validity of information provided by the family, the HACSD may require the most recent federal income tax statements or send a referral to the IRS.

BONUSES AND/OR COMMISSION

For regularly received bonuses and/or commission, the HACSD will verify and average amounts received for the one-year preceding admission or reexamination, unless the family can provide credible documentation indicating the historical information is incorrect.

MINIMAL OR ZERO INCOME

There is no minimum income requirement. However, families who report zero or minimal income are required to complete a written certification every 30 days, and provide copies of expense receipts for the 30-day period. The HACSD will conduct an interim to increase the family's rent share upon reinstatement of income.

The family may be required to provide documentation to prove that income, such as unemployment benefits, TANF, SSI, etc., are not being received.

The HACSD may request information from the state employment development department.

The HACSD may run a credit report on the family.

The HACSD may require a family's notarized self-certification, signed under penalty of perjury, stating that it has no income, and explaining how it expects to meet its needs.

REGULAR CONTRIBUTIONS AND GIFTS

[24 CFR 5.609]

Regular, non-casual contributions and gifts received from persons outside the household are counted as income. This includes rent and utility payments made on a regular basis on behalf of the family and other regular cash or non-cash contributions. It does not include casual contributions or sporadic gifts.

A family benefit that is used exclusively by the family, but not titled to the family (i.e., automobile, storage unit), will be counted as income. The income would include insurance, car payments, maintenance, and other vehicle expenses regularly paid by someone outside of the assisted housing.

If an employer provides an automobile that is used for both personal and business purposes, a proration of the vehicle expense payments (insurance, registration, car payments, etc.) will be calculated based on the percentage of time the vehicle is used for personal purposes. Evidence of a business vehicle

used for personal purposes may include the vehicle being stored overnight at the family's residence at least five days a week and the lack of a personal vehicle for that family member.

If the family's expenses exceed its reported income, the HACSD will inquire of the family regarding contributions and gifts.

The family must furnish a self-certification with the following information:

The person who provides the gifts

The value of the gifts

The regularity (dates) of the gifts

The purpose of the gifts

SOCIAL SECURITY, PENSIONS, SUPPLEMENTARY SECURITY INCOME (SSI), DISABILITY INCOME

Social Security and Supplemental Security Income

In compliance with PIH 2004-18 (HA) issued on September 17, 2004, the HACSD will no longer request third party benefit income for the Social Security Administration. The HACSD will verify income in the following ranking order:

EIV Systems

Benefit notice dated within the last 60 days

If the social security statement indicates a reduced social security benefit due to rounding, the rounded amount shall be counted.

If the social security statement indicates a deduction for medicare, add the medicare payment amount to the net benefit for the countable income.

Other Benefit Income

Acceptable methods of verification include:

Benefit verification form completed by agency providing the benefits

Award or benefit notification letters prepared and signed by the providing agency

Computer report electronically obtained or in hard copy

Pay stubs

Bank statements that reflect direct deposits

UNEMPLOYMENT COMPENSATION

Acceptable methods of verification include:

Unemployment compensation agency verification form.

Unemployment office computer report e-mailed, faxed, or in hard copy.

Payment stubs.

Agency award letter.

ALIMONY AND CHILD SUPPORT

[24 CFR 5.609]

Regular alimony and child support payments are counted as income. Not generally included in annual income are irregular or lump sum child support payments, as is the case with other irregular or lump sum income.

If the amount of child support or alimony received is less than the amount awarded by the court, the HACSD will use the amount awarded by the court, unless the family can verify it is not receiving the full amount. Child support or alimony payments in arrears that are being received on a regular basis are included in annual income.

The HACSD will accept verification that the family is receiving an amount less than the award if:

The family furnishes documentation of a child support or alimony collection action filed through a child support enforcement/collection agency, or has filed an enforcement or collection action through an attorney.

The HACSD may accept a notarized family certification in writing, under penalty of perjury, that states it is not receiving the full amount of alimony or child support, and explains why it cannot provide the documentation outlined in the previous paragraph.

It is the family's responsibility to supply a certified copy of the divorce decree.

Acceptable methods of verification include:

Copy of a separation, or settlement agreement, or a divorce decree, stating amounts and types of support and payment schedules.

A signed and dated letter from the person paying the support.

Copy of latest check and/or payment stubs from court trustee. HACSD must record the date, amount, and number of the check.

Family's notarized self-certification of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received.

If payments are irregular, the family must provide:

A copy of the separation, or settlement agreement, or divorce decree, stating the amount, type, and payment schedule of the settlement

A statement from the agency responsible for enforcing payments to show that the family has filed for enforcement

A notarized affidavit from the family, signed under penalty of perjury, indicating the amount(s) received

A welfare notice of action showing amounts received by the welfare agency for child support

SELF EMPLOYMENT INCOME
[24 CFR.5.609 (b) (2)]

Net income from a business or profession must be included in annual income. However, capital expenditures, such as the purchase of a vehicle, are not allowed as an expense deducted off of gross business income. The principal part of loan repayments for a capital expense is not an allowable deduction off of income. Interest payments are an allowed business expense. If the business has a loss, that loss may not be deducted from other income. Loans or contributions to the business will not be counted as income, nor will the repayment of a loan from the family be counted as income.

If the business is co-owed with someone outside the family, the family must provide documentation demonstrating its share of the business as a percentage of the business partnership agreement.

In order to verify the net income from self-employment/business ownership, the HACSD will view the IRS federal income tax return, and financial documents from prior years, and use this information to anticipate the income for the next twelve months.

The family **must** provide a copy of its prior year's federal income tax return, if it was filed.

Acceptable methods of verification include:

IRS Form 1040, including:

Schedule C (Small Business).

Schedule E (Rental Property Income).

Schedule F (Farm Income).

Financial statement(s), either audited or not audited, of the business.

Credit report or loan application.

Business Ledgers

Family's self-certification as to net income realized from the business during previous years.

The HACSD may also request documents to support submitted financial statements, such as completed manifests, appointment books, cash journals, or bank statements.

It is the family's responsibility to provide documentation of income and expenses in good order with everything organized, recorded and totaled. The HACSD will reject documentation that has not been organized and totaled, e.g., an unorganized bundle of receipts.

CHILD CARE BUSINESS

If an applicant/participant is operating a licensed day care business, income will be verified as for any other type of business.

If the applicant/participant is operating a "cash and carry" operation, which may or may not be licensed, the HACSD may require that the applicant/participant complete a form for each customer. The form must indicate the name of

person(s) whose child (children) is/are being cared for, phone number, number of hours the child is being cared for, method of payment (check/cash), amount paid, and signature of person who receives the services.

The family **must** provide a copy of its federal income tax return, if it was filed.

The family must indicate if it is receiving a food allowance or other compensation to offset business expenses. Third party verification will be requested if another public entity, such as HHSA, is providing compensation to the childcare provider.

If none of the above documents is available, the family may provide a notarized self-certification, signed under penalty of perjury, as to gross income received the previous year, as well as anticipated gross income for the next year.

WELFARE PAYMENTS OR GENERAL ASSISTANCE

Acceptable methods of verification include:

HACSD verification form completed by payment provider:

Written statement from payment provider indicating the amount of grant/payment, start date of payments, and anticipated changes in payment in the next twelve months.

Computer-generated, faxed, or hard copy notice of action

Computer-generated list of recipients from welfare department.

Direct on-line access to welfare department database.

INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS

[5.615]

The HACSD will impute (count) welfare income not received by the family, if the welfare assistance was reduced specifically because of:

Fraud by a family member in connection with the program

Failure to participate in an economic self-sufficiency program

Noncompliance with a work activities requirement

Imputed welfare income is annual income the family would have received, had its benefits not been reduced due to the above circumstances. This imputed income would be counted in determining the TTP.

Imputed welfare income is not included in the family's annual income, if the family was not assisted at the time of the welfare sanction.

The amount of imputed welfare income is offset by the amount of additional family income received after a sanction was imposed.

If the additional family income equals the imputed welfare income, imputed welfare income is not counted.

The HACSD will not impute welfare income, if the welfare assistance reduction is the result of:

The expiration of a lifetime time limit on receiving benefits

The family has not complied with other welfare agency requirements not outlined above

The family member has complied with welfare agency economic self-sufficiency requirements, or work activities requirements, but cannot, or has not, obtained employment. For example, the family member has complied with welfare program requirements, but the family has exceeded the maximum time it is allowed to receive benefits, resulting in a loss of benefits.

Verification Before Denying a Request to Reduce Family Rent

The HACSD will obtain a written, faxed, computer, or telephone verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance with economic self-sufficiency/work activities requirements, before denying a family's request for reduction of family rent. The requested verification from the welfare agency must state the amount, term, and reason for the benefit reduction.

Cooperation Agreements

The HACSD has a cooperation agreement in place with the local welfare agency. The HACSD has access to the welfare agency's database and can search welfare participant records. In addition, the HACSD has a verbal cooperation agreement with the local welfare agency for verbal confirmation of a family's sanction status.

Family Dispute of Amount of Imputed Welfare Income

If the family disputes the amount of imputed income and the HACSD denies the family's request to modify the amount, the HACSD will provide the tenant with a notice of denial, which will include:

An explanation for the HACSD's determination of the amount of imputed welfare income

Opportunity to request an informal hearing

ASSETS

[24 CFR 5.609; 982.516]

There is no asset limitation for participation. However, all interest, dividends and other net income of assets, which include real or personal property, must be included in annual income [24 CFR 5.609(b)(3)]. The family must sign a declaration form initially and at least annually declaring all assets under the control of the family and those assets disposed for $10,000 or more under fair market value during the last two years.

The HACSD will generally use current circumstances to determine both the value of an asset and the anticipated income from the asset. If current circumstances are not used to determine the asset income, a clear rationale for the decision will be documented in the file. The family may present information and documentation to show why the asset income determination does not represent the family's anticipated asset income.

Total assets will be counted, even if jointly owned by someone not part of the family, providing a family member has unlimited access to those assets. If the family has restricted access to those assets, the HACSD will prorate the family's asset share based on percentage of ownership. If there is no percentage of ownership, the HACSD will prorate the family's asset share evenly among all owners.

Assets not controlled by or accessible to the family, such as assets held in trust by an outside trustee, will not be counted or considered. If there are disbursements to the family from these assets, depending on their regularity, they may either be counted as income or lump sum additions to family assets. Personal property, such as clothing, automobiles, and furniture will not be counted as assets, unless the personal property is an investment, such as a

stamp collection, in which case the family's declaration of the investment's value will be used to determine the asset amount.

The HACSD will request third party verification to determine the current cash value of the family's assets, if the total value of those assets exceeds $5,000. "Cash value" is the net amount the family would receive if the assets were converted to cash. Assets totaling $5,000.00 or less will not be verified with third party verification because of the negligible impact on the HAP amount and family rent, although that asset, as reflected on family provided documentation, will be reflected in the family's asset calculations.

Due to the added administrative cost, the HACSD will not attempt a third party verification of any asset in which the source collects a service charge and the family has available original documents, such as bank statements. If the family cannot provide original documents, the HACSD will pay the service charge for the third party verifications.

Acceptable verification may include any of the following:

Verification forms, letters, or documents from a financial institution or broker.

Passbooks, bank account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker.

Quotes from a stockbroker or realty agent as to the net amount family would receive if they liquidated securities or real estate

Real estate taxes statements, if the approximate current market value can be deduced from assessment

Financial statements for business assets

Closing documents showing the selling price, and the distribution of the sales proceeds

Appraisals of personal property held as an investment

Family's self-certification describing assets or cash held at the family's home or in safe deposit boxes

INTEREST INCOME FROM MORTGAGES OR SIMILAR ARRANGEMENTS

Acceptable methods of verification include:

A letter from an accountant, attorney, real estate broker, the buyer, or a financial institution stating interest due for next twelve months. (A copy of the check paid by the buyer to the family is not sufficient unless a breakdown of interest and principal is shown).

Amortization schedule showing interest for the twelve months following the effective date of the certification or recertification.

Copies of the deed of trust and note that indicate the beginning principal, interest rate, term of loan, payment schedule, and principal and interest payment.

Copy of ledger reflecting the posting of payments and application of interest and principal.

Copy of year's end statement to borrower.

Copies of the escrow papers and contract.

EQUITY IN REAL PROPERTY OR OTHER CAPITAL INVESTMENTS

Equity is the estimated current market value of an asset (such as a house) less the unpaid balance on all loans secured by the asset and reasonable costs (such as broker fees) that would be incurred in selling the asset. The residence of the family is not considered an asset, in cases of manufactured home owners receiving assistance on the spaces, or Section 8 Homeownership participants receiving assistance on the purchase of their residences.

If the capital investment is owned jointly with others not in the household, a prorated share of the property's cash value will be counted as an asset.

NET RENTAL INCOME FROM PROPERTY

The family must provide adequate documentation for the HACSD to anticipate net rental income.

Acceptable methods of verification include:

IRS Form 1040 with Schedule E (Rental Income).

Copies of latest rent receipts, leases, or other documentation of rent amounts.

Documentation of allowable operating expenses of the property including: tax statements, insurance invoices, and bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.

Lessee's written statement verifying rent payments to the family and family's self-certification as to net income realized.

Copies of ledgers indicating rent payments.

CHECKING AND SAVINGS ACCOUNTS, STOCKS, BONDS, CERTIFICATES OF DEPOSIT, AND MONEY MARKET FUNDS

The HACSD will count as assets amounts in the family's checking, savings, certificate of deposit (CD), and money market accounts, including those accounts held by children. The HACSD will count the current value, unless there is evidence provided by the family that an average of the balance for the last 2-6 months is a better reflection of anticipated assets. The HACSD will calculate interest income based on the interest rate reflected on the most current statement, or on the CD set rate, unless third party verification reflects a higher interest rate. For stocks, the HACSD will calculate asset income based on the earnings for the most recent reporting period, and may average the earnings for the prior 12 months.

Acceptable methods of verification include:

Written third party verification from the institution handling the asset.

Account bank statements, passbooks, certificates of deposit, or HACSD verification forms completed by the financial institution.

Broker's statements showing value of stocks or bonds and the earnings credited the family, or copies of bonds. Earnings can be obtained from current newspaper quotations, bank, or oral broker's verification.

IRS Form 1099 from the financial institution provided that the HACSD must adjust the information to project earnings expected for the next twelve months.

LUMP SUM

Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or property losses, are not included in income, but are included in assets.

Lump sum payments from Social Security or Supplemental Security Income (SSI) are excluded from income, but any amount remaining will be considered an asset. Deferred periodic payments, which have accumulated due to a dispute, will be treated the same as periodic payments, which are deferred due to delays in processing.

Refer to page 5-25 on the HUD Housing Choice Voucher guidebook for excluded and included assets.

CONTRIBUTIONS TO RETIREMENT FUNDS

[24 CFR 5.603(d)]

Contributions to company retirement/pension funds are handled as follows:

> While an individual is employed, count as assets only amounts the family can withdraw without retiring or terminating employment. In addition, count only the amount the family would actually receive after any costs or fees involved with liquidating the asset have been deducted.
>
> After retirement or termination of employment, count as an asset any amount the employee is eligible to receive as a lump sum, after any costs or fees involved with liquidating the asset have been deducted.

ASSETS DISPOSED FOR LESS THAN FAIR MARKET VALUE

[24CFR 5.603(d)(3)]

At certification and recertification, the HACSD will obtain the family's self-certification as to whether any member has disposed of assets for $10,000 or more under fair market value during the two years preceding the effective date of the certification or re-certification. Assets disposed as a result of foreclosure or bankruptcy are not considered to be assets disposed for less than fair market value. Assets disposed as a result of a divorce or separation are not considered assets disposed of for less than fair market value, providing some monetary consideration was received, and there is a separation or divorce settlement agreement established through arbitration, mediation, or court order.

If the family certifies it has disposed of assets for $10,000 or more under fair market value, documentation is required that shows: (a) the type of assets disposed of, (b) the date they were disposed of, (c) the amount the family received, and (d) the FMV of the assets at the time of disposition. Third party verifications will be obtained wherever possible.

Assets to be considered include: real property, savings, stocks, bonds, and other forms of capital investments.

Excluded assets are: the value of personal property such as furniture and automobiles, as well as a trust fund or asset not under the control of any member of the assisted family.

DEDUCTIONS AND ALLOWANCES

[24 CFR 5.611; 982.516]

Adjusted Income is defined as the annual income minus any HUD allowable expenses and deductions.

Deductions must be anticipated for the following year, and the family eligibility for those deductions must be evaluated. Generally, the HACSD will use current circumstances to anticipate expenses, but will take into consideration known future costs and expenses expected to fluctuate during the year (e.g., child care expenses for school-age children), as well as look at historical data (e.g., prior year's prescription expenses) to anticipate annual expenses.

If the family has an accumulated debt for an eligible expense not previously allowed as a deduction, the HACSD may allow as a deduction the amount anticipated to be repaid on the debt during the next year. The HACSD may use historical information as a basis for anticipated repayment of the debt.

HUD has five allowable deductions from annual income:

> Dependent allowance: $480 each for family members (other than the head, spouse, or co-head, foster children, or live in aides) who is a minor under 18 years old, an adult full-time student, or a family member with disabilities. An unborn child is not eligible for this allowance.
>
> Elderly/disabled allowance: $400 per family for families whose head, spouse or co-head is 62 years old, or over, or disabled.
>
> Allowable Medical Expenses: Deducted for all family members, except for foster children or live in aides, of an eligible elderly/disabled family in

which the head of household or spouse is 62 years old or more, or disabled. Allowed only if not reimbursed from another source and only the amount that exceeds three percent of the total gross non-excluded annual household income.

Child care expenses: Reasonable child care expenses deducted for the care of the assisted family's children under age thirteen when child care is necessary to allow an adult member to work, attend school, or actively seek employment. Allowed only if not reimbursed from another source. Childcare expenses for the care of foster children are not allowable expenses.

Allowable disability assistance expenses: Deducted for attendant care or auxiliary apparatus for persons with disabilities, only if needed to enable the disabled individual or an adult family member work and is not reimbursed from another source.

PREGNANT APPLICANT/PARTICIPANT

No dependant allowances for an unborn child.

EXPENSES DEDUCTED OFF OF ANNUAL INCOME

CHILDCARE EXPENSES

[24 CFR 5.603]

Childcare expenses for the assisted family's children who are living in the assisted unit and who are under thirteen (13) years old may be deducted from annual income, if they enable an adult family member to work, actively seek work, or further his/her education. However, childcare expenses for foster children are not allowed. In the case of child care expenses to allow an adult family member to actively seek employment, the family member must provide documentation in the form of a written log indicating the date, beginning and ending times, and the names and addresses where s/he went to actively seek employment.

In the case of a child attending private school, only after-hours care will be allowed as childcare expenses.

Childcare expense deductions are allowed based on the following guidelines:

Childcare to work: The maximum childcare expense allowed cannot exceed the amount earned by the person enabled to work whose income is included in the family's annual income. The "person enabled to work" will generally be the adult member of the household who earns the least amount of income from working, unless the family provides documentation that justifies the designation of another family member as the person enabled to work. The number of hours of allowable childcare cannot exceed the number of hours worked, plus reasonable transportation time, of the person enabled to go to work.

Childcare for school: The number of hours claimed for childcare may not exceed the number of hours the family member is attending school, plus reasonable transportation time. To be eligible for the deduction, the family member must provide proof of enrollment in an academic or vocational school or a formal training program and the hours of classes or training.

Childcare to actively seek employment: The number of hours claimed for childcare may not exceed the time taken to actively seek employment as indicated on the family member's written log.

Amount of Expense: The HACSD will only allow reasonable childcare expenses and only those expenses attributed directly for childcare. If only a portion of the expenses is for childcare, the HACSD will prorate the expenses based on the number of hours spent on childcare compared with the total number of hours services are provided. The HACSD may survey local childcare providers in the community for information on average childcare costs. If the childcare expense information submitted by the participant materially exceeds comparable reasonable childcare cost, the HACSD will calculate childcare expenses using an average of reasonable comparable childcare cost, and not the amount submitted by the participant.

Written verification from the recipient of the childcare payments is required. If the childcare provider is an individual, s/he must provide a statement of the amount charged the family for the services.

Verifications must specify the childcare provider's name, address, telephone number, social security number or tax identification number, the names of the children cared for, the number of hours the child care occurs, the rate of pay, and the typical yearly amount paid, including adjusted figures for school and vacation periods.

The HACSD will not provide a deduction for non-child care services provided by the child care provider such as housekeeping, shopping, or cooking, nor for child care services provided by a family member residing in the assisted unit. The family must certify if any childcare expenses have been, or will be, paid or reimbursed by outside sources.

The HACSD will compare the hours of child care with the activities engaged in by the adult household member requiring the child care in order to actively seek work, pursue education or be gainfully employed. A copy of the schedule of classes, employer verification of work hours, or log indicating job-seeking activities may be requested to verify the need for child care.

MEDICAL EXPENSES

[24 CFR 5.609(a)(2), 5.603]

Medical expenses are allowed only for elderly or disabled families, with a head of household or spouse who is elderly, disabled, or both. The IRS Publication 502 will be used as a guide to assist in determining allowable medical expenses in instances when the regulations or HACSD policies are unclear. If an expense is eligible as both a medical and a disability assistance expense, the expense will be considered a medical expense.

Medical expenses are expenses anticipated for the 12 months following certification or recertification, which are not covered by an outside source such as insurance, and which exceed three percent of the gross annual income of the family.

Families, who claim medical expenses, must submit a certification indicating if medical expenses have been, or will be, reimbursed by an outside source. It is the responsibility of the family to provide documentation of expenses in the format required by the HACSD. Expenses supported by confusing, unclear, or non-descriptive documentation will be disallowed. All medical expense claims will be verified by one or more of the methods listed below:

> Written verification by a doctor, hospital, clinic personnel, dentist, pharmacist, of (a) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and (b) the expenses to be reimbursed by an insurance or a government agency
>
> Written confirmation by the insurance company, or employer, of health insurance premiums to be paid by the family

Written confirmation from the Social Security Administration on Medicare premiums to be paid by the family over the next twelve months. A computer printout, or copy of award letter indicating Medicare deductions, will be accepted.

For attendant care:

A reliable, knowledgeable, professional's certification that the assistance of an attendant is necessary as a medical expense with a projection of the number of hours the care is needed

An attendant's written confirmation of the hours of care provided, and the amount and frequency of payments received from the family or agency (or copies of canceled checks the family used to make those payments) or pay stubs or written verification from the agency providing the services.

Receipts, canceled checks, or pay stubs that clearly reflect and describe medical costs and insurance expenses likely to be incurred in the next twelve months will be accepted.

Copies of payment agreements, or most recent invoices to verify payments made on outstanding medical bills will continue over all or part of the next twelve months.

Receipts or other records of medical expenses incurred during the past twelve months that can be used to anticipate future medical expenses may be accepted. The HACSD may use this approach for "general medical expenses," such as non-prescription drugs, and regular visits to doctors or dentists, but not for one time, nonrecurring expenses from the previous year.

Prescribed medicines and drugs: Must be prescribed by a doctor. The family must provide legible pharmacy receipts that clearly indicate the expense amount in U.S. dollars, date, and the type of medicine purchased.

Nonprescription medicines: Refer to IRS Publication 502 guidelines for the handling of nonprescription medicines. Except for insulin, medical expenses amounts paid for a drug that is not prescribed is not an eligible medical expense. For example, the doctor recommends that the participant takes aspirin. For example, aspirin is a drug that does not require a physician's prescription so the cost is not an eligible medical expense.

Herbal medicines: To be allowed, the family must provide a medical professional's written recommendation for the necessity of their use as a necessary treatment for a specific medical condition, the name of the herbal medicine, and the quantity recommended. The family must also provide legible receipts that clearly indicate the amount in U.S. dollars, date, type and quantity of herbal medicine purchased.

Vitamins: To be allowed, the vitamins must be prescribed, purchased from a pharmacy, and accompanied by a medical professional's written recommendation for their use as a necessary treatment for a specific medical condition. The family must also provide legible pharmacy receipts that clearly indicate the amount in U.S. dollars, date and type of vitamins purchased.

Mileage for San Diego County medical appointments: The HACSD will provide allowances for mileage expenses for medical appointments within San Diego County at the lower of the current IRS standard mileage rate, as long as copies of mileage logs are provided. Mileage logs must be documented with starting address and destination address, odometer readings with beginning and ending mileage, and purpose and date of visit. Bus, trolley, or cab fare must be documented with legible receipts that provide the date and cost of the trip along with destination address and purpose of the trip. Transportation expenses for medical appointments outside of San Diego County are not allowed.

Medical services: To be allowed, the family must provide legible receipts that clearly indicate the medical services, the amount in U.S. dollars, dates of the services, the names and addresses of the medical providers, and if the providers are physicians, surgeons, specialists, or other medical practitioners.

Medical Devices: To be allowed as a medical expense, a medical device must be directly related and created to treat or assist in treating a specific disease or medical condition. For example, a blood tester for a person with diabetes is an eligible medical expense, as is a blood pressure device for a person with high blood pressure, or an oxygen unit for a person with emphysema.

Medical supplements in solid or liquid form: To be allowed, the supplements must be prescribed, purchased from a pharmacy, and accompany a medical professional's written recommendation for their use as a treatment for a specific medical condition. The family must also provide legible pharmacy receipts that clearly indicate the amount in U.S. dollars, the date and type of supplements purchased.

Medical Insurance premiums: Must provide receipts or official documentation of current monthly premiums.

Standards for Physical Therapy/Exercises at Non-Traditional Settings

Physical and mental health therapy expenses for treatment at non-traditional[1] settings are allowed medical expenses, providing the treatment is necessary to treat a specific disease or medical condition, is prescribed by a licensed medical professional, and providing the treatment is administered and/or directly supervised by a licensed medical professional.

The expense for the use of recreational facilities (e.g., health club, gym, spa, massage center, tennis court, etc.) not directly administered and/or supervised by a licensed medical professional to ensure the facilities are being used in the prescribed manner, is **not** an allowed medical expense.

A licensed medical professional must provide a written statement indicating the type of therapy at a non-traditional setting is needed by the patient, whether the therapy is necessary to treat a specific disease or medical condition, the number of hours per week or month the therapy is to be provided, the setting or settings where the therapy may be provided, and whether the therapy is needed on an ongoing basis or the specific period of time the therapy is needed.

A medical professional administering and/or supervising a therapy or treatment for a specific disease or medical condition at a non-traditional setting must provide verification indicating the number of hours per week or month the medically prescribed therapy/treatment is being accessed.

In the case of allowed medical expenses for the use of recreational facilities, if the cost of the use of the facilities includes non-treatment services/activities, the medical expenses portion of the payment will be prorated based on the number of hours necessary to treat the specific disease/medical condition versus the overall number of hours the facility is available to the patient. For example, in the case of an individual membership at a 24-hour/365 day fitness center at which the patient is prescribed one-hour daily/365 days a year of medically supervised exercises/physical therapy that are necessary to treat a specific medical condition or disease, the total allowable expenses would be 1/24th of the overall cost.

[1] As opposed to traditional physical or mental health therapy administered by licensed medical personnel at their medical offices, medical facilities, or hospitals.

Medicare Prescription Drug Plan – Part D

The permanent Medicare Prescription Drug Plan benefit takes effect January 1, 2006. This plan makes prescription drug coverage available to all Medicare beneficiaries. Medicare beneficiaries with low income and limited assets are eligible for additional assistance to pay for Medicare Prescription Drug Plan costs.

In calculating annual income for a family, the low-income subsidy received to assist low-income persons in paying for their Medicare Prescription Drug Plan costs must be excluded as annual income for the purpose of calculating any rent or assistance.

The amount of out-of-pocket expenses for prescription drugs is treated as a standard medical expense. The premiums some plan participants may pay for this plan will be treated as a medical expense.

Ineligible Medical Expenses

Medicines and other items and treatments that are not for the treatment for a specific medical condition, but recommended to maintain general health, or as a preventative treatment, are not eligible medical expenses. Personal use items are not eligible medical expenses. Treatment in a non-traditional, non-medical setting is not an eligible medical expense unless it is directly administered or supervised by a licensed medical professional.

DISABILITY ASSISTANCE EXPENSES

[24 CFR 5.603(b) and 5.611(a)(3)(ii)]

Disability assistance expenses, not reimbursed from another source, may be deducted to the extent the total expenses plus medical expenses do not exceed three percent (3%) of annual income. Disability assistance expenses are only allowable to the extent they allow a family member, including the disabled family member, to work, and the expenses may not exceed the gross income of that family member allowed to work.

The family must identify the family members enabled to work as a result of disability assistance expenses. In evaluating the family's request, the HACSD will consider factors such as how the work schedule of the relevant family members relates to the hours of care provided, the time required for transportation, the relationship of the family members to the person with disabilities, and any special needs of the person with the disabilities.

If the disability assistance expenses allow multiple family members to work, the expenses will be capped by the combined gross employment income of those family members.

Eligible Disability Expenses

Auxiliary Apparatus

Expenses incurred for maintaining or repairing an auxiliary apparatus are eligible disability expenses. In the case of an apparatus that is specially adapted to accommodate a person with disabilities (e.g., a vehicle or computer), the cost to maintain the special adaptations, but not the cost of the apparatus itself, is an eligible expense. In order for the cost of a service animal to be an eligible expense, the family must provide documentation from the agency that trained the service animal that describes the type of animal and the animal's unique skills and abilities, as well as a verification from a medical professional regarding the need for the service animal to provide disability assistance services. The cost of an approved service animal, including the cost of acquiring the animal, veterinary care, food, grooming, and other continuing costs of care will be eligible disability expenses.

Auxiliary Apparatus expense verifications include:

> Receipts for purchases, or proof of monthly payments, and maintenance expenses for auxiliary apparatus
>
> In the case where the person with disabilities is employed, required documentation includes a statement from the employer stating that the auxiliary apparatus is necessary for employment. In the case where the auxiliary apparatus allows another adult to work, required documentation includes a statement from the family that the apparatus is necessary to allow an adult family member to work

Eligible Attendant Care

Attendant care includes, but is not limited to, reasonable costs for home medical care, nursing services, in-home or center-based care services, interpreters for persons with hearing impairments, and readers for persons with visual disabilities.

Attendant care expenses will be allowed for the period that person enabled to work is employed plus reasonable transportation time. The cost of general housekeeping and personal services are not eligible expenses. However, if the person enabled to work is the person with disabilities, personal services necessary to enable the person to work are eligible.

The HACSD will allow a prorated expense deduction if the attendant provides other services not related to disability assistance, such as housekeeping or childcare. The proration will be based on the number of hours spent on eligible activities as compared with the total hours worked.

Attendant care verifications include:

An attendant's written certification of amount received from the family, frequency of receipt, and hours of care provided

Certification of family and attendant and/or copies of canceled checks the family used to make payments

Necessary and Reasonable Expenses
The HACSD will only allow reasonable disability expenses and may verify the reasonableness of those expenses by obtaining information from organizations that provide services to persons with disabilities.

In all cases, required documentation includes:

A written certification from a reliable, knowledgeable professional, stating that the person with disabilities requires the services of an attendant and/or the use of auxiliary apparatus, to permit him/her to be employed, or to enable another family member to be employed.

The family must certify whether it receives reimbursement for any of the expenses of disability assistance, and the amount of any reimbursement received.

TOTAL TENANT PAYMENT AND TENANT RENT

PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES

[24 CFR 5.520]

Applicability

Proration of assistance for mixed families must be offered to any "mixed" applicant or participant family. A "mixed" family includes at least one U.S. citizen or eligible immigrant, and any number of ineligible members.

Prorated Assistance Calculation

Prorated assistance is calculated by determining the amount of assistance payable if all family members were eligible and multiplying by the percent of the family members who actually are eligible. Calculations are performed on the HUD 50058 form.

MINIMUM RENT
[24 CFR 5.630]

Minimum Rent Amount

The HACSD "Minimum rent" is zero. Minimum rent refers to the total tenant payment and includes the combined minimum amount a family must pay towards rent and/or utilities. "Subject to minimum rent" means the minimum rent was the greatest of either 30 percent of the monthly-adjusted income, 10 percent of the monthly gross income, or the minimum rent.

Hardship Requests for an Exception to Minimum Rent

All above minimum rent activities that fall under 24 CFR 5.630 and under the October 21, 1998 Quality Housing and Work Responsibility Act are not applicable as long as the HACSD has zero minimum rent.

ZERO HAP

A family determined to be ineligible for assistance because its TTP exceeds the lower of the gross rent or payment standard will continue on the program for 180 days after the determination of zero HAP. A notice of intended action will be issued to the family effective the initial date of the zero HAP status.

A family that requests to transfer during the 180-day period will be issued a transfer packet and a voucher, providing that family is eligible to move. However, the HACSD may not enter into a HAP contract if the family would be in zero HAP at the new unit.

UTILITY REIMBURSEMENT PAYMENT
[24 CFR 982.514(b)]

The utility reimbursement payment will be issued directly to the family.

RESERVED

Chapter

5

VOUCHER, SUBSIDY STANDARDS, HOUSEHOLD COMPOSITION

[24 CFR Part 982.303, 982.402, 982.551, 982.54(d)(9)]

INTRODUCTION

HUD guidelines require PHAs to establish a term for issued vouchers. In addition, a PHA must establish subsidy standards for the determination of family unit size that provide for a minimum commitment of subsidy while avoiding overcrowding. The standards used for the unit size must be within the minimum unit size requirements of HUD's Housing Quality Standards (HQS). This chapter explains the established term for voucher utilization, subsidy standards that HACSD will use to determine the voucher size (family unit size) for families when they are selected from the waiting list, the HACSD's procedures for a family size change, and for family selection of a unit of a different size than the voucher size.

VOUCHER PROVISIONS

[24 CFR 982.302, 982.303, 982.54(d)(11)]

During the briefing session or upon approval of participant's transfer of unit, a household will be issued a Housing Choice Voucher, form HUD-52646. The voucher represents a contractual agreement between the HACSD and the family specifying the rights and responsibilities of each party. It does not by itself constitute admission to the program, which occurs after a family is selected off the Section 8 waiting list, found eligible, attends a briefing, the initial unit passes inspection, and the initial lease and contract become effective.

The voucher is the family's authorization to search for housing. It specifies the unit size for which the family qualifies, and includes both the date of voucher issuance and the initial date of expiration. It contains a brief description of how the program works and explains the family obligations under the program. The voucher is evidence the PHA has determined the family to be eligible for the program and that

the PHA expects to have money available to subsidize the family if the family finds an approvable unit. However, the PHA does not have any liability to any party by the issuance of the voucher, and the voucher does not give the family any right to participate in the PHA's Housing Choice Voucher Program. If the HACSD determines there is insufficient funding after a voucher to an applicant is issued, the HACSD may rescind the voucher and place the affected family back on the waiting list.

EXPIRATIONS

The voucher is valid for a period of 90 calendar days from the date of issuance. The family must submit a RFTA within the 90-day period. An extension may or may not be granted, depending on current departmental policy. If the voucher has expired, the family will be denied assistance and must reapply to the HACSD waiting list. The family will not be entitled to a review or hearing.

SUSPENSIONS

When a RFTA is received, the HACSD will add the number of days taken to process the RFTA to the term of the voucher. This is called "tolling."

EXTENSIONS

If the HACSD is allowing extensions, a family may request, in writing prior to voucher expiration, an extension to the term of the voucher. The program manager or designee must approve all voucher extensions beyond the initial 90 days. An initial extension will be for a period of no more than 90 days.

Extensions are permissible if funding is available and at the discretion of the HACSD.

An extension, upon verification, may be granted based on the following factors:

> The family suffered an illness, injury, hospitalization or a family emergency for an extended period of time, which has affected the family's ability to find a unit.
>
> The family is a large hard to house family.
>
> The family has a need for reasonable accommodation for a disabled family member.
>
> The Division Chief has authorized extensions

The HACSD must be satisfied that the family has made a reasonable effort to locate a unit, including seeking the assistance of the HACSD, throughout the initial 90-day period. A written family search record may be required.

ASSISTANCE TO VOUCHER HOLDERS

Families who require additional assistance during their search may call the HACSD to request assistance.

The HACSD will assist families on lease negotiations with owners, and provide other assistance related to the families' search for housing.

After the first 30 days of the search, the family should maintain a search record. The search record may be required for any voucher extension requests. The search record must include a list of the units visited. This list must include the dates the units were examined, the landlords' names and telephone numbers, the unit addresses, the rents, and why the voucher holder was not able to rent the unit.

VOUCHER ISSUANCE DETERMINATION FOR SPLIT HOUSEHOLDS

[24 CFR 982.315]

When an assisted family or a family who has been issued a voucher divides into two otherwise eligible families, and cannot agree as to which new family unit should retain the assistance and/or the voucher, and there is no determination by a court, the HACSD, to determine which family will receive the voucher, will consider the following factors, in ranking order of importance, with one (1) of the greatest importance, and six (6) of the least importance:

1. Whether domestic violence was involved in the breakup
2. Which of the two new family units has custody of dependent children.
3. The composition of the new family units, and which unit contains elderly or disabled members
4. Recommendations of social service professionals
5. Which family member was the head of household when the voucher was initially issued, as indicated on the initial application.
6. Which family members are remaining in the assisted unit.

Documentation of these factors will be the responsibility of the requesting parties.

The decision on who will be assigned the voucher will be issued in writing to both parties within 30-days of the request for assignment. The party not assigned the voucher may request an administrative review of the decision within 14-days of the date of the notice. The decision will be reviewed by a Housing Specialist II or above who was not a party to the original decision.

DETERMINING VOUCHER SIZE (FAMILY UNIT SIZE)

[24 CFR 982.402]

The HACSD may change its subsidy standards at any time, without prior notice to its participants, should the circumstances warrant it, such as in the case of funding reductions.

The voucher size is determined prior to the briefing by comparing the family composition to the HACSD subsidy standards.

The applicable subsidy standards relate to the number of bedrooms on the voucher, not the family's actual living arrangements. After initial voucher issuance, the voucher size may **increase** for approved household additions, for a reasonable accommodation for a person with disabilities, or for a live-in aide. After initial voucher issuance, the voucher size will not **decrease**, unless there is a change in family composition, the family is no longer entitled to an exception to the subsidy standards, the subsidy standards change, or the subsidy standards were incorrectly applied.

SUBSIDY STANDARDS

The HACSD does not concern itself with who shares a bedroom/sleeping room, but requires at least one person who is a permanent member of the household per bedroom when determining the voucher size.

The HACSD's subsidy standards for determining voucher size shall be applied in a manner consistent with fair housing guidelines.

Generally, upon voucher issuance to new program admissions and incoming ports, the HACSD will issue a voucher within the following guidelines:

> One bedroom is assigned for the head of household/spouse or head/co-head, and one bedroom is awarded to each additional two household members, including permanent foster children/adults, regardless of sex, age or relationship. A live-in aide is entitled to a separate bedroom.
> Permanent foster children/adults are defined as those expecting to reside with the family for at least one year.
>
> No additional voucher bedrooms are provided for a live-in aide's family.
>
> A family member may have only one live-in aide.

Space will not be provided for a family member, other than a spouse, who will be absent most of the time, such as a member absent due to military service.

A single pregnant woman is eligible for a two-bedroom voucher.

For incoming portability, the above standards apply to family members listed on the HUD-50058. Any additional family members to be added to those listed on the HUD-50058 will require HACSD approval and are subject to the limitations to household additions applied to program participants.

Increases in Voucher Unit Size for Participants

The HACSD may increase the voucher size upon the approval of additional household members including permanent foster children/adults, the addition of a live-in aide, or as a reasonable accommodation for a person with disabilities. The family must request a review of its voucher size in writing.

Decreases in Voucher Unit Size for Participants

The HACSD will not reduce the voucher unit size for participants unless there is a change in household composition, the family is no longer entitled to a reasonable accommodation or a live-in aide, the subsidy standards change, or it is found the current subsidy standards were never applied or were applied in error. A reduction in voucher size will be applied at the next family recertification, or as soon as possible thereafter. The family must receive at least 60-days advance notification of a reduction in voucher size.

EXCEPTIONS TO SUBSIDY STANDARDS

[24 CFR 982.402]

The HACSD may grant exceptions to its subsidy standards, upon request, providing the HACSD determines the exceptions are justified and documented

REASONABLE ACCOMMODATION

A reasonable accommodation request will not be considered if there is bedroom space available to other family members, such as a shared bedroom, that if utilized, would free up a separate bedroom for the disabled family member. Non-bedroom areas will not be considered in making this determination.

The HACSD will not approve an additional bedroom for non-living purposes, such as the placement of equipment/supplies, unless the equipment/supplies are necessary for a person with disabilities and are necessary to meet that person's immediate needs. Medical equipment/supplies that are not currently being used, or may not be

used within the next six months, are not considered in the determination of need for an extra bedroom.

The disability **must** meet the HUD definition of disability that requires a reasonable accommodation. Refer to the glossary for the HUD definition of a person with disabilities.

LIVE-IN AIDE

A live-in aide is entitled to a separate bedroom. If a live-in aide is added to the household, the family is entitled to a one-bedroom increase in voucher size, providing they are living in or transferring to an appropriately sized unit.

A live-in aide's family members may reside in the unit as long as the unit is not over-crowded, but they are not entitled to additional bedrooms.

REQUEST FOR EXCEPTIONS TO SUBSIDY STANDARDS

The family must request, in writing, a larger voucher than warranted under the HACSD subsidy standards as a reasonable accommodation for a family member with disabilities or for a live-in aide. The family request must justify the need for a larger voucher. A family request for a reasonable accommodation must also explain what about the additional bedroom will allow the person with disabilities better access to the program. A reasonable accommodation will only be given to the person with disabilities – not the family member without disabilities.

A state of California licensed doctor, or other state of California licensed medical professional, such as a nurse, psychiatrist, psychologist, or a social service professional must provide a certification initially and upon family transfer of the need for additional bedrooms as a reasonable accommodation for a family member with disabilities, or the need for a live-in aide. In addition, the health professional must explain why the extra bedroom is needed to provide a reasonable accommodation for that family member and/or why the live-in aide is necessary to provide care to the elderly or near-elderly household member or a household member with disabilities. The HACSD will require only the information necessary to determine the needs that warrant an additional bedroom or live-in aide, and not to determine the type of disability.

DETERMINATION OF HOUSEHOLD STATUS AND COMPOSITION

FAMILY COMPOSITION

[24 CFR 982.201]

The family must obtain HACSD approval of any additional family member prior to that person moving into the assisted unit, unless the addition is by birth, adoption, return of disabled or minor children to the family, or court-awarded custody.

Unrestricted Admissions

Additions through birth, adoption, court-awarded custody and the return of disabled or minor children to the household do not require prior approval, but the family is still required to report these additions within 14 days, and these additions are still subject to family eligibility requirements, such as criminal history prohibitions.

Partially Restricted Admissions

The addition of foster children/adults is allowed with prior HACSD approval. They may not be added if the unit will be overcrowded, but the family may transfer to add. The family may receive a larger voucher to add permanent foster children/adults in accordance with the subsidy standards.

The addition of a live-in aide is allowed with prior HACSD approval. Live-in aides may not be added if the unit will be overcrowded, but the family may transfer to accommodate the live-in aide. A live-in aide is entitled to a separate bedroom.

UNRESTRICTED, PARTIALLY RESTRICTED AND RESTRICTED ADMISSIONS TO THE HOUSEHOLD

Type of Admission?	Approval?	Criteria to allow admission?
Children born to the assisted family	No	None
Court-Awarded Custody	No	If found to have engaged in prohibited activities, the family must take action to exclude from the household
Return of Minor or Disabled Children to the Family (must have been a part of the family at one time)	No	If found to have engaged in prohibited activities, the family must take action to exclude from the household
Adoption	No	If found to have engaged in prohibited activities, the family must take action to exclude from the household
Other Adults	Yes	Each Other Adult added must have income and if employed, a work history of at least 32 hours per week for the last 12 months or other steady income for last 12 months No prohibited activities, including criminal history Landlord must approve in writing in advance May not be added if unit will be overcrowded but family may transfer to add Subject to the limitation of no more than two people every 12 months of Other Adults/Children
Other Children	Yes	No prohibited activities, including criminal history Landlord must approve in writing in advance May not be added if unit will be overcrowded but family may transfer to add Subject to the limitation of no more than two people every 12 months of Other Adults/Children
Foster Children/adults	Yes	No prohibited activities, including criminal history Landlord must approve in writing in advance May not be added if unit will be overcrowded but family may transfer to add permanent foster children/adults
Live-in Aide	Yes	No prohibited activities, including criminal history Landlord must approve in writing in advance May not be added if unit will be overcrowded but family may transfer to add May not be added if they may negatively impact the family

Restricted Admissions

All admissions to the household not categorized above are limited to a total of two persons in a 12-month period. The voucher size may be increased in accordance with the subsidy standards. Each restricted adult admission must currently have income and have a steady income history over the last 12 months. If the income is from employment, they are required to be employed a minimum of 32 hours per week for the previous 12 months. They may not be added if the unit is overcrowded, but the family may transfer to add. They will not be approved without the owner's permission. Exceptions to the income requirement for close blood relatives of the head of household or spouse may be granted based on documented hardship or serious medical reasons.

Qualifying Family

A qualifying family may be a single person or a group of persons.

A family may or may not include a child or children. A family may consist of one or more elderly or disabled persons living together, or one or more elderly or disabled persons living with one or more live-in aides. The HACSD determines if any other group of persons qualifies as a family.

A single person family may be:

An elderly 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 **temporary** placement in foster care is considered a member of the family.

A family also includes:

Two or more persons residing together using their combined income and resources to meet their needs.

Two or more elderly or disabled persons residing together sharing income and resources.

One or more elderly, near elderly or disabled persons residing together, with one or more live-in aides.

Head of Household

The head of household is the adult member of the household designated by the family as the person wholly or partly responsible for paying the rent and with the legal capacity to enter into a lease under state/local law. Emancipated minors who qualify under state law may be recognized as head of household.

Spouse of Head of Household

Spouse means the husband or wife of the head of household.

For proper application of the non-citizen rule, the definition of spouse is: the marriage partner for whom, in order to dissolve the relationship, must be legally divorced. In addition, the partner in a common law marriage is also considered a “spouse.” The term "spouse" does not apply to boyfriends, girlfriends, significant others, or co-heads.

Co-Head

A co-head is 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.

Elderly and Near Elderly Persons, Elderly Family

[24 CFR 5.100 and 5.403]

An elderly person is at least 62 years of age. A near-elderly person is at least 50 years of age. An elderly family is one in which the head, spouse, cohead, or sole member is an elderly person.

Persons with Disabilities and Disabled Family

[24 CFR 5.403]

A disabled family is one in which the head, spouse or cohead is a person with disabilities. Persons with drug or alcohol dependencies are considered persons with disabilities for protection against discrimination, although these persons must comply with all eligibility criteria, including not engaging in illegal drug activities or a pattern of alcohol abuse.

The term “person with disabilities” means a person who has any of the following types of conditions:

Has a disability, as defined in 42 U.S.C. Section 423(d)(1)(A), which reads:

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

In the case of an individual who has attained the age of 55 and is blind (within the meaning of "blindness" as defined in section 416(i)(1) of this title) inability by reason of such blindness to engage in substantial gainful activity, requiring skills or ability comparable to those of any gainful activity in which s/he has previously engaged with some regularity and over a substantial period of time.

Has a developmental disability as defined in the Developmental Disabilities Assistance and Bill of Rights Act [42 U.S.C.6001(8)], which defines developmental disability in functional terms as:

A severe, chronic disability of a person five years of age or older which:

Is attributable to a mental or physical impairment or combination of mental and physical impairments

Is manifested before the person attains age twenty-two

Is likely to continue indefinitely

Results in substantial functional limitations in three or more of the following areas of major life activity: (i) self-care, (ii) receptive and responsive language, (iii) learning, (iv) mobility, (v) self-direction, (vi) capacity for independent living, and (vii) economic self-sufficiency; and

Reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services which are of lifelong of extended duration and are individually planned and coordinated; except that such term, when applied to infants and young children, means individuals from birth to age five, inclusive, who have substantial developmental delay or specific congenital or acquired conditions with a high probability of resulting in developmental disabilities if services are not provided.

Has a physical, mental, or emotional impairment that is expected to be of long-continued and indefinite duration; substantially impedes his or her ability to live independently, and is of such a nature that the ability to live independently could be improved by more suitable housing conditions.

People with acquired immunodeficiency syndrome (AIDS) or any conditions arising from the etiologic agent for AIDS are not excluded from this definition.

Individual with Handicaps
[24 CFR 8.3]

For the purposes of reasonable accommodation and program accessibility for persons with disabilities, the term persons with disabilities refers to an individual with handicaps.

An individual with handicaps means any person who has 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 term does not include any individual who is an alcohol or drug abuser whose current use of alcohol or drugs prevents the individual from participating in the program or activity in question, or whose participation, by reason of such current alcohol or drug abuse, would constitute a direct threat to the property or safety of others.

A physical or mental impairment includes:

> Any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs, respiratory, including speech organ; cardiovascular; reproductive; digestive; genito-urinary, hemic and lymphatic; skin; and endocrine; or
>
> Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term physical or mental impairment includes, but is not limited to, such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.

Major life activities means functions such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning, and working.

Has a record of such impairment means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major life activities.

Is regarded as having an impairment means:

Has a physical or mental impairment that does not substantially limit one or more major life activities but that is treated by a recipient as constituting such a limitation;

Has a physical or mental impairment that substantially limits one or more major life activities only as a result of the attitudes of others toward such impairment; or

Has none of the impairments defined under physical or mental impairment, but is treated by a recipient has having such an impairment.

Dependent

Under 24 CFR 5.603, a dependent is a family member who is under 18 years of age or a person of any age who has disabilities or is a full-time student. A dependent can never be the head of household, spouse, cohead, foster children/adults, or live-in aides.

Children Receiving Kin-GAP

All of Kin-GAP assistance paid by the State of California is excluded from the family's annual income. The children are regular family members and are treated like any other dependents.

Children Receiving Adoption Assistance

All but $480.00 of Adoption Assistance is excluded from the family's annual income. The children are regular family members and are treated like any other dependents.

Foster Children/Adults

A family may include foster children/adults. Foster adults are usually persons with disabilities, unrelated to the assisted family, who are unable to live alone [24 CFR 5.609]. A foster child is a child that is in the legal guardianship or custody of a state, county, or private adoption or foster care agency, yet is cared for by foster parents in their own homes, under some kind of short-term or long-term foster care arrangement with the custodial agency.

Documentation must be submitted to verify the identity of the foster children/adults, to confirm they are foster children/adults and the benefits paid on behalf of the foster children/adults. A streamlined documentation process is acceptable for foster children/adults expected to be in the household for a short period of time. Foster

children/adults expected to be in the household at least one year are considered a part of the family in determining the subsidy standards and income limits.

Foster children/adults are considered household members, but not family members. They are treated differently than family members:

The income paid on behalf of foster children/adults is not counted in determining the rental subsidy.

No dependent allowances for foster children/adults

No childcare expense deductions for foster children/adults

Foster children/adults are not subject to non-citizen rule requirements.

Foster children/adults may not be considered remaining members of the tenant family.

Live-in Aides

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

Is determined by the HACSD to be essential to the care and well being of a near elderly (at least 50 years of age) or elderly person or a person with disabilities and will provide services that cannot be provided any other way.

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

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

Was not a member of the assisted household as a family member for at least one year prior to being admitted as a live-in aide.

Is the only live-in aide providing services to that family member.

Will not overcrowd the unit

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 a remaining member of the tenant family.

A live-in aide may not have an ownership interest in the dwelling unit.

A live-in aide must be out of the assisted household for at least one year before s/he is eligible to be admitted to the assisted unit as a family member.

A household member must be out of the assisted household for at least one year before s/he is eligible to be admitted to the assisted unit as a live-in aide.

A live-in aide must be available to the family member the required number of hours prescribed on the medical professional's verification

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

A live-in aide may only reside in the unit with the approval of the HACSD. Written verification will be required from a state of California licensed professional, such as a doctor, social worker, or caseworker. The verification must certify that a live-in aide is needed for the care of the family member who is near elderly, elderly, or disabled, the number of hours of daily care necessary, and that the services provided by the live-in aide cannot be provided any other way.

A participating family whose live-in aide has left the household has 30 days from the date the live-in aide left to obtain another eligible live-in aide. After 30 days, a 60-day notice of action will be issued reducing the voucher size. If an eligible live-in aide is approved prior to the effective date of the notice of action, the notice of action will be rescinded. An applicant or transferring family must identify an eligible live-in aide prior to execution of the HAP contract.

Per Title 24 CFR 982.316, the HACSD may refuse to approve a particular person as a live-in aide, or may withdraw such approval if:

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

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

The person is subject to the sex offender registration requirement of a state sex offender registration program, or

The person is obviously not capable or not available to fully meet the needs of the person requiring a live-in-aide, or

The person is not approved by the landlord, or

The person has a history of disturbance or other occupancy problems, or

The person is unwilling to provide proof of identification or unwilling to sign the necessary releases of information, or

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

The HACSD will deny the admission of a live-in aide as outlined in 24 CFR Part 982.553 in accordance with the prohibition period outlined in Chapter 3. In particular, the HACSD will deny admission of a live-in aide for criteria outlined under 24 CFR Part 982.553 (a) (ii) (3) for permissive prohibitions to prohibit program admission for "other criminal activity which may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity."

The family members of a live-in aide may reside in the unit with approval of the HACSD. However, the HACSD reserves the right to rescind the approval or disapprove the addition of family members of a live in aide because they may negatively impact the assisted household, or because they are not the dependants or the spouse of the live-in aide.

Remaining Member of the Family
[24 CFR 982.315]

A remaining member of the tenant family is the person remaining in the household when the head of household, spouse/co-head are absent. Authorized family members are eligible for remaining member status and the family's voucher.

A live-in aide, the family of a live-in aide, or foster children/adults are not eligible for remaining member status.

In order for a minor child to continue to receive assistance as a remaining family member:

The court has awarded emancipated minor status to the minor, or

The HACSD has verified that social services and/or the juvenile court has arranged for another adult to be brought into the assisted unit to care for the child for an indefinite period.

A reduction in family size may require a reduction in the voucher size.

Visitors

A visitor, except as noted below, who is in the unit more than fourteen consecutive days without HACSD approval, or a total of 30 days in a twelve-month period, will be considered to be living in the unit as an unauthorized household member.

Statements from neighbors and/or the landlord will be considered in making the determination.

Use of the unit address as the visitor's current residence for any purpose that is not explicitly temporary shall be construed as permanent residence.

Absence of evidence of any other permanent address will be considered verification that the visitor is a member of the household.

The burden of proof that the individual is a visitor rests on the family. In the absence of such proof, the individual will be considered an unauthorized member of the household, and the HACSD will terminate assistance.

The limitation on visitors is not applicable to minors and college students who were once part of the household, children under a joint custody agreement, and adult caretakers, not included on the HUD 50058. Minors and college students who were part of the family, but who now live away from home during the school year and are no longer on the lease, may visit, with the owner's and the HACSD's permission, for up to 120 days per year without being considered a member of the household. An adult caretaker may remain in the unit as a visitor for up to 180 days.

"Mixed Families"

[24 CFR 5.518]

Under the non-citizens rule, "mixed" families are families that include at least one citizen or eligible immigrant and any number of ineligible members.

The non-citizens rule was implemented prior to November 29, 1996, and "mixed" families who were participants as of June 19, 1995, shall continue receiving full assistance if they meet all of the following criteria:

The head of household or spouse is a U.S. citizen or has eligible immigrant status; and

All members of the family other than the head, the spouse, parents of the head or the spouse, and children of the head or spouse, are citizens or eligible immigrants. The family may change the head of household to qualify for this provision.

TEMPORARILY/PERMANENTLY ABSENT FAMILY MEMBERS

[CFR 982.54(d)(10), 982.551]

The HACSD must count all applicable income of every family member who is on the lease, including those who are temporarily absent. In addition, the HACSD must count the income of the spouse, cohead or the head of the household, if that person is temporarily absent, even if that person is not on the lease. The income of a permanently absent spouse who was previously in the assisted household will be counted unless the family has filed for a divorce or legal separation.

"Temporarily absent" is defined as a family member away from the unit for no more than 180 consecutive days.

Income of persons permanently absent, except a spouse who is not legally separated, will not be counted. If the spouse is temporarily absent and in the military, all military pay and allowances (except hazardous duty pay when exposed to hostile fire and any other HUD-defined exceptions to military pay) are counted as income.

It is the responsibility of the head of household to report changes in family composition. The HACSD will evaluate absences from the unit using this policy.

Absence of Any Member

A member of the household is considered permanently absent if s/he is away from the unit for six consecutive months or more in a twelve-month period, except as otherwise provided in this Chapter. A sole member is considered permanently absent if absent from the unit for 30 consecutive days. A sole member may be granted an extension of up to 180 consecutive days for medical reasons or a family emergency.

If a member of the household is subject to a court order that restricts him/her from the home for more than six months, the person will be considered permanently absent.

Absence Due to Medical Reasons/Confined to Nursing Home

CFR 982.54(d)(10)]

If a family member leaves the household to enter a facility such as a hospital, nursing home, or rehabilitation center, the HACSD will require verification from a reliable, qualified source as to the likelihood of his/her return, and the anticipated length of his/her absence.

Sole Family Member

If the verification indicates the sole family member is permanently confined to a nursing home, s/he will be considered permanently absent and assistance will be terminated. If the verification indicates the sole family member may return in less than 180 consecutive days, or is unsure when the sole family member will return, the family member may be considered temporarily absent.

Remaining Household Member

If a family member is confined to a hospital or nursing home for an indefinite duration, and there is a family member left in the household, the HACSD will calculate the lower family rent by comparing the following methods:

> Exclude the income of the person confined to the nursing home, give the family no deductions for the medical expenses of the confined family member, and review and reduce the family's voucher size, if appropriate.
>
> OR
>
> Include the income of the person confined to the nursing home and give the family the medical deductions allowable on behalf of the person in the nursing home.

Absence Due to Full-time Student Status

Full time students who attend school away from the home will be treated in the following manner:

> A student (other than head of household, spouse or cohead) who attends school away from home, but lives with the family during school recesses may, depending on the circumstances, be considered either temporarily or permanently absent. If the family member is considered permanently absent, income of that member will not be included in total household income, the member will not be included on the lease, and the member will not be

included for determination of voucher size.

With the exception of students at boarding school or residing in school dormitories, students who are out of the home more than 50 percent of the year are considered permanently absent.

Absence due to Incarceration

If a household member is incarcerated for more than 180 consecutive days, s/he will be considered permanently absent.

The HACSD will request documentation necessary to determine if the reason for incarceration is for prohibited activities, and take the appropriate action.

Absence of Children due to Placement in Foster Care

The HACSD will verify with the appropriate agency when a child or children, temporarily absent from the home due to placement in foster care will return. In addition, the HACSD will determine why the children were placed in foster care for purposes of determining if a family member had engaged in violent or drug-related criminal activities that may be cause for denial or termination of assistance.

If the time period in foster care is to be greater than six months from the date of removal of the children, or the children have been removed permanently, the voucher size will be reviewed and reduced, if appropriate.

Absence of Entire Family

In cases where the family has moved out of the unit, the HACSD will terminate assistance in accordance with appropriate termination procedures contained in this Plan.

Families are required to notify the HACSD before they move, or are absent more than 30 consecutive days from a unit.

If the entire family is absent from the assisted unit for more than 30 consecutive days, the unit will be considered vacated, and the assistance will be terminated. However, the HACSD may grant an extension for absences of up to 180 consecutive days for a family emergency or medical reasons.

HUD regulations require the HACSD terminate assistance when the entire family is absent from the unit for a period of more than 180 consecutive calendar days.

"Absence" means that no family member is residing in the unit.

In order to determine if the family is absent from the unit, the HACSD may:

Write letters to the family at the unit

Telephone the family at the unit

Verify if utilities are in service

Check with the post office

Visit the Unit

Schedule an appointment with the family

Contact the neighbors

Contact the manager

Absence of Parents and Assignment of Caretaker for Children

When the courts or a social service agency has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period, in instances when the parents have vacated, the HACSD will treat that adult as a visitor for the first 180 days. During the time the caretaker is considered a visitor, the caretaker's income will not be counted, or deductions allowed.

After 180 days, if the court awards custody or legal guardianship to the caretaker, the voucher will be transferred to the caretaker, providing the caretaker meets all eligibility criteria for household additions.

If there is court action to award custody or legal guardianship is in process, the caretaker will be approved to continue in the unit as a visitor beyond 180 days .

The HACSD will transfer the voucher to the caretaker, in the absence of a court order, if the caretaker has been in the unit for more than twelve months, and it is reasonable to expect custody to be granted.

If custody is awarded for a limited time, the HACSD will state in writing that the transfer of the voucher is for a limited time, and as long as the caretaker has the custody of the children.

Once the caretaker is approved by the HACSD and no longer considered a visitor, the income of the caretaker will be counted and deductions will be allowed.

Court-Ordered Temporary Absence

When a court order restricts someone who has been considered a family member from living in the home, the PHA must determine whether the member is temporarily or permanently absent. This policy applies to circumstances such as temporary restraining orders, but not jail or prison incarceration, which are covered separately. If the court order permanently restricts the return of the absent family member for more than 180 days, that family member will be considered permanently absent.

There must also be a review for prohibited activities, such as domestic violence, that may disqualify the family or the absent family member from program participation.

Joint Custody of Children

Children, who are subject to a joint custody agreement but live with the applicant/participant at least 51 percent of the time, will be considered members of the household. The definition of "51 percent of the time" is 183 cumulative days of the year.

In cases where separated parents are trying to claim the child as a member of the household, the parent whose address is listed in the school records will be allowed to claim the school-age child as a dependent.

In a joint custody arrangement, if the minor is in the household less than six months per year, the minor will be considered to be an eligible visitor and not a family member.

Chapter

6

INITIAL APPROVAL and BRIEFING

[24 CFR 982.301, 982.302]

INTRODUCTION

The HACSD provides families selected to participate all the tools necessary to locate an acceptable housing unit. The HACSD provides families the necessary information regarding the program and how they can achieve maximum program benefits, while complying with program requirements. When eligibility has been determined, the HACSD conducts a mandatory briefing designed to ensure that families know how the program works. The briefing provides a broad description of owner and family responsibilities, the HACSD procedures, and the steps the families must take to lease a unit. In addition, families receive briefing packets, which provide more detailed information about the program, including the benefits of moving outside areas of poverty and minority concentration. This chapter describes how briefings will be conducted, the information that will be provided to families, and the policies for changes in family composition.

INITIAL ELIGIBILITY APPROVAL

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

After the family is selected from the waiting list

The families' preference should exist at the time the preference is claimed, and must exist at the time of selection from the waiting list, because the claim of a preference determines the families' placement on the waiting list. The families' preference will be determined at the time the full application is completed, but the family must meet the preference at the date of selection from the waiting list.

After a family is selected from the waiting list, applicants will be required to:

Complete a full application in his or her own handwriting, unless a disabled person requests assistance, as reasonable accommodation. The HACSD staff may interview the applicant to clarify and review the information on the full application.

The full application will be mailed to the applicant. The applicant must complete the full application, and provide all requested documentation and information.

REQUIREMENT TO ATTEND INTERVIEW

The HACSD may require a full application interview attended by all adult family members. The purpose of the interview is to discuss the family's circumstances in greater detail, to clarify information that has been provided by the family, and to ensure that the information is true and complete.

All adult family members must sign all appropriate areas of the housing application.

It is the applicant's responsibility to reschedule the interview if s/he misses the appointment. If the applicant does not reschedule or misses two scheduled meetings, the HACSD may reject the application. The interview may be held in the office, by telephone, or at the applicant's home, as a reasonable accommodation to a person with disabilities.

Applicants who fail to appear and want to reschedule a missed appointment must make the request to reschedule no later than seven days after the original appointment date. The request must be made to the staff person who scheduled the appointment. The request may be in writing or by telephone if the staff person answers the telephone. A recorded telephone message is not a valid request.

Reasonable accommodation, such as accessible offices, inclusion of an advocate, or a home visit, will be provided to a disabled family upon request. The disabled family's designee will be allowed to participate in the interview process at the family's request.

If an application is denied due to a failure to attend the full application interview, the applicant will be notified in writing and offered an opportunity to request an informal review.

All adult members must sign the HUD Form 9886, Release of Information, the application form, all HACSD-required supplemental documents, the declarations and consents related to citizenship/immigration status, a consent form to release criminal conviction records and to allow HACSD to receive and use records in accordance with HUD regulations, as well as any other documents required by the HACSD. Applicants may be required to sign additional release of information forms for information not covered by the HUD form 9886.

Applicants may not amend these documents or write notes of disclaimers on them. A family who alters any HACSD documents invalidates the documents and the family's application will be denied.

Failure to complete required forms, or provide requested information, will be cause for denial of the application for failure to provide necessary certifications, releases, and documents, as required by HUD or the HACSD.

The HACSD will request additional documents or information in writing, if it determines at or after the interview, that they are needed.

If the requested information is not supplied by the due date, the HACSD will provide the family a notification of denial for assistance.

VERIFICATION
[24 CFR 982.201(e)]

Applicant information is verified using the verification procedures outlined in this Plan. Family composition, income, allowances and deductions, assets, full-time student status, eligibility and rent calculation factors, eligible citizenship, criminal history, and other pertinent information will be verified. Verifications may not be more than 60 days old at the time of issuance of the voucher.

PRIOR TO THE BRIEFING

Families 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 denied due to a determination of legal residency.

If the HACSD denies the applicant a preference [24 CFR 982.207] or for not meeting income targeting, it will notify the applicant in writing, indicating why, and advising him/her of the opportunity to request a informal review with a departmental representative. If the preference or income targeting denial is upheld, as a result of the review, or the applicant does not request a review, the applicant will be returned to the waiting list without benefit of the preference or income category. Applicants may exercise other rights if they believe they have been discriminated against.

Applicants who falsify documents, or make false statements in order to qualify for any preference or income requirements, will be removed from the waiting list.

MULTIPLE FAMILIES IN THE SAME HOUSEHOLD

Applicants consisting of two families living together who apply together, (such as a mother and father with a daughter and her husband and/or children) will be treated as a family unit and are eligible for one voucher.

DETERMINATION OF ELIGIBILITY

After the verification process is completed, the HACSD will make a final determination of eligibility [24 CFR 982.201]. This decision is based on information provided by the family, third party documents, HACSD research, and the current eligibility criteria in effect. If the family is determined to be eligible, the HACSD will mail a notification of a scheduled briefing. The purpose of the briefing is to issue the voucher, and orient the family to the program.

SPLIT HOUSEHOLDS PRIOR TO VOUCHER ISSUANCE

When an applicant family divides into two otherwise eligible families, cannot agree as to which new family unit should be processed for eligibility, and there is no determination by a court, the HACSD, to determine which family will be processed for assistance, will consider the following factors, in ranking order of importance, with one (1) of the greatest importance, and five (5) of the least importance:

1. Whether domestic violence was involved in the breakup
2. Which of the two new family units has custody of dependent children.
3. The composition of the new family units, and which unit contains elderly or disabled members
4. Recommendations of social service professionals
5. Which household member's name was on the waiting list

Documentation of these factors is the responsibility of the applicant families. The HACSD will make a determination based on the documentation supplied. Any false or misleading documentation or failure to provide requested information is cause for denial.

The household found not eligible to be processed for assistance will be mailed a notice explaining why, and the right to request an informal review within 14 days.

THE BRIEFING

[24 CFR 982.301, 982.302

INITIAL APPLICANT BRIEFING

A full briefing will be conducted for applicant families determined to be eligible for assistance. The briefings will be conducted in group meetings. If the family includes

a person with disabilities, the HACSD will make every reasonable effort to accommodate that person to ensure effective communication. A family needing language services, must provide a written request at least seven days in advance of the scheduled briefing.

The purpose of the briefing is to explain how the program works, and to explain the briefing documents to families so that they are fully informed about the program. In addition, information on desirable areas of the community, how the family may file a discrimination complaint, and some important legal resources will be provided. The briefing will enable families to utilize the program to their advantage, and it will prepare them to discuss the program with potential owners and property managers. The HACSD will not issue a voucher to a family, unless the household representative has attended a briefing, and signed the voucher.

REQUIREMENT TO ATTEND BRIEFING

The head of household or spouse is required to attend a briefing after initial approval of eligibility. At the briefing, the head of household or spouse must sign the voucher and other required paperwork.

It is the applicant's responsibility to reschedule the briefing if s/he is unable to attend. If the applicant does not reschedule or misses two scheduled briefings, the HACSD may deny admission. The briefing may be held in the office, by telephone, or at the applicant's home, upon request by a disabled family, as a reasonable accommodation. Also, reasonable accommodation may include accessible offices, inclusion of an advocate, or a home visit. The disabled family's designee will be allowed to participate in the briefing at the family's request.

Applicants who fail to attend the briefing and want to reschedule the briefing must make the request to reschedule no later than seven days after the original briefing date. The request must be made to the staff person who scheduled the briefing. The request may be in writing or by telephone if the staff person answers the telephone. A recorded telephone message is not a valid request. Applicants will be offered no more than two opportunities to attend a briefing unless a request is made for reasonable accommodation or documentation of a serious emergency was submitted.

If an application is denied due to a failure to attend the briefing, the applicant will be notified in writing and offered an opportunity to request an informal review.

BRIEFING PACKET

[24 CFR 982.301(b)]

The documents and information provided in the briefing packet for the voucher program will comply with all HUD requirements. The HACSD may include other information and/or materials not required by HUD.

The following information and materials are provided to the family at the briefing:

The HACSD's policy for requesting extensions or suspensions of the voucher (referred to as tolling), and the term of the voucher

A description of the method used to calculate the housing assistance payment for a family, how the family tenant payment is calculated, and information on the payment standard and utility allowance schedule. Also included is information on how the maximum allowable rent for an assisted unit is determined, and the rent reasonableness standard

Where the family may lease a unit. For a family that qualifies to lease a unit outside the HACSD jurisdiction under portability procedures, information on how portability works

The HUD required tenancy addendum, to be included in the lease

The Request for Tenancy Approval (RFTA) form, and a description of the procedure for requesting approval of a unit

A statement of the HACSD policy on providing information about families to prospective owners.

The subsidy standards, including when and how exceptions are made, and how the voucher size relates to the unit size selected

The HUD brochure "*A Good Place to Live"*

The HUD brochure on lead-based paint entitled, "*Protect Your Family from Lead in your Home"*

Information on federal, state and local equal opportunity laws, and a copy of the housing discrimination complaint form. In addition, the pamphlet *"Fair Housing: It's Your Right,"* other information about fair housing laws and guidelines, and the phone numbers of the local fair housing agency, and the HUD enforcement office.

Information on the availability of lists of landlords or other parties willing to lease to assisted families, or agencies that help in the search for units. The list may include, if available, those willing to lease units, or agencies able to help families find units outside areas of poverty or minority concentration.

If available, a current listing of accessible units.

The family obligations under the program.

The reasons a family may have its assistance terminated.

The informal hearing/review procedures including when the family must be offered the opportunity for an informal hearing/review.

An information packet including an explanation of how portability works, a list of the names, addresses, and contact names of neighboring housing agencies.

A map or description of areas representing various income levels of the jurisdiction and surrounding areas for the purpose of expanding housing opportunities for families.

Information regarding the HACSD's outreach program for families who are interested in, or experiencing difficulty in, obtaining housing in areas outside of minority concentrated locations.

A copy of HUD form 903 so family may file a discrimination complaint.

A list of properties or property management organizations that own or operate housing units outside areas of poverty or minority concentration.

Sample leases for owners who do not use a lease for their unassisted tenants.

Family Handbook.

The family's rights as a tenant and a program participant.

Requirements for reporting changes between annual recertifications.

ENCOURAGING PARTICIPATION IN AREAS WITHOUT LOW INCOME OR MINORITY CONCENTRATION

At the briefing families are encouraged to search for housing in non-impacted areas and the HACSD will provide assistance to families who wish to do so.

The assistance provided to such families includes:

Direct contact with landlords

Counseling with the family

Providing information about services in various non-impacted areas

Meeting with neighborhood groups to promote understanding

Formal or informal discussions with landlord groups

Formal or informal discussions with social service agencies

Meeting with rental referral companies or agencies

Meeting with fair housing groups or agencies

AFTER THE BRIEFING AND BEFORE LEASE-UP

CHANGE IN TOTAL TENANT PAYMENT (TTP) PRIOR TO HAP EFFECTIVE DATE

Income Decrease

When the family properly reports changes in factors that will reduce the total family share prior to the effective date of the HAP contract at admission, the information will be verified and the reduction in family share will be recalculated. Prior to submission of the RFTA, the intake unit will recalculate the reduction in family share. After submission of the RFTA, case management will recalculate the reduction in family share.

Income Increase

If the family's income increases after it was issued a voucher, the income increase, per the HACSD interim policy, will generally not be processed until the family's next annual re-examination after the family leases into an assisted unit.

Additions to Family

Additions to the household will not be permitted until the family has been assisted for at least 12 months and then in accordance with the HACSD's interim policy, unless the additions are due to birth, adoption, court awarded custody, or return of minor or disabled children to the household.

Family Reporting Requirements

Families must report changes in income, assets, and family composition within 14 days. Families, prior to execution of a HAP Contract, discovered to have provided false, misleading, incomplete or untrue information in order to be found eligible for assistance will have their vouchers rescinded and will not be eligible for return to the waiting list at original date/time of application. These families will be offered an

opportunity to request an informal review.

RESERVED

Chapter

7

REQUEST FOR TENANCY APPROVAL, OWNER APPROVAL, LEASES AND CONTRACTS

[24 CFR 982.302, 982.54, 982.453, 982.306]

INTRODUCTION

[24 CFR 982.305(a)]

The HACSD's program is designed to utilize available resources efficiently, and maximize HUD funds by quickly providing assistance to as many eligible families as the budget allows.

The program allows families issued vouchers to search for eligible rental units within the jurisdiction of the HACSD, as well as outside the HACSD's jurisdiction, if they qualify for portability. The family must find an eligible unit, with an owner/landlord willing to enter into a housing assistance payments (HAP) contract with the HACSD. This chapter defines eligible housing, and the HACSD policies on initial inspections, lease requirements, the HAP Contract, owner disapproval, and the processing of Requests for Tenancy Approval (RFTA).

The HACSD is committed to maintaining a neutral position in issues between owners and program participants and its policy is to strive to recruit new owners to the program, as well as maintain a good relationship with participating owners. The HACSD requires staff to provide owners with prompt and professional service in an effort to maintain an adequate supply of available housing within its jurisdiction. The regulations define when the HACSD must disallow owner participation in the program, as well as the circumstances when the HACSD may use its discretion to disapprove or otherwise restrict owner participation.

REQUEST FOR TENANCY APPROVAL

[24 CFR 982.302, 982.305(b)]

During the term of the voucher, the family must submit the RFTA and a copy of the proposed lease, including the HUD prescribed tenancy addendum. If the owner's lease is not submitted, the HACSD may use the HUD model lease. The family must submit the RFTA in the form and manner required by the HACSD.

The owner and the voucher holder must both sign the RFTA.

If families are approved to lease properties owned by relatives, the owner's current address will be compared to the subsidized unit's address.

Owners must provide an employer identification number or social security number, as well as a validation document supporting the number. Ownership will be verified through assessor's office records or a review of the grant deed. The HACSD will request a copy of the management agreement for owners being represented by a management company. The HACSD may request documentation of ownership such as a grant deed, copy of the current tax bill, or other documentation.

The HACSD will not permit the family to submit more than one RFTA at a time.

The HACSD will review the proposed lease and the RFTA documents to determine if they are approvable. The RFTA will be approved if:

The unit is an eligible type of housing

The unit meets HUD's housing quality standards (HQS), and any additional criteria identified in this Plan.

The rent is reasonable.

The proposed lease complies with HUD requirements.

The owner is approvable, and there is no owner conflict of interest.

The owner has not been debarred by HUD or the PHA

There are no shared utilities with the exception of some special housing types, "flat rate" apartment complexes, and mobilehome parks.

The family is not leasing a property owned by a parent, child, grandparent, grandchild, sister or brother of any family member. The HACSD will waive this restriction as a reasonable accommodation for a family member with

disabilities who provides documentation demonstrating a clear and compelling need for accommodation.

The owner's address is not the same as the assisted unit except for some special housing types and Section 8 Homeownership.

In addition to the above, at the time a family initially receives assistance in the unit (new admissions and moves), if the gross rent exceeds the payment standard, the family share of rent may not exceed 40 percent of the family monthly-adjusted income. Exempt income is included in the 40 percent calculation to enable families with a large amount of exempt income, such as families with foster children, to qualify for adequately sized housing.

UNIT SIZE SELECTED

[24 CFR 982.402(c)

The family may select a different size dwelling unit than that listed on the voucher. There are three criteria to consider:

Subsidy Limitation: The payment standard for a family shall be the ***lower*** *of*:

The HACSD payment standard amount for the family voucher size; or

The HACSD payment standard amount for the unit size rented by the family; or

The contract rent and utilities (gross rent).

Utility Allowance: The utility allowances used to calculate the gross rent is based on the **actual size** of the unit the family selects, regardless of the size authorized on the family's voucher.

Housing Quality Standards: The standards allow a maximum occupancy of two persons per sleeping area as shown in the table below. Sleeping area would include: living room, bedroom, den, dining room, library, or other rooms that may be used for sleeping.

A sleeping room will only be considered a bedroom for payment standard and utility allowance purposes if it was designed to be used as a bedroom or to be converted to a bedroom, is private with a door that closes and has a window that opens to the outside for light and ventilation. The room will not be considered a bedroom for payment standard or utility allowance purposes if the room is designed for another purpose, used as a corridor to access another room, or if it has something installed that indicates it has another use, such as a water heater, washer/dryer hookups, gas line for a stove, etc., or if it is not accessible from inside the main dwelling unit, such

as in an outbuilding, or if the sleeping room is only accessible through the garage or back yard.

HQS GUIDELINES FOR MAXIMUM OCCUPANTS	
Unit Size	**Maximum Number Allowed in Household***
0 Bedroom	2
1 Bedroom	4
2 Bedrooms	6
3 Bedrooms	8
4 Bedrooms	10
5 Bedrooms	12
6 Bedrooms	14

*These guidelines are for an average unit. If there is a den, library or dining room or other room that may be used for sleeping, in addition to the living room, these standards may be increased. For example, a two-bedroom house with a living room and a den may have room for up to eight persons without violating HQS space requirements.

RENT LIMITATIONS

[24 CFR 982.507]

The HACSD will make a determination as to the reasonableness of the proposed rent in relation to comparable modest, non-luxury unassisted units available for lease. Rent reasonableness for standard dwelling units will be determined: upon approval of a new lease, prior to an owner rent increase, and if the annual fair market rents are reduced by five percent or more 60 days prior to the HAP contract anniversary. Rent reasonableness determinations must be conducted on rents for mobilehome pads annually. All active participant files must contain a copy of the most current rent reasonableness determination. An owner will be given a 30-day notice of contract termination, if it is found the unit is no longer rent reasonable. However, the owner will be given to option of reducing the rent prior to contract termination.

By accepting a monthly housing assistance payment from the HACSD, the owner certifies that the rent to owner is not more than rent charged by the owner for comparable unassisted units on the premises. Units in a tax credit or other types of rent-restricted properties are considered assisted units and are not subject to this

requirement. The owner may be required to provide the HACSD with information on rents charged elsewhere, such as rent rolls.

At all times during the tenancy, the rent to owner may not be more than the most current reasonable rent as determined by the HACSD. If a unit is determined, during the contract term, to exceed the reasonable rent, the owner and participant will be notified of the reasonable rent amount and the effective date of the rent reduction. The owner may refuse to accept the rent reduction, in which case, the HACSD will terminate the HAP Contract.

DISAPPROVAL OF PROPOSED RENT

[24 CFR 982.502]

At the family's request regarding an RFTA, the HACSD will negotiate with the owner to reduce the rent or pay for more of the utilities in the following instances:

The rent is not reasonable.

The rent is not affordable because the family share of rent and utilities would be more than 40 percent of the family's monthly-adjusted income.

If the rent is approved after negotiations with the owner, the HACSD will notate, date, and initial the RFTA and continue processing. If the revised rent involves a change in the provision of utilities, the HACSD will notate, date and initial the changes on the submitted RFTA.

If the owner does not agree to the rent reduction after the HACSD has attempted to negotiate a revised rent, the family and owner will be notified in writing that the lease is disapproved and the family will be issued another RFTA.

ELIGIBLE TYPES OF HOUSING

[24 CFR 982.601]

The HACSD will approve the following types of housing providing they meet all program requirements:

All eligible structure types

Manufactured homes where the tenant leases the mobile home and the pad

Manufactured homes where the tenant owns the mobile home and leases the pad.

Congregate facilities (only the shelter rent is assisted).

Single Room Occupancy (SRO).

Shared housing that meets

Group homes that meet

Travel trailers, motor homes, or other structures designed to be mobile or temporary **are not** eligible for Section 8 rental assistance. A unit that is registered with the Department of Motor Vehicles rather than the state Department of Housing and Community Development is not an eligible housing type.

An eligible housing type must be a "dwelling unit" that is designed and used exclusively for permanent residential occupancy.

A mobilehome that is designed to be set-up permanently in one location is eligible for Section 8 rental assistance.

A family can own a rental unit but cannot reside in it while being assisted, except in the cases of the family owning the mobilehome and leasing the pad, a Section 8 Homeownership participant, or the owner of a cooperative. The owner of the assisted unit, except in the case of a mobilehome owner leasing the pad, a Section 8 Homeownership participant, or the owner of a cooperative, may never benefit from the assistance. The owner of the assisted unit may never be a live-in aide for the family. In shared housing, the family may never, in any circumstances, reside with a resident owner who is a relative and there are no exceptions for reasonable accommodation in this instance without HUD approval.

The HACSD may not permit a voucher holder to lease a unit that is receiving project-based Section 8 assistance or any other duplicative rental subsidies.

SECURITY DEPOSIT REQUIREMENTS

[24 CFR 982.313]

The owner is not required to, but is encouraged to collect a full security deposit from the tenant.

Security deposits charged by owners may not exceed those charged to unassisted tenants, nor more than the lesser of legal limitations or the maximum amount indicated on the HAP Contract.

TENANT SCREENING FOR SUITABILITY

[24 CFR 982.307)]

The HACSD will take into consideration any of the criteria for admission described in the chapter on eligibility factors.

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

The owner is responsible for screening and selection of the family s/he approves for tenancy. At or before HACSD approval of the tenancy, the HACSD 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

Compliance with other essential conditions of tenancy

INFORMATION TO OWNERS

[24 CFR 982.307(b), 982.54(d)(7)]

In accordance with HUD requirements, the HACSD will furnish prospective owners upon written or verbal permission from the family, the family's current address as shown in its records and, if known to the HACSD, the name and address of the landlords for the family's current and prior addresses.

The HACSD will provide documented information in the participant file regarding tenancy history for the past five years, if available, upon written permission of the family. Only the supervisors may provide this information. The HACSD will provide the following information, based on documentation in its possession:

Eviction history

Documented damage to rental units

Other documentation of tenancy history such as, warning notices or three-day notices

The HACSD will inform owners that it is the responsibility of the landlord to determine the suitability of prospective tenants. Owners will be encouraged to screen applicants for rent payment history, payment of utility bills, eviction history, respecting the rights of other residents, damage to units, drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others, and compliance with other essential conditions of tenancy.

A statement of the HACSD's policy on release of information to prospective landlords is applied uniformly to all families, and will be included in the family's briefing packet.

The owner may request the HACSD obtain and review criminal or sex offender registration records for grounds to deny a tenant application, or evict a tenant. The HACSD will charge the owner a fee based on the costs incurred by the HACSD, including the costs charged by the law enforcement agency, the HACSD staff time and administrative costs. The owner may not charge the tenant for this fee.

The HACSD **must not** release any criminal information or sex offender information to the owner, but a housing supervisor will review the information, and if no information relevant to application or eviction is found, will notify the owner. If information relevant to the application or eviction is found, the housing supervisor will present his/her findings in writing to the division chief who will authorize the findings and sign the letter issued to the owner. The letter will not specify the criminal or sex offender history, but will merely state that there may be cause for denial or eviction of the tenant. If the owner sends documentation of needing specific information for an eviction, the division chief must approve the release of any information in accordance with the regulations. [24 CFR 5.903, 24 CFR 5.905]

The HACSD must **NEVER** release specific personal information to owners regarding their former Section 8 tenants.

OWNER DISAPPROVAL

[24 CFR 982.306, 982.54(d)(8)]

The owner does not have a right to participate in the program. For purposes of this section, "owner" includes a principal or other interested party.

The HACSD will disapprove the owner for the following reasons:

HUD, or another agency, has notified the HACSD in writing that the owner has been disbarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.

The HACSD has debarred the owner by providing a notice to the owner, that is signed by the division chief, notifying the owner that the owner is debarred from program participation, the debarment period, and the reasons for debarment which may include: abusive or threatening verbal or physical behavior towards HACSD personnel or program participants, or serious or repeated HAP contract violations.

HUD has notified the HACSD in writing that the federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or another federal equal opportunity requirement and such action is pending.

HUD has notified the HACSD in writing that a court or administrative agency has determined that the owner has violated the Fair Housing Act or other federal equal opportunity requirements.

Unless the lease was effective prior to June 17, 1998, the owner may not be a parent, child, grandparent, grandchild, sister or brother of any family member. The HACSD will waive this restriction as a reasonable accommodation for a family member who is a person with a disability who provides documentation of a clear and compelling need for the accommodation.

In cases where the owner and tenant bear the same last name, the HACSD may, at its discretion, require the family and/or owner to certify whether they are related to each other in any way.

The HACSD will **never** issue a payment to the owner at the participant's address with the exception of some special housing types.

In cases where the payment is mailed to a post office box, and there is a question regarding the relationship between the owner and the tenant, the HACSD may submit a post office request to confirm the owner's physical address.

OWNER RESTRICTIONS AND PENALTIES

[24 CFR 982.435]

If an owner has committed fraud or abuse, is guilty of frequent or serious contract violations, or has engaged in abusive or threatening physical or verbal behavior against HACSD personnel or program participants, the HACSD may restrict the owner from future participation in the program for a period of time commensurate with the seriousness of the offense. The HACSD may also terminate some or all contracts with the owner.

Before imposing any penalty against an owner, the HACSD will review all relevant factors pertaining to the case, and will consider such factors as the owner's record of compliance, and the seriousness and number of violations. If debarment and/or penalty are warranted, the owner will be notified in writing by the division chief of the reason for debarment/penalty, the debarment period or the penalty amount, and the reasons for the debarment/penalty.

Refer to chapter on fraud investigations for further information.

LEASE REQUIREMENTS

[24 CFR 982.308]

The HACSD will review the lease for HUD required lease provisions. The tenant must have legal capacity to enter a lease under state and local law. Responsibility for utilities, appliances and optional services must correspond to those provided on the RFTA.

Unless the lease was effective prior to June 17, 1998, the family may not lease properties owned by a parent, child, grandparent, grandchild, sister or brother of any family member. The HACSD will waive this restriction upon verification of the need for reasonable accommodation for a family member who is a person with a disability.

The family and owner may submit a standard form of lease used in the locality by the owner that is generally used for other unassisted tenants on the premises. If the owner does not use a standard lease for rental to unassisted tenants, the owner may use another form of lease, such as a HACSD model lease. The terms and conditions of the lease must be consistent with state and local law.

The lease must specify:

The names of the owner and tenant, and

The address of the unit rented, and

The amount of the monthly rent to owner, and

The utilities and appliances to be supplied by the owner, and

The utilities and appliances to be supplied by the family.

The HUD prescribed tenancy addendum must be included in the lease.

The owner’s lease must include the lead warning statement, and disclosure information required by 24 CFR 35.92(b).

The provisions required under the Violence Against Women Act (VAWA) for all leases executed within 120 days after HUD's final guidelines and recommended lease language are issued.

The lease must state that drug-related criminal activity engaged in by the tenant, any household member, any guest on or near the premises, or any person under the tenant's control on the premises, is grounds for termination of tenancy.

The lease must state that the family may be evicted if the owner determines:

Any household member is illegally using a drug

A pattern of illegal use of drugs by any household member interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents

The lease must state that the following types of criminal activities by a "covered person" are grounds for termination of tenancy.

Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents (including property management staff residing on the premises)

Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the residences by people residing in the immediate vicinity of the premises

Any violent criminal activity on or near the premises by a tenant, household member, or guest

Any violent criminal activity on the premises by any other person under the tenant's control

The lease must state that the owner may terminate tenancy if a tenant is:

Fleeing to avoid prosecution, custody, or confinement for a felony (high misdemeanor in New Jersey) after conviction for a crime, or attempt to commit a crime

Violating a condition of probation or parole imposed under state or federal law

ACTIONS BEFORE LEASE TERM

All of the following must always be completed before the beginning of the initial term of the lease for a unit:

The HACSD has inspected the unit and has determined that the unit satisfies HQS

The HACSD has determined that the rent charged by the owner is reasonable

The landlord and the tenant have executed the lease, including the HUD-prescribed tenancy addendum

The HACSD has approved the lease in accordance with program requirements

For the initial lease for the unit, the family share (total family contribution) is not more than 40% of the family's monthly-adjusted income (including exempt income).

A determination has been made the family is eligible for a HAP payment.

SEPARATE AGREEMENTS

Separate agreements are not necessarily illegal side agreements. However, the HACSD must be informed in advance of all separate agreements and must approve or disapprove of separate agreements. Owners are prohibited from collecting or paying, and tenants are prohibited from paying or receiving, additional rent or other credits not authorized by the HACSD. Owners are prohibited from charging for items normally included in the rent of unassisted units.

Owners and families may execute separate agreements for services, appliances, and other items not included in the lease, as well as special purpose charges, such as recycling fees. Any appliances, services or other items, routinely provided to unassisted families as part of the lease (such as air conditioning, dishwasher or garage) or are permanently installed in the unit, cannot be put under separate agreement and must be included in the lease.

The family must pay a minimum of 30 percent of its monthly-adjusted income for rent and utilities and is not allowed to receive rent credits, such as in the case of a move-in special. If there is a temporary rent reduction/credit, the HACSD will compute the reduced contract rent along with the appropriate adjustment in the HAP and notify the owner and family in writing. The family may accept a credit for security deposit.

CONTRACT EXECUTION PROCESS

[24 CFR 982.305(c)]

The HACSD cannot enter into a HAP contract if a family is in zero HAP status. In that case, the HACSD must deny the RFTA. However, if the family is eligible for assistance, an RFTA may be processed.

The HACSD prepares the HAP contract for execution. The family and the owner will execute the lease agreement, and the owner and the HACSD will execute the HAP Contract. Copies of the documents will be furnished to the parties who signed the respective documents. The HACSD will retain copies of all signed documents. The beginning and ending dates of the lease and the contract MUST match.

The HACSD may change the amount of its assistance or contract rent with a contract amendment. Changes in lease term and utilities require a new contract.

The HACSD makes every effort to execute the HAP contract before the commencement of the lease term. The HAP contract may not be executed (signed and dated) more than 60 days after commencement of the lease term, and no payments will be made until the contract is executed. However, regardless of the execution date of the contract, the beginning and ending dates of the contract must always match the beginning and ending dates of the lease.

The following HACSD representatives are authorized to execute a contract on behalf of the HACSD: Housing Specialist I or above.

The HACSD may confirm verbally with the tenant the date the tenant received the keys for the unit. If the tenant fails to receive the keys for the unit as of the beginning date of the contract, the HACSD may abate or collect HAPs from the owner and/or terminate the contract.

The owner or owner's representative must provide a telephone number.

CHANGE IN OWNERSHIP

A change in ownership does not require execution of a new contract and lease.

The HACSD will process a change of ownership only upon the written request of the new owner, accompanied by a copy of the escrow statement, or other document showing the transfer of title, such as a recorded deed, the employee identification number or social security number of the new owner, and validation documents to verify employee identification or social security number.

The HACSD, upon approval of assignment of the contract to the new owner, will notify the new owner verbally or in writing that the contract assignment was approved, and the new owner assumes the conditions and obligations of the existing contract. The new owner will be mailed a copy of the contract, upon request.

If the new owner does not want an assignment of the contract, the HACSD will terminate the HAP contract with the old owner, since s/he is no longer the owner. The new owner may offer the family a new assisted lease. The family may elect to enter into the new lease or move to another unit. If the family enters into a new lease, the owner must enter into a new HAP contract with the HACSD.

Chapter

8

HOUSING QUALITY STANDARDS AND INSPECTIONS

[24 CFR 982.401]

INTRODUCTION

Housing Quality Standards (HQS) are the HUD minimum standards for assisted rental units for tenant-based programs. HQS standards are required both at initial occupancy and during the term of the lease. HQS standards apply to the building and premises, out buildings, as well as the unit. Newly leased units must pass an HQS inspection before the commencement of the housing assistance payment.

The HACSD will inspect each unit under contract at least annually. The HACSD will also have a supervisor or other qualified person to perform, throughout the year, a statistically significant SEMAP required random sample of quality control (QC) inspections. The QC inspections will ensure program consistency, and that the HACSD's required standards are being met. This chapter describes the HACSD procedures for performing HQS and other types of inspections, as well as the standards for the timeliness of repairs. In addition, this Chapter explains the responsibilities of the owner and family, and the consequences of non-compliance with HQS requirements. The use of the term "HQS" in this Administrative Plan refers to the combination of both HUD and HACSD requirements.

INSPECTION TYPES AND GUIDELINES

[24 CFR 982.401(a), 982.405]

Inspectors must obtain "effective consent" before entering the unit to conduct an inspection. This means the inspector should:

Clearly identify him/herself and the purpose of the inspection

Identify who has legal control over the unit and the authority to admit the inspector. A prospective tenant who has not yet moved into the unit does not have the authority to admit the inspector unless written authorization from

the owner is provided to the HACSD. Conversely, an owner/manager cannot admit the inspector if the tenant has moved into the unit unless written authorization from the tenant is provided to the HACSD. A neighbor or babysitter does not have the authority to admit the inspector unless written authorization from the tenant is provided to the HACSD. A minor under the age of 18 never has the authority to admit the inspector.

The HACSD may adopt local requirements of acceptability in addition to those mandated by the HUD Regulations.

Efforts may be made to encourage owners to provide housing above HQS minimum standards. In addition, the HACSD will not promote any additional criteria likely to adversely affect the health or safety of participant families, or severely restrict housing choice.

All utilities must be in service when the unit is inspected.

If the tenant is responsible for supplying the stove and/or the refrigerator, the HACSD will allow the stove and refrigerator to be placed in the unit after the unit has passed all other HQS. The family must then certify, by telephone, the date the appliances are in the unit and working. The HACSD will not conduct a re-inspection**.** The term of the lease and HAP contract will not begin until the confirmed date of the in-place working stove and/or refrigerator.

There are five types of inspections the HACSD performs:

1. Initial/move-in: Conducted after receipt of the RFTA.

2. Annual: Must be conducted within twelve months of the last annual inspection.

3. Move-out/vacate: May be conducted, upon request, to observe and document reported excessive tenant damage in order to make a determination of tenant violations of the lease.

4. Special/complaint: At request of owner, family, an agency, or another third party.

5. Quality Control (QC). This inspection involves a required minimum random sample of previously completed inspections.

INITIAL HQS INSPECTION

[24 CFR 982.401(a), 982.305(b)(2)]

TIMELY INITIAL HQS INSPECTION

The HACSD will attempt to make telephone contact within two business days after receiving an RFTA. The HACSD will inspect the unit, determine whether the unit satisfies the HQS, and notify the family and owner of the determination within ten calendar days after the family and the owner have submitted a RFTA The ten-day inspection and notification requirement does not apply in instances when the unit is not available for inspection, when the owner or tenant could not be reached, or if the owner or tenant were unavailable for scheduled inspection(s).

The HACSD will make every reasonable effort to conduct timely initial HQS inspections for the family.

The initial inspection will:

Determine if the unit and property meet HQS as defined in this Plan

Document the information to be used for determination of rent-reasonableness

If the unit fails the initial HQS inspection, the owner and/or the tenant will be advised to notify the HACSD once repairs are completed.

After an initial inspection, the owner will be given a reasonable amount of time to correct the items noted as fail, depending on the amount of fail items, the complexity of work to be done, and weather conditions that may delay the work.

The owner will be allowed up to three re-inspections for repair work to be completed.

If the time period given by the inspector to correct the repairs has elapsed, or the maximum number of failed re-inspections has occurred, the family must select another unit. The HACSD will issue written notification to the family and the owner of the RFTA denial, and will send a RFTA packet to the family.

ANNUAL HQS INSPECTIONS

[24 CFR 982.405(a)]

The HACSD conducts an inspection in accordance with HQS at least annually as required by SEMAP and no more than 120 days prior to the current annual recertification. Special inspections may be scheduled, upon request, between anniversary dates.

The landlord must correct HQS deficiencies that cause a unit to fail, unless the fail is the tenant's responsibility.

The family must allow the HACSD to inspect the unit at reasonable times with reasonable advance notice. [24 CFR 982.551 (d)] The HACSD considers a reasonable advance notice to be five days or longer.

Inspections and re-inspections will be conducted on business days only, or on weekends as a reasonable accommodation for the disabled.

The HACSD will notify the family in writing, or by telephone, at least five days prior to the inspection. The HACSD five-day advance notification requirement is not necessary, if the family agrees to an inspection with less than five days notice; however, the family will not be penalized for not being available.

If the family does not contact the HACSD to reschedule a scheduled inspection, or if the family misses two inspection appointments, the HACSD will consider the family to have violated a family obligation, and the family's assistance may be terminated in accordance with the termination procedures in the Plan.

TIME STANDARDS FOR REPAIRS

Emergency items that endanger the family's health or safety must be corrected by the owner or family within 24 hours of notification.

For non-emergency items, repairs must be made within 30 days.

For major repairs, the housing specialist may approve an extension beyond 30 days.

For repairs delayed due to weather conditions or other extenuating factors, the housing specialist may approve an extension beyond 30 days.

RENT INCREASES OR EXTENSIONS ON 30-DAY MOVE-OUT NOTICES

Contract rent increases or extensions on 30-day move-out notices will not be approved if the unit is in a failed condition.

HQS BREACH

The inspector 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. However, the family will be issued a notice of termination of assistance if the HQS breach is not corrected by the initial deadline.

MOVE OUT/VACATE INSPECTION

A move out inspection may be performed, upon landlord request, to observe and document possible tenant lease violations.

SPECIAL/COMPLAINT INSPECTION

[24 CFR 982.405(c)]

The HACSD will conduct a complaint inspection when it receives landlord or tenant notice that the unit does not meet HQS.

The HACSD may conduct a special inspection based on information from third parties, such as neighbors or public officials.

The HACSD will inspect only the items that were reported, but if the inspector notices additional deficiencies that would cause the unit to fail HQS, the responsible party will be required to make the necessary repairs.

QUALITY CONTROL INSPECTION

[24 CFR 982.405(b)]

Housing supervisors or other qualified personnel will conduct the SEMAP required minimum number of quality control (QC) inspections. The purpose of QC inspections is to ascertain that each inspector is conducting accurate and complete inspections, and to ensure consistency among inspectors in the application of HQS.

The sampling of files will include recently completed inspections (within the three prior months) reflecting a representative sample of neighborhoods, types of inspections (initial, transfer and annual), and inspectors.

ADDITONAL HACSD HQS CRITERIA

[24 CFR 982.401 (a)]

The HACSD adheres to HUD HQS, as well as the following local standards:

LOCAL STANDARDS

[24 CFR 982.401(a)(4)]

No interior door double cylinder deadbolt locks or interior door locks that unlock only from the outside of the room. An exception may be made as a reasonable accommodation.

No double cylinder deadbolt locks allowed on an exterior door unless the unit has another exterior door without said lock. An exception may be made as a reasonable accommodation.

If bedrooms have security bars, at least one window in each bedroom must have no security bars or security bars with a quick release device usable and accessible to a small child. No exceptions.

The heat source must be adequate for the unit, permanently affixed, and safe. A fireplace alone is not an acceptable heat source. Acceptable sources of heat include: gas or electric wall heaters, forced air heating systems, electric heat pump, etc.

EMERGENCY REPAIR ITEMS

[24 CFR 982.404(a)]

The following items are considered of an emergency nature and must be corrected by the owner or tenant (whoever is responsible) within 24 hours of notice by the Inspector:

Waterlogged ceiling in imminent danger of falling

Major plumbing leaks or flooding

Strong smelling natural gas leak or fumes

Electrical problem likely to cause shock or fire

Jagged, broken glass where someone could be injured

Other immediate observable danger to the health and safety of the family

The HACSD may give a short extension of not more than 24 additional hours whenever the responsible party cannot be notified, or it is impossible to complete the repair within the 24-hour period.

In those cases where there is leaking gas or potential of fire or other threat to public safety, and the responsible party cannot be notified, or it is impossible to make the repair, the proper authorities will be notified by the HACSD. The HACSD will take the necessary steps to advise and assist the family on relocation, unless the hazards were caused by the family.

If the emergency repair item(s) are not corrected in the time period required by the HACSD, and the owner is responsible, the housing assistance payment will be abated and the HAP contract may be terminated.

If the emergency repair item(s) are not corrected in the time period required by the HACSD, and it is an HQS breach that is a family obligation, the HACSD will terminate the assistance to the family with a 30-day termination notice.

NON-EMERGENCY REPAIR ITEMS

All repair items not described above are considered non-emergency, 30-day repair items.

SMOKE DETECTORS

Inoperable smoke detectors will be treated by the HACSD as 30-day fail items.

The owner must install working batteries in the smoke detectors upon initial lease. After that, the family must replace the batteries, when the need arises.

If the HACSD determines that the family has purposely disconnected the smoke detector (by removing batteries or other means), the family will be required to repair the smoke detector within 30-days.

The HACSD will issue a verbal warning to any family determined to have purposely disconnected the unit smoke detector. The warning will state that deliberate disconnection of the unit smoke detector is considered a violation of the HQS. The family's assistance may be terminated for multiple violations of this requirement.

DETERMINATION OF RESPONSIBILITY

[24 CFR 982.404. 982.54(d)(22)]

Certain HQS deficiencies are considered the responsibility of the family:

Tenant-paid utilities not in service

Failure to provide or maintain family-supplied appliances

Failure to allow the owner access to the premises to make repairs after reasonable notice was given

Damage to the unit or premises beyond normal wear and tear caused by a household member or guest:

"Normal wear and tear" is defined as items that could not be charged against the tenant's security deposit under state law or court practice.

The HACSD will attempt to make a determination of family or owner responsibility. The owner or tenant may appeal the HACSD determination by phone, or in writing

and must provide documentation from an industry expert, such as a plumber or electrician, to substantiate the appeal.

The owner is responsible for vermin infestation even if caused by the family's living habits. However, if such infestation is serious and repeated, it may be considered a lease violation and the owner may evict the family for serious or repeated violations of the lease. The HACSD may terminate the family's assistance on that basis.

If the family is responsible, but the owner carries out the repairs, the owner will be encouraged to bill the family for the cost of the repairs and the family's file will be notated regarding the family violations.

CONSEQUENCES IF OWNER IS RESPONSIBLE

CFR 982.405, 982.453]

When it has been determined that a unit on the program fails to meet HQS for items that are the owner's responsibility, the owner must complete the necessary repair(s) in the time period specified by the HACSD. If the necessary repairs are not made within the required time period, the assistance payment to the owner will be abated on the first of the following month.

ABATEMENT

A notice of abatement will be sent to the owner, and the abatement will be effective the first of the month following the deadline for correction.

The HACSD will inspect abated units within five days of the owner's notification that the work has been completed.

If the owner makes repairs during the abatement period, payment will resume on the day the unit passes inspection.

No retroactive payments will be made to the owner for the period of time the rent was abated and the unit did not comply with HQS.

EXTENSION IN LIEU OF ABATEMENT

The HACSD may grant an extension in lieu of abatement in the following cases:

The owner has a good history of HQS compliance.

The failed items are minor in nature.

There is an unavoidable delay in completing repairs due to difficulties in obtaining parts, or contracting for services.

The owner makes a good faith effort to make the repairs.

The repairs are delayed due to climate conditions.

The extension will be made for a period of time not to exceed 120 additional days. At the end of that time, at the HACSD's discretion, if the work is not completed, or substantially completed, the HACSD will terminate assistance.

TERMINATION OF CONTRACT

If the owner is responsible for repairs, and fails to correct all the deficiencies cited prior to the end of the abatement period, the owner will be sent a contract termination notice. Prior to the effective date of the termination, the abatement will remain in effect.

If repairs are completed before the effective termination date, the HACSD may rescind the termination if the tenant chooses to remain in the unit**.** Only one HQS inspection will be conducted after the termination notice is issued.

CONSEQUENCES IF FAMILY IS RESPONSIBLE

[24 CFR 982.404(b)]

If emergency or non-emergency violations of HQS are determined to be the responsibility of the family, the HACSD will require the family to make any repair(s) or corrections within 30 days. The owner's rent will not be abated for items found to be the family's responsibility.

If the repair(s) or correction(s) are not made by the deadline, the HACSD will issue a notice to terminate assistance to the family, along with an opportunity to request an informal hearing, and an owner notice to terminate the HAP contract on the same date. If the family requests an informal hearing, the housing assistance payments must continue until a decision is rendered. In addition, the owner must be notified that the housing assistance payments will continue until a hearing decision is rendered.

RESERVED

Chapter

9

OWNER PAYMENTS, RENT LIMITS AND RENT REASONABLENESS

[24 CFR 982.502, 982.503, 982.504, 982.505, 982.507]

INTRODUCTION

This chapter discusses the HACSD processes and procedures for Housing Choice Voucher rent reasonableness determinations, payments to owners, and rent adjustments. It is the HACSD's responsibility to ensure that the rents charged by owners are reasonable based upon modest, non-luxury unassisted comparables in the area, as specified in 24 CFR 982.507(b).

RENT LIMITATIONS

The rent to owner is limited by rent reasonableness. (24 CFR 982.508)

The HACSD must demonstrate that the rent to owner is reasonable in comparison to rent for other comparable unassisted units.

A unit cannot be approved if the family will be in zero HAP status.

At the time a family initially receives tenant-based assistance for occupancy of a dwelling unit, whether it is a new admission or a move to a different unit, the family's rent share may not exceed 40 percent of the family's monthly-adjusted income [24 CFR 982.508]. The HACSD has determined the 40 percent affordability calculation will take into consideration exempt income to better allow families greater housing choice.

During the initial term of the lease, the owner may not raise the rent to the family. After the initial lease term, the owner may request a rent adjustment with a sixty-day written notice to the family and the HACSD [24 CFR 982.308(g)]. A rent adjustment is subject to the approval of the HACSD for rent reasonableness. An owner that collects a rent increase from the family without the HACSD permission is

in breach of the contract and subject to collection of HAPs paid during the period of time the owner was collecting the increased rent.

RENT REASONABLENESS DETERMINATIONS

[24 CFR 982.507]

The HACSD will determine and document, on a case-by-case basis, that the approved rent is reasonable in comparison to rent for other modest comparable unassisted units in the market. This applies to all programs.

The HACSD will not approve a lease until reasonable initial rent has been determined. The HACSD must determine the reasonable rent on before any increase in the rent to the owner, and if there is a five percent decrease in the published fair market rent (FMR) in effect 60 days before the contract anniversary (for the unit size rented by the family), as compared with the FMR in effect one year before the contract anniversary. However, rent reasonableness determinations must be conducted annually for mobilehome space rents. All HACSD active participant files will contain documentation of the last applicable reasonable rent determination.

The HACSD must redetermine rent reasonableness, if directed by HUD or based on a need identified by the HACSD's auditing system. The HACSD may elect to redetermine rent reasonableness at any other time. At all times during the assisted tenancy, the rent to owner may not exceed the reasonable rent as most recently determined or redetermined by the HACSD.

The owner will be advised that upon acceptance of each monthly payment, s/he is certifying that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the area.

If requested, the owner must give the HACSD information on rents charged by the owner for other units on the premises or elsewhere. Units of a density bonus or tax credit property are not considered comparable because they are considered assisted. The HACSD may request additional information, such as owner rent rolls, if it appears the owner has a tendency to charge higher rents to program participants, or if needed for rent reasonableness comparables.

The data for other unassisted units will be gathered from newspapers, realtors, professional associations, owners, market surveys, MarketPoint Advisors, and other available sources.

The market areas for rent reasonableness determinations are the nearby neighborhoods or communities of the subject unit. Subject units within a defined housing market area will be compared to similar units within the same area.

Generally, bedroom size and location of units are the most important rent reasonableness criteria.

The following items may be used by the HACSD for rent reasonableness documentation:

Size (number of Bedrooms/square footage)

Location

Quality

Unit Age

Unit Type

Utilities provided by the owner

RENT REASONABLENESS METHODOLOGY

The HACSD will compare the rent to the average or mid-range rents for similar non-luxury, modest units in the locality to determine rent reasonableness. The HACSD uses an automated database of unassisted apartments that provides detailed reports for placement in the participant file. The data is updated twice a year. For unusual unit types such as: houses, mobilehomes, duplexes, townhouses, or rented spaces, the HACSD uses various sources of information. These sources include the internet, newspaper advertising, and information from real estate professionals. If no comparable information is available for unusual unit types, staff will provide information on the closest comparable unit type available.

OWNER PAYMENTS

[24 CFR 982.451]

Once the HAP contract is executed, the HACSD begins forwarding payments to the landlord by mail or electronic deposit. Each month, around the first working day of the month, the County of San Diego will direct deposit or disburse housing assistance payments to the landlords.

Payments not received by the 10th working day of the month, will be replaced upon request from the payee, and a stop payment will be put on the check.

The owner must notify the HACSD of a missing or incorrect payment within one year of the payment due date.

EXCESS PAYMENTS

The total of rent paid by the tenant, plus the housing assistance payment to the owner, may not exceed the contract rent. The owner must immediately return any excess payments to the HACSD. The HACSD may deduct the monies owed from future payments to the landlord.

Owners who do not return excess payments may be subject to penalties, as outlined in the "Owner or Family Debts to the HACSD" chapter of this Plan.

LATE PAYMENTS TO OWNERS

In keeping with generally accepted practices in the local housing market, the HACSD must make housing assistance payments to the owner promptly, and in accordance with the HAP contract.

The HACSD will, upon owner request, pay a reasonable late fee for housing assistance payments not mailed to the owner by the first working day of the month. The late fee will conform to the late fee for the tenant on the owner's lease, or a reasonable late fee, as determined by the HACSD.

Proof of date of mailing is:

Date the HAP register was run

Proof of date owner received is:

Five calendar days after date of mailing by the HACSD

In the case of payments electronically deposited into the owner's designated bank account, the date the bank shows as the deposit date will be the official date of record and will be the determining factor in cases involving late payment penalties.

The HACSD will not be obligated to pay any late payment penalty if the HACSD determines that late payment is due to factors beyond the HACSD's control, such as a delay in the receipt of program funds from HUD, or a post office delay. The HACSD will use only administrative fee income or the administrative fee reserve as its source of late payment penalty payments.

Chapter

10

RECERTIFICATIONS, INTERIMS AND OTHER REGULAR ACTIVITIES

[24 CFR 982.516]

INTRODUCTION

In accordance with HUD requirements, the HACSD will reexamine the income and household composition of families at least annually. Families will be provided accurate annual and interim rent adjustments, and will be given reasonable notice of rent increases. All annual activities are coordinated in accordance with HUD regulations. It is a HUD requirement that families report all changes in household composition. This Chapter defines the HACSD's policy for conducting annual recertifications and coordinating annual activities. It also explains the interim reporting requirements for families, and the standards for timely reporting.

APPOINTMENTS

In the administration of the programs, families are required to be available for various reasons, including eligibility interviews, program review conferences, inspection appointments, or overpayment conferences. Families scheduled for an appointment must attend that appointment, or call to reschedule the appointment. The family will generally receive two appointment opportunities.

If the family fails to attend a scheduled appointment, and fails to call to reschedule, the HACSD may either:

Reschedule the appointment one final time, or

Send a notification of termination of assistance, and opportunity for an informal hearing.

The family will not be offered a third appointment, unless it can provide documentation of an emergency situation that prevented it from attending the appointments, or if requested as a reasonable accommodation for a person with a disability.

PERSONS WITH DISABILITIES

Persons with disabilities unable to come to the HACSD office will be granted an accommodation by conducting the interview at the person's home, upon confirmation that the accommodation is appropriate for the disability.

MISREPRESENTATION OF FAMILY CIRCUMSTANCES

If any participant deliberately misrepresents the information on which eligibility or tenant rent is established, the HACSD may terminate assistance, request repayment of housing assistance, and refer the family file/record to the proper authorities for appropriate disposition, including prosecution.

ZERO HAP STATUS

Participants in zero HAP status will remain on the program for 180 days and eligible for reinstatement of benefits if their circumstances change. After 180 days, if the family continues to be ineligible for benefits, the family will be dropped from the program. The family may be transferred to another unit if it is determined the family will be eligible for assistance at another unit, but the family must lease-up within the initial voucher term.

ANNUAL ACTIVITIES

[24 CFR 982.516, 982.405]

There are two activities the HACSD must conduct every 12 months.

Recertification of family income, assets, deductions, allowances, and composition

HQS inspection

The HACSD may conduct these activities together. The HACSD produces a monthly listing of units under contract scheduled for annual review. The participants on this listing are scheduled for housing quality standards inspections. An review of family income, assets, and composition may be conducted through the mail.

ANNUAL RECERTIFICATION

[24 CFR 982.516]

Families must be recertified at least annually. Family members must report and the HACSD must verify the U.S. citizenship/eligible immigrant status of family members.

MOVES BETWEEN REEXAMINATIONS

If annual inspections are coupled with annual recertifications, when families move to another dwelling unit, a reexamination will be scheduled unless the eligibility booklet was signed within 120 days of the execution of the new HAP contract for the new unit. If annual inspections are coupled with annual recertifications, the anniversary date will always be changed to the first of the month of the execution of the new HAP contract.

Income limits are used only upon initial admission to the program, and are not applicable upon reexamination or transfer. However, the 40% limitation rule does apply to a transfer.

Families may not transfer their assistance more than once every 12 months, unless there are special circumstances, such as an owner termination of tenancy notice.

REEXAMINATION NOTICE TO THE FAMILY

The HACSD maintains a reexamination tracking system. The household will be notified, in advance of the anniversary date, by mail or telephone. An interview may be scheduled, or the reexamination may be conducted through the mail. If requested as an accommodation for a person with a disability, the HACSD will contact the person by telephone, through a relay service for the hearing impaired, or in another appropriate manner. The HACSD will also mail the notice to a third party, if requested, as reasonable accommodation for a person with disabilities. These accommodations will be granted upon verification of the need presented by the disability.

PROCEDURE

The HACSD's procedure for conducting annual recertifications may be, providing home interviews are conducted with the annual inspections:

Schedule the date and time of appointments, and mail an advance notification to the family, and/or,

Contact the family by telephone, but if less than five days advance notice is given, the family will not be penalized for declining the appointment.

Conduct the inspection and issue appropriate notices.

If family does not make the unit available, notices of action terminating assistance must be mailed to both the family and the landlord at least 30 days in advance of the recertification date.

COMPLETION OF ANNUAL RECERTIFICATION

The HACSD will complete all recertifications at least 30 days prior to the family's anniversary date, unless a delay is caused by a family action or inaction.

COLLECTION OF INFORMATION

[24 CFR 982.516(f)]

The HACSD has established recertification procedures that ensure that the income data provided by families is complete and accurate.

The family must complete the recertification forms.

The HACSD may conduct the recertification interview at the HQS inspection appointment.

If no UIV information is available, he HACSD must request written third party verification of income, assets that exceed $5000, allowances and deductions.

REQUIREMENTS TO ATTEND

If an interview is necessary, the following family members are required to attend a recertification interview, show picture identification, and sign a certification in the presence of a housing representative:

The head of household or spouse or co-head

If the head, spouse or co-head is unavailable for an interview at the time of the inspection, s/he will be provided an office appointment for an interview. Exceptions may be given as a reasonable accommodation, or in emergency circumstances, such as hospitalization.

DOCUMENTS/INFORMATION REQUIRED TO RECERTIFY

In the notification letter to the family, the HACSD will include instructions for the family to provide the following:

1. Documentation of income
2. All forms and releases completed and/or signed and dated by the family
3. Documentation of assets

4. Documentation of deductions/allowances
5. Completed personal declaration form
6. Other information, as requested

Releases and certifications altered or amended by the family are unacceptable and would be considered "failure to provide."

VERIFICATION OF INFORMATION

The HACSD will follow the verification procedures and guidelines described in this Plan. Verifications for reexaminations must be less than 120 days old as of the effective recertification date.

TENANT RENT INCREASES

An advance notice of a tenant rent increase is mailed to the family at least 20 days prior to the scheduled effective date of the rent increase, unless the delay in notification was caused by an action or inaction of the family.

If a 20-day advance notice cannot be issued, the tenant rent increase will be delayed to the following month, unless the delay in notification was caused by an action or inaction of the family.

If there has been a misrepresentation or a material omission by the family or if the family causes a delay in the reexamination processing, there may be a retroactive rent increase processed and a collection to the family for overpaid assistance.

An approved contract rent increase in which the landlord provided proper 60-day notices to both the HACSD and the family will be processed effective the date of the rent increase (even if it must be done retroactively). A contract rent increase will not be approved if the landlord failed to provide proper advance notice to both the HACSD and the family.

TENANT RENT DECREASES

A decrease in tenant rent will be processed in a timely manner. If the family causes a delay, so that the processing of the reexamination is not complete by the anniversary date, the rent change will be effective on the first day of the month following completion of the reexamination processed by the HACSD.

The family must provide a written request and appropriate documentation for a family rent decrease to be processed on a date other than the reexamination date.

If the HACSD is responsible for a delay in processing the tenant rent decrease. The tenant rent decrease may be processed retroactive to the date the decrease should have been effective, and a supplemental payment is generally issued to the owner. In some circumstances, the supplemental payment may be issued to the tenant, as in the case of the tenant no longer residing in the unit.

INTERIM CHANGES

[24 CFR 982.516]

Program participants must report in writing all changes in household composition, income or assets to the HACSD within fourteen days of the change. The family must obtain prior HACSD approval for all household additions except those due to birth, return of disabled or minor children to the household, adoption or court-awarded custody. The owner must approve additions to the household in writing, with the exception of additions due to birth, adoption, return of minor or disabled children to the household or court-awarded custody.

The HACSD will conduct an interim examination to process a family rent decrease upon the family's written request for the interim and submission of the necessary verifications. In conducting the interim, all family information must be reviewed to ensure the reduction in family rent is correct and reflects all changes in family income and deductions that have taken place since the last examination.

PROCEDURES FOR PROCESSING THE CHANGES

The HACSD will notify the family and the owner of any change in the housing assistance payment according to the following guidelines:

Increases in the Tenant Rent If it is determined an interim is necessary to reflect an increase in tenant rent, the increase will be effective on the first of the month following a 20-day reasonable advance notice. However, if there was a delay in processing as a result of family action or inaction, the rent increase may be processed retroactively and a family repayment agreement executed.

An approved contract rent increase in which the landlord provided proper 60-day notices to both the HACSD and the family will be processed effective the date of the rent increase (even if it must be done retroactively). A contract rent increase will not be approved if the landlord failed to provide proper advance notice to both the HACSD and the family.

Decreases in the Tenant Rent are generally effective the first of the month following the change, unless the delay was caused by family action or

inaction. A tenant rent decrease cannot be processed until the family reports the change, requests a rent reduction in writing, and provides the necessary verifications. In some cases, a retroactive adjustment will be processed, providing the family has complied with its obligations. If there is family hardship, a provisional rent reduction may be processed based on the family's notarized statement. In this case, the verifications must be obtained later.

PROCEDURES WHEN THE CHANGE IS PROCESSED BY THE HACSD IN AN UNTIMELY MANNER

"Processed in a timely manner," means that the change goes into effect on the date it should when the family reports the change in a timely manner and provides all necessary verification. If the change cannot be made effective on that date due to an HACSD action or inaction, the HACSD has processed the change in an untimely manner.

In this case, a family rent increase will be effective after the required reasonable advance notice, and after completion of processing by the HACSD.

If the change resulted in a family rent decrease, and the family requested the decrease in a timely manner and provided all necessary verification, the rent decrease for the family will be calculated retroactively to the date it should have been effective, and the owner or participant will be mailed a supplemental payment for that amount.

REPORTING ADDITIONS TO OWNER AND THE HACSD

Reporting changes in household composition to the HACSD is both a HUD and a HACSD requirement.

The HACSD will deny a family's request to add additional family members who are prohibited from program participation for the time period indicated elsewhere in this Plan. In instances where a participation prohibition period is not indicated elsewhere in this Plan, the prohibition period is three years, unless the HACSD determines extenuating factors.

The HACSD will not approve the addition of other adults/children to the household during the first 12 months after program admission, unless the additions are due to birth, adoption, court awarded custody, or return of minor or disabled children to the household. Thereafter, the HACSD will deny a family's request to add more than a total of two people in a 12-month period, unless the addition is due to birth, adoption, court-awarded custody, return of disabled or minor children to the household, a live-in aide or foster children. Except for birth, adoption, court-

awarded custody, return of disabled or minor children to the household, foster children, and live-in aides, each adult person added to the household must have current income and a steady income history for the last 12 months, and if employed, are required to be employed at least 32 hours per week for the past 12 months.

An exception to the income requirement may occasionally be granted for serious medical or hardship reasons to close blood relatives of the head of household or spouse. However, they cannot be added if the unit is overcrowded.

Participation is always denied to:

Persons who have been evicted from public housing.

Persons who have previously violated a family obligation listed in 24 CFR 982.51 of the HUD regulations.

Persons who were part of a family whose assistance was terminated under the certificate or voucher program for program violations. (Determination will be made on a case-by-case basis depending on the termination reason.)

Persons who commit, or have committed, drug-related criminal activity or violent criminal activity as outlined in this Plan.

Persons who commit, or have committed, fraud, bribery or any other corrupt or criminal act in connection with any federal housing program, or state or local fraud involving public funds.

Persons who currently owe rent or other amounts to the HACSD, or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.

Persons who have engaged in, threatening, abusive or violent behavior toward HACSD personnel or have had a pattern of two or more instances observed by two or more staff or other witnesses of abusive, vulgar, demeaning, or hostile written or oral language and/or gestures and body movement that denotes an implied threat, excessive hostility, or intimidation.

Persons who have been involved in any criminal activity which may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity.

Persons who have been involved in any criminal activity which may threaten the health or safety of the owner, property management staff, or persons

performing a contract administration function or responsibility on behalf of the PHA.

Persons who will overcrowd the unit.

Persons who commit fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.

The income of the additional member will be included in the family income as applicable under the HUD regulations, once the person is approved by the HACSD and the owner. The HACSD will conduct a reexamination to determine such additional income and all other family income changes, and will make the appropriate adjustments in the housing assistance payment.

If the family does not obtain prior written approval from the HACSD, with the exceptions noted elsewhere, any person the family permitted to move in will be considered an unauthorized household member. The family is responsible for full rent for the duration of time the unauthorized person was residing in the unit.

Families are required to report within 14 calendar days, family additions through court awarded custody, birth, adoption, or minor or disabled children returning to the family.

A full interim reexamination will be conducted for any additions to the household, except for additions due to birth.

In addition, the family must obtain prior written approval from the owner for additions to the household other than by birth, adoption, a minor or disabled child returning to the family, or court awarded custody. However, the owner may disapprove any additions to the household unless to do so would be a violation of law.

REPORTING ABSENCES TO THE HACSD

Reporting changes in household composition is both a HUD and a HACSD requirement.

If a family member leaves the household, the family must report this change to the HACSD, in writing, within fourteen days of the change, and certify as to whether the member is temporarily absent or permanently absent.

The HACSD will conduct an interim evaluation for changes that affect the total tenant payment in accordance with the interim policy.

When the family notifies the HACSD, it must furnish the following information:

The date the family member moved out.

The new address, if known, of the family member.

A notarized statement as to whether the family member is temporarily or permanently absent.

OTHER INTERIM REPORTING ISSUES

An interim reexamination does not affect the date of the annual recertification.

Families with zero or minimal income must submit a statement of income and expenses along with receipts every 30 days.

A family with minimal income has monthly income at or below the following level:

Family Size	Minimal income
1	$200
2	$250
3	$300
4	$350
5	$400
6	$450
7	$500
8	$550

Changes reported by participants that do not require an interim will be noted in the file by the staff person, or will be reflected on documents/statements provided by the family.

INTERIM REEXAMINATION POLICY

Increases in Income

The HACSD may conduct interim reexaminations when families have an increase in income in certain circumstances. Families are required to report all changes in income/assets within 14 days. The HACSD may, at its discretion, conduct interim reexaminations in the following instances:

At the start and conclusion of the second 50 percent phase-in period of a family's Earned Income Disallowance.

If the family had previously been receiving zero or minimal income.

If it had not be possible to anticipate family income at the time of an examination.

If a provisional calculation had been conducted because verifications were not available at the time.

If it had been determined that a calculation error had occurred or the calculation was based on incorrect information

If it appears the family is manipulating the program by a pattern of reducing income just prior to the annual recertification and increasing its income right after.

If it is discovered a family has a welfare sanction and the rent should not have been reduced.

To admit a family to the Family Self Sufficiency Program

Upon family request

Decreases in Income

Participants are required to submit a written request for review of their rent calculations when they have a decrease in income and other changes that would reduce the amount of tenant rent, such as an increase in allowances or deductions. The HACSD will not process a reduction in family rent until it receives a written request and appropriate documentation of the changes. In hardship cases, the HACSD may process a rent reduction based on the family's notarized statement and obtain verification later. The HACSD will review all family income and deductions to ensure the interim rent reduction is correct and based on all current family information.

HACSD Errors

If the HACSD makes a calculation error at admission to the program or at an annual reexamination, an interim reexamination will be conducted, if necessary, to correct the error. The family will not be charged retroactively in this case.

An HACSD error that resulted in underpaid HAP will be corrected retroactive to when the decrease would have been effective if calculated correctly. However, since it is the family's responsibility to notify the HACSD of a calculation error, with the exception of special circumstances, the HACSD will not adjust the family's rent beyond the last action taken. A supplemental payment will be issued to the landlord

for the HAP underpayment if the family still has the same owner. If the family has a new landlord, the underpayment will be issued directly to the family.

HOUSEHOLD COMPOSITION CHANGES THAT REQUIRE A CHANGE IN THE VOUCHER SIZE

The family must request in writing an increase in its voucher size. Upon written request, providing the family is eligible for a larger voucher under the current subsidy standards, the voucher size will be increased if the family is in an appropriately sized unit or if the family is transferring to an appropriately sized unit.

If it is determined the unit does not meet HQS because the unit is overcrowded, the family must give notice to move if the family is eligible to move, or the assistance must be terminated within 60 days of the change in household composition that caused the unit to be overcrowded.

For a reduction in the voucher size, the family must be given minimum of a sixty-day notice of intended action effective the next annual reexamination, or as soon as possible thereafter. If an error is discovered that resulted in the voucher size not being reduced at the appropriate time, the voucher size will be reduced with a 60-day notice. The family must be issued and sign a voucher reflecting the new voucher size.

NOTIFICATION OF RESULTS OF RECERTIFICATIONS/INTERIMS

[HUD Notice PIH 98-6]

The HUD form 50058 will be completed and transmitted as required by HUD.

The notice of rent change is mailed to the owner and the tenant. The HACSD does not require signatures. If the family disagrees with the rent adjustment, it may request an informal hearing.

Chapter

11

MOVES WITH CONTINUED ASSISTANCE/PORTABILITY

[24 CFR 982.314, 982.353, 982.355(a)]

INTRODUCTION

HUD regulations permit families to move with continued assistance to another unit within the HACSD jurisdiction, or to a unit outside of the HACSD jurisdiction under portability procedures. The regulations also allow the HACSD the discretion to develop policies to define any limitations or restrictions on moves. This chapter describes the procedures for moves within and outside the HACSD jurisdiction, and the policies for restrictions and limitations on moves.

MOVES

RESTRICTIONS ON MOVES

[24 CFR 982.314, 982.552(a)]

Families will not be permitted to move during the initial term of the lease, unless the move is necessary due to a family member being the victim of domestic violence, dating violence, or stalking, in which case a move will be allowed and no waiver will be required.

Families will not be permitted to move more than once in a twelve-month period, unless they can demonstrate the move is required due to a medical emergency, the landlord issuing a termination of tenancy notice, or as a result of a family member being the victim of domestic violence, dating violence, or stalking.

Families will not be permitted to move if the lease/rental agreement was not properly terminated either by the family providing to the owner a proper 30-day notice to move, an approved waiver between the landlord and the tenant, or by a termination of tenancy notice issued by the owner.

Families will not be eligible to move with continued program participation if they will be in zero pay status at the new unit.

The HACSD will deny the family permission to move if there is insufficient funding for continued assistance.

The HACSD will deny the family permission to move if:

The family has violated a family obligation.

The family owes the HACSD or another PHA money. The housing supervisor may make exceptions to these restrictions if there is an emergency reason for the move over which the participant has no control, the participant is current on his/her repayment agreement **and** the family is not moving outside of the HACSD jurisdiction.

The family is ineligible because of criminal history or criminal activities.

PROCEDURE FOR TRANSFERS

[24 CFR 982.314]

EXTENSION/RESCISION OF TRANSFER

If the family does not locate a new unit, it may remain in the current unit if the owner allows the family to stay, the unit meets housing quality standards, and the family and owner submit a written confirmation to the HACSD.

NOTICE REQUIREMENTS

The initial briefing session will emphasize the family's responsibility to give the owner and the HACSD proper 30-day written notice of any intent to move.

The family must give the owner the legally required advance written notice of its intent to vacate, and must forward a copy to the HACSD at the same time.

TIME OF CONTRACT CHANGE

A move within the same building or project, or between buildings owned by the same owner, will be processed like any other move, and there will be no overlapping assistance.

ASSISTANCE TERMINATON AND OVERLAPPING ASSISTANCE

In a move, assistance stops at the old unit on the date the participant has notified the HACSD s/he will be vacating the unit, unless the participant and owner request an extension of the lease termination date in writing.

Unless the HACSD determines extreme documented extenuating circumstances, assistance on the old and new units may never overlap. The HACSD may never pay assistance on a unit beyond the end of the month the family moves.

PORTABILITY

[24 CFR 982.353]

Portability applies to families moving out of or into the HACSD's jurisdiction within the United States and its territories.

OUTGOING PORTABILITY

[24 CFR 982.353, 982.355]

Within the limitations of the regulations and this policy, a participant family has the right to tenant-based voucher assistance outside the HACSD's jurisdiction, anywhere in the United States that has an administering PHA. When a family provides written request to move outside of the HACSD's jurisdiction, the request must specify the area to which the family wants to move, as well as the name and address of the appropriate PHA. Subsidy standards and income limits vary from PHA to PHA, and the HACSD will advise the family to contact the receiving PHA regarding its policies and procedures and the HACSD will make contact with the receiving PHA by telephone, fax, or e-mail.

The HACSD will choose the receiving PHA in instances of more than one PHA in the area the family has chosen.

The HACSD may, if warranted by funding constraints, and if permitted under the regulations, deny a family's portability to a higher cost area.

The HACSD will make its billing payments to the receiving PHA within 30 days of receiving Part II of form HUD-52665 from the receiving PHA and subsequent payments must be received by the receiving PHA no later than the fifth working day of each month.

If the HACSD does not receive a billing from the receiving PHA within 60 days of the initial expiration date of the voucher, the HACSD will contact the receiving PHA to ascertain the status of the family. If the family is not under lease, the HACSD may, based on available vouchers, advise the receiving PHA that it will not accept subsequent billings on behalf of the family. If subsequent billings are received after contact with the receiving PHA, the HACSD will return them and advise the receiving PHA to absorb the family. However, If the HACSD is advised, at first contact, that the family is under a HAP contract and the receiving PHA cannot absorb the family, the HACSD is required to accept the subsequent late billing.

Once the HACSD (initial PHA) sends the family's portability paperwork to the receiving PHA, the HACSD is no longer administering that family's voucher. The HACSD cannot provide assistance for the family beyond their intended move-out date. If the family requests an extension of their assistance, the receiving PHA must return the portability paperwork to the HACSD to reinstate the family's assistance. If the family then chooses to port, they must once again submit a written request to initiate the portability process.

The HACSD cannot accept the return of a family with an expired voucher, but will accept a the return of a family with an active voucher providing that family is returning no later than sixty days after the expiration of the initial voucher term.

Restrictions on Portability

Applicants

If neither the head nor spouse had a domicile (legal residence) in the HACSD's jurisdiction at the date of initial application for assistance, the family may not be permitted to exercise portability upon initial issuance of a voucher, unless the HACSD approves the move.

For a portable family not yet receiving assistance in the HACSD's jurisdiction, the HACSD must determine whether the family is eligible for admission under the receiving PHA's program. In order to make this determination, HACSD will advise the family regarding the receiving PHA's income limits.

Participants

The HACSD will not permit families to exercise portability if:

> The family owes money to the HACSD, or if the family is delinquent on repayment of monies owed to any other PHA.
>
> The family is ineligible to move as outlined elsewhere in this Chapter.
>
> The family is being investigated for possible ineligibility for the program.

If a PHA denies a family's move into its jurisdiction, the PHA must offer the family an opportunity for an informal hearing, for participants, an informal review for new admissions, and submit its hearing/review determination to the HACSD within sixty days of the hearing/review decision.

A family cannot extend its move-out notice if a portability packet has been issued to the receiving PHA.

INCOMING PORTABILITY

[24 CFR 982.354, 982.355]

Absorption or Administration

The HACSD will accept a family with a valid active voucher from another jurisdiction, and administer or absorb the voucher. The family will be issued a "portable" voucher by the HACSD, if it is administering the voucher. The term of the voucher will not expire before the expiration date of any initial PHA voucher.

The family must submit a RFTA for an eligible unit to the HACSD during the term of the voucher. The HACSD may extend the voucher in conformance with its policies, but the HACSD must inform the initial PHA of the extension. The HACSD will not extend the voucher if the extension makes it impossible to bill by the billing deadline.

If the family decides not to lease in the HACSD's jurisdiction, or moves out of the HACSD's jurisdiction, the HACSD must refer the family back to the initial PHA. Extensions on the voucher granted by the HACSD are no longer valid when a family decides not to lease in the HACSD's jurisdiction.

The HACSD must process the incoming portability and issue a voucher within two-weeks unless:

> The voucher has expired. If this happens, the HACSD will refer the family back to the initial PHA
>
> The family has not contacted the HACSD
>
> The family is a new admission and is determined not to be income eligible.
>
> The documents provided by the initial PHA are not complete
>
> The family fails to comply with the receiving PHA's procedures – for example, refuses to complete disclosure forms or certifications

The HACSD may not delay processing the incoming portability by requiring:

> The family to attend a briefing not scheduled for three or more weeks
>
> A background check or income reexamination that will take more than two weeks

Although the HACSD may not delay processing and issuance of the voucher more than two weeks, it may take action against a family, including termination of the

family's participation in the program, based on the results of a background check or income reexamination, as well as for any other program violations.

The HACSD may absorb incoming vouchers, if the initial PHA absorbs an equal number of the HACSD's incoming vouchers, to further program goals, regulations, or rules.

When the HACSD does not absorb the incoming voucher, it will administer the initial PHA's voucher and the HACSD's policies will prevail.

For an admission to the program, a family must be income eligible in the area it initially receives assistance.

The HACSD will issue a "portability voucher" according to its own subsidy standards. The family may receive a smaller or larger voucher size, if the subsidy standards of the HACSD differ from those of the initial PHA.

Income and Total Tenant Payment of Incoming Portables

[982.353(d)]

As the receiving PHA, the HACSD may conduct a reexamination interview, but will only verify information when the documents are missing, are over 120 days old, or if the family circumstances have changed. The HACSD will request all necessary third party verifications. In addition, for families who had not received assistance in their original jurisdiction, the HACSD must determine if the family is income-eligible at or below 50% of area median income.

The HACSD interview will not cause a delay in the issuance of a voucher.

If the family's income calculates to zero subsidy prior to lease-up, the HACSD will refuse to enter into a contract on behalf of the family. A notice of action and opportunity for an informal hearing/review will be issued.

Requests For Tenancy Approval

When the family submits an RFTA, the RFTA will be processed using the HACSD's policies. If the family does not submit an RFTA, or does not execute a lease, the HACSD will notify the initial PHA within fourteen days after the voucher expiration date.

If the family successfully leases, the HACSD will notify the initial PHA within 10 working days of the execution of the HAP contract and no later than 60 days after the initial voucher expiration date and the billing process will commence.

If the HACSD denies assistance to the family, it will notify the initial PHA within 10 days of the effective date of the termination, and if the family requests an informal hearing/review, within 10 working days of the hearing decision.

The HACSD will notify the family of its responsibility to contact the initial PHA, if the family wishes to move outside the HACSD jurisdiction under continued portability.

Regular Program Functions

The HACSD will administer the family's assistance on behalf of the initial agency in accordance with its Plan and HUD regulations, including performing the following activities:

Annual reexaminations of family income, assets, and composition

Annual inspection of the unit

Interim examinations, as necessary

Family transfers from one unit to another, within the HACSD jurisdiction

The HACSD will notify the initial PHA within 10 working days of the effective date of the following changes:

Change in billing amount

A decision to absorb the family

Termination of housing assistance payments

Terminations

The HACSD will notify the initial PHA in writing of termination of assistance within ten working days of the termination effective date. If an informal hearing/review is required and requested by the family, the HACSD will conduct the hearing/review using the regular hearing/review procedures in this Plan. A copy of the hearing decision will be furnished to the initial PHA within ten working days.

If a family owed money prior to porting, the initial PHA will be responsible for collecting amounts owed by the family for claims and for monitoring repayment. If the initial PHA notifies the HACSD that the family is in arrears, or the family has refused to sign a payment agreement, either the initial or the receiving PHA will terminate assistance to the family, and either the initial or the receiving PHA will conduct an informal hearing, if requested.

Required Documents

The initial PHA must forward to the HACSD the documents listed on the HUD portability billing form.

Billing Procedures

As receiving PHA, the HACSD will bill the initial PHA monthly for housing assistance payments, administrative fees, and special claims.

The HACSD will bill 100% of the housing assistance payment, 100% of special claims, and 80% of the administrative fee (at the initial PHA's rate) for each "portability" voucher leased on the first day of the month.

If administering the portability voucher, the HACSD must issue its initial billing notice to the initial PHA no later than 60 days following the original expiration date of the voucher and within 10 working days of the date it executes the HAP contract.

The HACSD must complete the HUD-52665 and 50058 form and return to the initial PHA by the initial billing deadline.

The HACSD will notify the initial PHA of changes in subsidy amounts, and will expect the initial PHA to notify the HACSD of changes in its administrative fee.

The HACSD must send the initial PHA an updated HUD-50058 each year regardless of whether there is a change in the billing amount.

The HACSD will promptly notify the initial PHA in writing of late payments and must send a copy of the notification to the local Office of Public Housing. If the payments are late the following month, the HACSD may petition HUD to transfer the units to the receiving PHA.

Chapter

12

PROGRAM REVIEW AND PROGRAM INTEGRITY

[24 CFR 792.101 to 792.204, 982.54]

INTRODUCTION

The United States Department of Housing and Urban Development (HUD) conservatively estimates that 600 million dollars are paid annually to program participants who falsify, provide, or omit material facts in order to gain more rental assistance than they are entitled to under the law. HUD further estimates that twelve percent (12%) of all HUD-assisted families are either totally ineligible, or are receiving benefits which exceed their legal entitlement.

The HACSD is committed to assuring that the proper level of benefits is paid to all participating families, and that housing resources reach only income-eligible families. The HACSD will take all steps necessary to prevent fraud, waste, and mismanagement, so that program resources are utilized judiciously.

This chapter outlines the HACSD's policies for the prevention, detection and investigation of program abuse and fraud. In addition, this chapter discusses quality control procedures taken to ensure the program is operated in conformance with the regulations, as well as industry standards.

COMPLAINTS TO THE HACSD

The HACSD will respond promptly to complaints from families, owners, employees, and members of the public. All complaints will be documented. The HACSD may request complaints be submitted in writing. HQS complaints may be reported by telephone.

The HACSD hearing procedures are provided to families in the Family Handbook. The Family Handbook is presented to families at briefings, transfers, upon request, and frequently at recertifications.

CATEGORIES OF COMPLAINTS

Complaints from families: A family disagrees with an action or inaction of the HACSD, or owner.

The housing specialist will make every effort to resolve complaints from families. If the complaints are not resolved, they will be referred to the housing supervisor. The housing supervisor will make every effort to resolve the complaints. If the complaints are not resolved, they will be referred to the analyst and if not resolved, to the division chief.

Complaints from owners: An owner disagrees with a family, or HACSD action or inaction.

The housing specialist will make every effort to resolve owner complaints. If the owner complaints are not resolved, they will be referred to the housing supervisor. The housing supervisor will make every effort to resolve the complaints. If the complaints are not resolved, they will be referred to the analyst and if not resolved, to the division chief.

Complaints from staff: A staff person reports an owner or family either violating or not complying with program rules.

The complaint will be referred to the housing supervisor.

Complaints from the general public: Someone from the public complains about staff, participants, owners, or other matters.

Complaints or referrals from persons in the community in regard to the HACSD, a family, or an owner will be referred to the housing supervisor. If the complaints are not resolved, they will be referred to the analyst and if not resolved, to the division chief.

Complaints from the press, politicians, supervisors or other high profile individuals

High profile complaints will be referred to the division chief.

CRITERIA FOR INVESTIGATION OF SUSPECTED PROGRAM ABUSE AND FRAUD

The HACSD expects participating families to comply with HUD requirements, provisions of the Housing Choice Voucher, and other program rules. The HACSD staff will make every effort (formally and informally) to orient and educate all families to avoid unintentional violations. However, the HACSD has a responsibility to HUD, to

the community, to the taxpayer, and to eligible families in need of housing assistance to monitor participants and owners for compliance and, when indicators of possible abuse come to the HACSD' s attention, to vigorously investigate such claims.

The HACSD will initiate an investigation of a participating family in the event of one or more of the following circumstances:

Referrals, Complaints, or Tips. The HACSD will follow up on written, telephoned, or in-person referrals from other agencies, companies or persons, which allege that a family is in non-compliance with the program, or otherwise violating family obligations or any other program rules. Such follow-up will be conducted providing the referral contains at least one item of information that is independently verifiable. A copy of the allegation will be retained in the family's file.

Internal File Review. A follow-up is made when the HACSD staff discovers (as a function of a certification or recertification, an interim determination, or a quality control review), information or facts which conflict with previous file data, the HACSD's knowledge of the family, or is contrary to statements made by the family.

Verification of Documentation. A follow-up is made if the HACSD receives independent verification or documentation, which conflicts with representations in the family's file (such as public record information, credit bureau reports, or reports from other agencies).

Routine Program Review Activities. The HACSD may routinely conduct criminal history verification on program participants on a regular basis.

If the investigation is beyond the scope of the housing specialist, a referral is given to the Program Review unit (Program Review).

PREVENTION OF PROGRAM ABUSE AND FRAUD

The HACSD management and staff will employ various methods and practices (listed below) to prevent program abuse, non-compliance, and willful violations of program rules by applicants and participating families. The HACSD policy objective is to minimize family and owner non-compliance by providing clear and concise program education to eliminate violations that occur as a result of a misunderstanding of the program rules and requirements.

Participant Orientation Session. All prospective program participants will attend a mandatory orientation session provided by HACSD staff either prior to, or upon issuance of, a voucher. At the conclusion of all program

orientation sessions, the family representative will be required to sign a confirmation that all rules and pertinent regulations were explained to them.

Owner Orientation Session. Owners may attend informational workshops held periodically to orient owners on program rules and requirements.

Participant Counseling. The HACSD will routinely provide information to participants, upon request, to clarify any confusion regarding program rules and requirements.

Review and Explanation of Forms. Staff will explain all required forms, upon request, and review the contents of all (re) certification documents prior to the participant signature to affirm that all information provided is true, complete, and correct.

Use of Instructive Signs and Warnings. Information may be posted in the HACSD common areas and interview areas to reinforce compliance with program rules and to warn about penalties for fraud and abuse.

Participant Certification. All adult family representatives are required to complete and sign an eligibility declaration that discloses important eligibility information such as family members, income, assets, criminal history and other eligibility information.

OTHER PROGRAM INTEGRITY ACTIVITIES

All adults are required to sign an authorization for release of information

All adults are required to sign "An Important Points to Remember" listing of things they should know

Credit report and Department of Motor Vehicles (DMV) inquiries may be conducted

A Family Handbook is given to all participant families

The Family Handbook advises the family of the HACSD policy of zero tolerance for property damage

DETECTION OF PROGRAM ABUSE AND FRAUD

The HACSD staff maintains a high level of awareness to indicators of possible abuse and fraud by assisted families.

QUALITY CONTROL FILE REVIEWS

Prior to initial certification, and at the completion of annual recertifications, the minimum number of files required by SEMAP will be reviewed. Such reviews shall include, but are not limited to:

Assurance that verification of all income and deductions is present

Changes in reported social security numbers or dates of birth

Authenticity of file documents

Signatures consistent with previously signed file documents

Forms for signatures and correct dates

Rent reasonableness documentation, if applicable

Passed HQS inspections prior to execution of HAP contracts

OBSERVATION

The HACSD staff, including HQS inspectors, will maintain high awareness of circumstances that may indicate program abuse or fraud, such as unauthorized persons residing in the household and unreported income.

Observations will be documented in the family's file.

Management and staff may review public record bulletins.

STATE WAGE DATA RECORDS

Inquiries to state wage and employment record keeping agencies as authorized under Public Law 100-628, the Stewart B. McKinley Homeless Assistance Amendments Act of 1988, may be made on a case-by-case basis, in order to detect unreported wages or unemployment compensation benefits.

CREDIT BUREAU INQUIRIES

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

At the time of final eligibility determination

Upon transfer from one unit to another

When a participant's expenditures exceed his/her reported income, and no plausible explanation is given as to how the participant is meeting his/her expenses

Upon allegations of unreported income, or the family living above its apparent means

Upon an inspection that indicates the family's unexplained acquisition of expensive items such as, furniture, electronics, vehicles, or boats

ALLEGATIONS OF PROGRAM ABUSE AND FRAUD

The HACSD staff will encourage all participating families to report suspected abuse to the Program Review Division. All such referrals, as well as referrals from community members and other agencies, will be thoroughly investigated, documented, and placed in the participant's file. All allegations, complaints and tips will be carefully evaluated in order to determine if they warrant follow-up. Program Review will not follow up on vague or non-specific allegations. It will only review allegations that contain one or more independently verifiable facts.

FILE REVIEW

An internal file review will be conducted to determine:

A program participant is involved and, if so, if the information reported has been previously disclosed by the family

The HACSD will then determine the appropriate authority to follow-up (e.g., police or social services). Any file documentation of past behavior, as well as corroborating complaints, will be evaluated.

Program Review reviews the files on which it has received complaints, while case management reviews the files on which it has received complaints.

CONCLUSION OF PRELIMINARY REVIEW

If at the conclusion of the preliminary file review there is/are fact(s) contained in the allegation which conflict with file data, and the fact(s) are independently verifiable, the housing specialist will initiate an investigation to determine if the allegation is true or false.

INVESTIGATION OF ALLEGATIONS OF PROGRAM ABUSE AND FRAUD

When the HACSD determines that an allegation or referral warrants follow-up, either the staff person who is responsible for the file, or a person designated by the executive director to monitor program compliance, will conduct the investigation. The steps taken will depend upon the nature of the allegation and may include, but are not limited to, the items listed below. In all cases, the HACSD will secure the written authorization from the program participant for the release of information.

CREDIT BUREAU INQUIRIES

In cases involving previously unreported income sources, a credit bureau inquiry may be made to determine if there is financial activity that conflicts with the reported income of the family.

VERIFICATION OF CREDIT

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

EMPLOYERS AND EX-EMPLOYERS

Employers or ex-employers may be contacted to verify wages that may have not been previously disclosed or previously misreported.

WITNESSES

Witnesses may be interviewed regarding facts pertaining to the HACSD's review.

OTHER AGENCIES

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

PUBLIC RECORDS

If relevant, the HACSD will review public records. Examples of public records which may be checked are: real estate, marriage, divorce, uniform commercial code financing statements, voter registration, judgments, court or police records, state wage records, utility records, postal records, school records, or other types of records.

INTERVIEWS WITH HEAD OF HOUSEHOLD OR FAMILY MEMBERS

The HACSD may discuss the allegation (or details thereof) with the head of household or family member by telephone, or by scheduling an appointment for the family to come to the HACSD office. The HACSD staff members will conduct interviews with a high standard of courtesy and professionalism. The HACSD staff members will, under no circumstances, use inflammatory language, accusations, or any unprofessional conduct or language in the course of doing business. If possible, more than one staff person will attend the interviews.

OVERPAYMENTS TO OWNERS

When the landlord has been overpaid as a result of fraud, misrepresentation or violation of the HAP contract, the HACSD may terminate the HAP contract, and arrange for restitution to the HACSD and/or family, as appropriate. In addition, depending on the seriousness of the offense, the landlord may be debarred from future program participation for a limited or an unlimited period of time.

The HACSD will attempt to recover overpayments resulting from landlord fraud or abuse. Payments due from the owner may be debited in order to repay the HACSD or the tenant, as applicable.

In instances where it is found the family rented from a relative without the required HACSD permission, or if the family was approved to rent from a relative based on a misrepresentation of material facts, an overpayment will be collected from both the owner and the participant – each party responsible for repayment of 50% of the HAPs paid.

DOCUMENT AND/OR EVIDENCE HANDLING

Documents and other evidence obtained by the HACSD during the course of an investigation will be considered "work products" and will be kept in the participant's file. The participant's file shall be kept in a secure location. The cases under review will not be discussed among HACSD staff members, unless they are involved in the process, or have information that may assist in the investigation.

CONCLUSION OF THE HACSD'S INVESTIGATIVE REVIEW

At the conclusion of the investigative review, the reviewer will place the findings in the participant's file. The findings in the participant's file will narrate if a violation has or has not occurred, or if the facts are inconclusive.

EVALUATION OF THE FINDINGS

When it is determined that a program violation has occurred, the HACSD will review the facts to determine:

The type of violation (procedural, non-compliance, fraud)

Whether the violation was intentional or unintentional

The amount of money (if any) owed by the family

The family's eligibility for continued assistance

PROCEDURES FOR DOCUMENTED VIOLATIONS

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

PROCEDURAL NON-COMPLIANCE

This category applies to a family "failure" to observe a procedure or requirement of the HACSD, but the family did not misrepresent a material fact, and there are no retroactive assistance payments owed by the family.

Examples of procedural non-compliance violations are:

Failure to appear at a pre-scheduled appointment

Failure to return verifications in the time period specified by the HACSD

Warning Notice to the Family. In such cases a notice may be sent to the family that contains the following:

A description of the non-compliance and the procedure, policy or obligations violated

The date by which the violation must be corrected

The action that will be taken by the HACSD, if the violations are not corrected by the deadline

The consequences of repeated (similar) violations.

OVERPAID ASSISTANCE

When the family owes money to the HACSD for failure to report changes in income, assets, family composition, or if the family has an unauthorized person in the household, the HACSD will issue a notification of overpayment of assistance. This notice will contain the following:

A description of the violation and the date(s)

Any amounts owed to the HACSD

Participant Fails to Comply with the HACSD Notice. If the participant fails to comply with the HACSD notice, and a family obligation has been violated, the HACSD will initiate termination of assistance.

Participant Complies with the HACSD Notice. When a participant complies with the HACSD notice, the staff person responsible may meet with him/her, or telephone, to discuss and explain the family obligation or program rule that was violated. The staff person will narrate in the tenant record, and may ask the family to write a statement of understanding of the requirement that was violated for the family's file

INTENTIONAL MISREPRESENTATIONS

When a participant falsifies, misstates, omits or otherwise misrepresents a material fact, the HACSD will evaluate whether or not:

The participant had knowledge that his/her actions were wrong, and

The participant willfully violated the family obligations or the law.

Knowledge that the action or inaction was wrong. The facts will be evaluated by determining if the participant was made aware of program requirements and prohibitions. The participant's signature on various certifications, briefing certifications, personal declaration, and other documents that reflect the participant's knowledge of program rules, are adequate to establish knowledge of wrongdoing.

The participant willfully violated the law. Any of the following circumstances will be considered adequate to demonstrate willful intent:

An admission by the participant of the misrepresentation.

The act was done repeatedly.

A false name or social security number was used.

There were admissions to others of the illegal action or omission.

The participant omitted material facts, which were known to him/her (e.g., employment of self or other household member).

The participant falsified, forged or altered documents.

The participant uttered and certified to statements at an interim or annual (re)determination which were later independently verified to be false.

DISPOSITION OF CASES INVOLVING MISREPRESENTATIONS

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

Criminal Prosecution: If the HACSD has established criminal intent, and the case meets the criteria for prosecution, the HACSD will:

Refer the case to the local state or district attorney, notify HUD, and terminate rental assistance.

Administrative Remedies: The HACSD will:

Terminate assistance and demand payment/restitution in full.

THE CASE CONFERENCE FOR SERIOUS VIOLATIONS AND MISREPRESENTATIONS

When the HACSD has established that material misrepresentation(s) have occurred, a case conference may be scheduled with the family representative and the HACSD staff person who is most knowledgeable about the circumstances of the case. This conference may be held if there is some indication of extenuating circumstances, or upon family request.

This conference may take place prior to any proposed action by the HACSD. The purpose of such conference is to review the information and evidence obtained by the HACSD with the participant, and to provide the participant an opportunity to explain any document findings which conflict with representations in the family's file. Any documents or mitigating circumstances presented by the family may be taken into consideration by the HACSD.

A secondary purpose of the participant conference is to assist the HACSD in determining the course of action most appropriate for the case. Prior to the final determination of the proposed action, the HACSD may consider:

The duration of the violation and number of false statements

An admission by the participant of the misrepresentations

Repetition of the misrepresentation

The family's ability to understand the rules

The family's willingness to cooperate, and to accept responsibility for its actions

The amount of money involved

The family's past history

Whether or not criminal intent has been established

The number of false statements

Notification to Participant of Proposed Action

The HACSD will notify the family of the proposed action no later than 30 days after the case conference, if one is held.

RESERVED

Chapter

13

TERMINATIONS, DENIALS, HEARINGS AND REVIEWS

[24 CFR 982.552, 982.553, 982.311, 982.314]

INTRODUCTION

The Section 8 Program operates through a relationship between the public housing agency, the owner and the participant. These parties enter into agreements with each other in the form of the lease between the owner and the participant, the contract between the owner and the public housing agency, and the Housing Choice Voucher between the public housing agency and the participant. Each party to these agreements is obligated to comply with certain requirements of the program and the agreements may be terminated under program guidelines. This chapter describes the process for termination or denial of assistance, as well as the process for termination of the HAP Contract and the policies and procedures for such terminations.

The HACSD may deny or terminate assistance for a family because of the family's action or failure to act. The HACSD will provide families with a written description of the family obligations under the program, the grounds under which the HACSD can deny or terminate assistance, and the HACSD's informal hearing or informal review procedures. For more information on family eligibility, please refer to Chapter Three.

The informal hearing or informal review requirements defined in HUD regulations apply to participant or applicant families who disagree with an action, decision, or inaction of the HACSD. This chapter describes the policies, procedures and standards used when families disagree with a HACSD decision. It is the policy of the HACSD to ensure that all families have the benefit of all protections due to them under HUD rules and regulations governing the Section 8 program.

DENIAL OR TERMINATION OF PROGRAM PARTICIPATION

FORM AND FORMAT FOR DENIAL/TERMINATION

Denial of assistance for an applicant may include any or all of the following:

Denial for placement on the waiting list

Denying a voucher 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 transfer or portability procedures.

EXTENUATING CIRCUMSTANCES

Extenuating circumstances may be considered by the Division chief if the responsible family member has no prior history of program violations and/or complaints, the violations did not involve violent or drug related criminal activities, and only if s/he provides compelling medical documentation indicating s/he was incapacitated during the time the program violations occurred to such a degree s/he was clearly incapable of understanding program requirements. Furthermore, the means of violation detection and subsequent family truthfulness and cooperation will be taken into consideration.

The HACSD will not take action to deny or terminate assistance for lease violations, criminal activities, or other good cause if the violations occurred as a result of a family member being the victim of domestic violence, dating violence, or stalking, unless the HACSD can demonstrate that the act poses an actual or imminent threat to other tenants or those employed at or providing service to the property.

In the case of lease violations, the family must make full restitution to the landlord as demonstrated by a landlord's full release and proof of payment. In addition, if the violations resulted in overpaid housing assistance payments, the family may,

depending on the size of the repayment, be allowed to remain on the program if the family enters into a repayment agreement and the payments are kept current.

If a family is found ineligible due to non-compliance as a result of a disability, the HACSD may delay the denial or termination in order to determine if the problem could be corrected by reasonable accommodation in conformance with this Plan's reasonable accommodation policy.

LEASE VIOLATIONS

The following criteria will be used to decide if serious or repeated violations of the lease will result in termination of assistance:

If the owner terminates tenancy through court action for serious or repeated violations of the lease.

If it is found the family violated the lease as determined by the following evidence:

Court judgment or settlement between the family and the owner in which the family agrees to vacate the unit and/or pay a settlement amount, or;

Police reports, neighborhood complaints, pictures, a HACSD inspection, or other verified third party information that confirms serious or repeated lease violations, or;

Nonpayment of rent is always considered a serious violation of the lease.

The participant cannot withhold rent under the program for un-inhabitability without permission of the HACSD, as the HACSD must be notified along with the owner of conditions needing repair in the unit, the owner must be given an opportunity to remedy the problems, and the HACSD must be given the opportunity to conduct a special inspection to determine if the unit fails HQS. If the participant fails to pay rent without permission of the HACSD, the participant's non-payment of rent will be considered a serious lease violation.

In addition,

It will always be considered a serious lease violation if the participant causes the landlord to incur expenses for cleaning and/or damages which exceed $200.00 as verified by either an independent expert's cost estimate or photographs taken by

HACSD staff. HACSD photographs of an obviously dirty unit, or damages above wear and tear, or debris left in or around the unit may be considered a serious lease violation. If the participant does not make full restitution, s/he may not be transferred and s/he will be issued a 30-day notice of termination of program participation.

With the exception of a unit being "red tagged" as being uninhabitable by a governmental entity, the family may not move during the term of the lease without the owner's and the HACSD's permission.

The participant cannot move during the term of the lease, even if the participant claims uninhabitability, as the HACSD must be notified along with the owner of the problems in the unit, the owner must be given an opportunity to remedy the problems, and the HACSD must be given the opportunity to conduct a special inspection to determine if the unit fails HQS. If the participant abandons the unit during the term of the lease without permission of the HACSD, the participant's action will be considered a serious lease violation.

NOTIFICATION OF EVICTION

If the family requests assistance to move, but has not notified the HACSD of an eviction within 14 days of receiving the notice of lease termination, the move will be denied.

ZERO ($0) ASSISTANCE TENANCIES

[24 CFR 982.455 (a)]

The HACSD has no liability for unpaid rent or damages, and the family may remain in the unit at zero assistance for up to six months after the last HAP payment. If the family is still in the unit after six months, program participation will end. If, within the six-month timeframe, an owner rent increase or a decrease in the total tenant payment results in the family becoming eligible for assistance, the HACSD will resume assistance payments for the family upon documentation of the change.

If the family moves from the unit during the six-month period, and the family is eligible to move, the family will be issued a voucher. If the family becomes eligible for assistance during the term of the voucher, the family will be leased into a new unit. However, the family cannot be leased in a new unit, if the family is in zero HAP. Also, a family in zero HAP is ineligible for voucher extensions.

A family that requests portability during the six-month period may be issued a voucher to port, but the receiving PHA will be advised that the family is in zero HAP.

OPTION NOT TO TERMINATE FOR MISREPRESENTATON

[24 CFR 982.551, 982.552(c)]

If the family has misrepresented information so that an overpayment of assistance was disbursed, the HACSD may choose to allow the family to continue participation, if the family executes a repayment agreement for overpaid assistance, and makes payments in accordance with the agreement. The determination to not terminate family participation depends on the seriousness of the misrepresentation and the family's history of complying with the program and the lease.

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 an illegal scheme with the owner, such as an unauthorized side payment agreement, the HACSD will usually deny or terminate assistance. The HACSD may consider extenuating circumstances in making its determination.

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 HACSD to fulfill its responsibilities. The HACSD schedules appointments and sets deadlines in order to obtain the required information. The family obligations require that the families allow the HACSD to inspect the unit with a reasonable advance notice.

The HACSD may issue a notice to deny or terminate assistance, when an applicant or participant fails to keep an appointment, supply information by the deadline, or fails to allow a scheduled HACSD inspection.

The family will be informed of the requirement to keep appointments.

Appointments or deadlines may be required in the following circumstances:

- Eligibility for admissions
- Verification procedures
- Voucher issuance and briefings
- Housing quality standards and inspections
- Recertifications
- Appeals
- Conferences

The following documented extenuating circumstances may be considered for missed appointments or deadlines:

Medical emergency

Incarceration

Family emergency

Procedure when Appointments are missed or Information not provided

The family may be given two opportunities before a notice of termination of assistance or denial of participation is issued. The family must call to reschedule a missed appointment, and if not, a termination of assistance or denial of participation may be issued. The HACSD may rescind the notice, if the family then calls to reschedule the appointment.

The HACSD may rescind a notice, if the family offers to correct a breach in program requirements prior to the date of termination of assistance. The notice may not be rescinded, if the family has a history of non-compliance. The notice will not be rescinded if assistance has terminated.

PROCEDURES FOR NON-CITIZENS

[24 CFR 5.514, 5.516, 5.518]

Denial or Termination due to Ineligible Immigrant Status

Applicant or participant families with neither U.S. citizens nor eligible immigrants are not eligible for assistance and must have their assistance terminated. The HACSD must offer the family an opportunity for a hearing.

Assistance may not be terminated while verification of the participant family's eligible immigration status is pending.

False or Incomplete Information

When the HACSD 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 his/her citizenship, the HACSD will offer an opportunity to provide a new declaration as an eligible immigrant or an opportunity to elect not to contend his/her status. The HACSD will then verify eligible status and deny, terminate, or prorate as applicable.

The HACSD may deny or terminate the family's assistance, if it is apparent that the applicant or participant deliberately provided incomplete, false, or incorrect information.

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 HACSD, either after the INS appeal or in lieu of the appeal with the INS.

After the HACSD has made a determination of ineligibility, the family will be notified of the determination, the reasons and informed of the option for prorated assistance (if applicable).

The HACSD may deny or terminate the family's assistance, if it is apparent that the applicant or participant deliberately provided incomplete, false, or incorrect information.

REASONABLE ACCOMMODATION

[24 CFR 982.552, 982.553]

If denial of admission, or termination of assistance, is based on behavior due to a disability, the HACSD will delay the denial or termination in order to determine if the problem could be corrected by reasonable accommodation. For example, a visually impaired person fails to return information because the request for information was in writing. The HACSD then makes a reasonable accommodation, upon request, to call the person to tell him/her of the information that is needed.

However, a reasonable accommodation will not be granted if to do so would result in a fundamental alteration in the nature of the program, such as the prohibition on criminal acts, or the requirement to comply with the lease and the program's family obligations. Nor will a reasonable accommodation be granted if the disabled person's action negatively impacted others.

FORMAT FOR DENIAL/TERMINATION NOTICES

Applicants and participants will be notified of denial or termination of assistance in writing on HACSD approved notices and advised they will have 14 days from the date of the notice to request an informal review or hearing.

The notices will contain: the effective date of the action, the family's right to request an informal hearing or review, the deadline for the family's informal hearing/review request, a full explanation of the reason(s) for termination/denial, including a full description of crimes or actions of the family, and the sections of the Code of Federal Regulations that provide authority for the denial or termination of assistance. A

request form will be provided for applicants or participants to request informal reviews or hearings.

If the HACSD proposes to terminate assistance for criminal activity based on a criminal record, the HACSD will allow the family to make an appointment to review a copy of the criminal record.

The HACSD will provide written notice of the contract termination to the owner to coincide with the termination of assistance. The notice to the owner will not include any details regarding the reason for termination of assistance.

REQUIRED EVIDENCE

Preponderance of evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. The intent is not to prove criminal liability or a violation of family obligations, 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, arrest warrants, or an inspection of the unit for violations of family obligations.

If the HACSD determines, based on a preponderance of the evidence, that a household member, or guest, has engaged in prohibited criminal activity or violated family obligations, regardless of whether the household member or guest has been evicted, arrested or convicted for the activity, the HACSD will terminate assistance.

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

TERMINATION OF CONTRACT OR LEASE

[24 CFR 982.311, 982.314]

The term of the HAP contract between the HACSD and the owner is the same as the term of the lease. The HACSD or the owner may terminate the contract, or the contract terminates upon owner or tenant termination of the lease.

The HACSD will terminate payments, on behalf of the family to the owner, upon contract termination. The owner must reimburse the HACSD for any subsidies paid after the contract termination.

If the family continues to occupy the unit after the contract is terminated, the family is responsible for the total amount of rent due to the owner.

After contract termination, if the family meets the criteria for a move with continued assistance, the family may lease in another unit.

TERMINATION BY THE FAMILY: MOVES

[24 CFR 982.314(c)(2)]

Family termination of the lease must be in accordance with the terms of the lease. The family may not be eligible to transfer its assistance to another unit, depending on the circumstances of the termination of the lease.

TERMINATION OF TENANCY BY THE OWNER: EVICTIONS

[24 CFR 982.310, 982.455]

The owner is required by law, and under the lease, to provide a proper termination notice.

During the term of the lease, the owner may not terminate the tenancy, except for the grounds stated in the HUD regulations.

During the initial term of the lease the owner may terminate the lease for:

> Serious or repeated violations of the lease, including but not limited to, failure to pay rent or other amounts due under the lease, or repeated violation of the terms and conditions of the lease
>
> Violations of federal, state or local law that imposes obligations on the tenant in connection with the occupancy or use of the premises, or criminal activity by the tenant, any member of the household, a guest or another person under the tenant's control that threatens the health, safety or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity of the premises or any drug-related criminal activity on or near the premises
>
> Other good cause

During the initial term of the lease, the owner may not terminate the tenancy for “other good cause” unless the owner is terminating the tenancy because of something the family did or failed to do (see CFR 982.310).

The HACSD will not be involved in termination of the lease, nor will advise the landlord or the tenant regarding the legal process. If the family is eligible to transfer, the HACSD staff will immediately issue transfer papers to the participant and act to expedite the transfer process.

Evidence of Criminal Activity

The owner may terminate family tenancy and evict by judicial action for criminal activity by a covered person, if the owner determines s/he has engaged in criminal activity:

Regardless of arrest or conviction

Without satisfying the standard proof used for criminal conviction

Release of Sex Offender Registration Information or Criminal History Information to the Owner

The owner may request that the HACSD obtain and review criminal or sex offender registration records for grounds to deny a tenant application, or evict a tenant. The HACSD will charge the owner a fee based on the costs incurred by the HACSD, including the costs charged by the law enforcement agency, the HACSD staff time and administrative costs. The owner may not charge the tenant for this fee.

The HACSD **must not** release any criminal information or sex offender information to the owner, but a housing supervisor will review the information, and if no information relevant to application or eviction is found, will notify the owner. If information relevant to the application or eviction is found, the housing supervisor will present his/her findings in writing to the division chief who will authorize the findings and sign the letter issued to the owner. The letter will not specify the criminal or sex offender history, but will merely state that there may be cause for denial or eviction of the tenant. If the owner sends documentation that supports the need for specific information for an eviction, the division chief must approve the release of any information in accordance with the regulations. [24 CFR 5.903, 24 CFR 5.905]

Termination of Tenancy Decision

The owner can decide whether to take an action against a tenant, if the law and the regulations permit. The circumstances to be considered by the owner include:

The seriousness of the offense

The effect on the community

The extent of participation by household members

The demand for assisted housing by families who will adhere to responsibilities

The extent the tenant has taken personal responsibility

The extent the tenant has taken all reasonable steps to mitigate the offending action(s)

The effect on the integrity of the program

Exclusion of Culpable Household Member

The owner may require the tenant to remove a household member, in order to continue to reside in the assisted unit.

Consideration of Rehabilitation

When determining whether to terminate the tenancy for illegal drug use, or alcohol abuse, the owner may consider whether the member:

Is no longer engaged in the offending activities

Has successfully completed a supervised drug or alcohol rehabilitation program

Has otherwise been rehabilitated.

The owner may require the tenant to submit evidence of rehabilitation.

Actions of termination must be consistent with fair housing and equal opportunity laws as stated in 24 CFR 5.105.

The owner must provide the tenant a written notice specifying the grounds for termination of tenancy, at or before the commencement of the eviction action. The notice may be included in, or may be combined with, any owner eviction notice to the tenant.

The owner eviction notice means a notice to vacate, or a complaint, or other initial pleading used under state or local law to commence an eviction action.

The owner should specify lease violations and cite some, or all of the ways the tenant has violated the lease, as documentation for the HACSD's decision regarding termination of assistance.

Housing assistance payments are paid to the owner under the terms of the HAP contract. If the owner has begun eviction and the family continues to reside in the unit, if the family is eligible for assistance, the HACSD must continue to make housing assistance payments to the owner until the tenant has moved, the owner has obtained a court judgment, or otherwise evicted the tenant. By endorsing the monthly check from the HACSD, the owner certifies that the tenant is still in the unit,

the rent is reasonable, and s/he is in compliance with the contract. Rental assistance cannot be paid if the unit has an HQS violation that is the owner's responsibility.

If the action is finalized in court, the owner will be asked to provide the HACSD with the documentation, including notice of the lockout date.

The HACSD may issue a new voucher to the family and process its transfer, if the family is found to have been in compliance with the lease, and all program requirements.

TERMINATION OF THE CONTRACT BY THE HACSD

[24 CFR 982.404(a), 982.453, 982.454, 982.552(a)(3)]

The HAP contract terminates when the lease terminates, the HACSD terminates program assistance for the family, or when the owner has breached the HAP contract.

The HACSD may also terminate the contract if:

Funding is no longer available under the HUD Annual Contributions Contract

The contract will terminate automatically 180 days after the last housing assistance payment to the owner.

Notice of Termination

In most instances, the HACSD will terminate the contract the end of the month following the month the owner is issued a termination notice. However, the contract will terminate the end of the month the family vacates the unit and may terminate the end of the month that serious, life-threatening conditions are noted.

When the HACSD terminates a contract, transfer papers will be forwarded to an eligible family.

INFORMAL MEETINGS AND REVIEWS

PREFERENCE DENIALS

When the HACSD denies a preference to an applicant, the family will be notified in writing of the specific reason for the denial and offered the opportunity for a meeting with the HACSD staff to discuss the reasons for the denial and to dispute the HACSD's decision.

The person who conducts the meeting will be:

The admissions supervisor or designee

An employee of the HACSD, who is at or above the level of Housing Specialist II, but not the employee who made the decision

INFORMAL REVIEW PROCEDURES

[24 CFR 982.54(d)(12), 982.554]

Informal reviews, with one exception, are provided for applicants who are denied assistance before the effective date of the HAP contract. Informal reviews are intended to provide a "minimum hearing requirement" and need not be as elaborate as informal hearing requirements. Informal hearings are provided to applicants denied for citizenship or eligible immigrant status.

Upon HACSD determination of applicant ineligibility, the family must be notified in writing. The notice must contain:

The reason(s) the family is ineligible

The procedure for requesting a review, if the applicant does not agree with the decision

The deadline to request a review

When denying admission for criminal activity as shown by a criminal record, the HACSD will allow the family to review the criminal record at the HACSD office upon family request.

The HACSD must provide applicants the opportunity for an informal review when they are denied for the following reasons:

Denying listing on a PHA waiting list

Denying or withdrawing a voucher

Refusing to enter into a HAP contract or approve a lease

Refusing to process or provide assistance under portability procedures

Informal reviews for applicants are not required for established policies and procedures, and HACSD determinations such as:

Discretionary administrative determinations by the HACSD

General policy issues or class grievances

A determination of the family unit size under the HACSD subsidy standards

Refusal to extend or suspend a voucher

Refusal to grant approval of the tenancy

Determination that unit is not in compliance with HQS

Determination that unit is not in accordance with HQS due to family size or composition

Notification of Review

The HACSD will ensure applicants receive all the rights afforded by laws and regulations. When the HACSD receives a request for an informal review, the informal review shall be scheduled within 30 days of receipt. The informal review may be conducted by telephone, or in person. The applicants will be advised of the time and date of the informal review, and the right to submit oral or written objections to the HACSD decision.

Requests for Postponement

Requests for postponement will be granted only if there is evidence that indicates the postponement is necessary due to reasons beyond the control of the parties involved (for example: hospitalization, auto accident, etc.). Verification of the reason(s) must be provided to the HACSD in writing and must cover the review date before a new review will be scheduled. A reasonable accommodation request must be provided in writing prior to the scheduled informal review.

Processing the Informal Review

A written request for an informal review **must** be received at the HACSD offices by the close of the business day, no later than fourteen days from the date of the HACSD's notification of denial of admission. The informal review will be scheduled within 30 days of the date the request is received.

Those involved in the decision under review, or their subordinates, may not conduct the informal review.

The review may be conducted by:

A Housing Specialist I or above

An individual from outside the HACSD

The applicant will be given the option of presenting oral or written objections to the decision. The HACSD and the family may present evidence and witnesses. An

attorney or other representative may accompany the family at the family's own expense.

The review may be conducted by mail and/or telephone if acceptable to both parties.

A notice of the review findings will be provided in writing to the applicant within twenty days after the review. It shall include the decision of the review officer, and an explanation of the reasons for the decision.

All requests for a review, supporting documentation and a copy of the final decision will be retained in the family's file.

INFORMAL HEARINGS

[24 CFR 982.555(a-f), 982.54(d)(13)]

The HACSD must notify participants, and applicants (for citizenship or eligible immigration issues), in writing, upon a decision regarding eligibility and/or the amount of assistance. The HACSD will give the family prompt notice of such determinations, which will include:

The proposed action or decision of the HACSD

The date the proposed action or decision will take place

The family right to an explanation of the HACSD decision

The procedures to request a hearing, if the family disputes the action or decision

The deadline to request the hearing

Where the hearing request must be submitted

When terminating assistance for criminal activity as shown by a criminal record, the HACSD will allow the participant to come into the office to view the alleged offender copies of the relevant criminal record(s). In addition, the termination notice will provide specific information on the criminal history discovered.

The HACSD must provide participants the opportunity for an informal hearing for decisions related to any of the following:

Determination of the family's annual or adjusted income

The computation of the housing assistance payment

The utility allowance schedule used

Family unit size determination under HACSD subsidy standards

Termination of assistance for any reason

Informal hearings are not required for established policies and procedures and HACSD determinations such as:

Discretionary administrative determinations by the HACSD

General policy issues or class grievances

Establishment of the schedule of utility allowances for families on the program

Determination not to approve an extension or suspension of a voucher term

Determination not to approve a unit or lease

Determination not to grant an increase in Voucher size

Determination not to grant a reasonable accommodation

Determination not to approve additions to the household, including a live-in aide

Determination of owner violation of HQS (HACSD must provide a hearing for termination of assistance for a family breach of HQS)

Determination that the unit is not in accordance with HQS because of the family size

Determination to exercise, or not exercise, any right or remedy against the owner under a HAP contract

INFORMAL HEARING PROCEDURES

Notification of the Hearing

It is the HACSD's objective to resolve disputes at the lowest level possible to avoid the most severe remedies. However, if this is not possible, the HACSD will ensure that applicants and participants receive all of the protections and rights afforded by the law and the regulations.

When the HACSD receives a request for an informal hearing, a hearing will be scheduled within 30 days. The notification of hearing will contain:

The date and time of the hearing

The location of the hearing

The family's right to bring evidence, witnesses, legal or other representation at the family's expense, providing the family notifies the HACSD at least seven (7) days in advance.

The family's right to view any documents or evidence in the possession of the HACSD upon which the proposed action was based, providing the family requests the review at least seven (7) days in advance.

A notice to the family stating the HACSD requires copies of any documents or evidence the family will use at the hearing

Requests for Postponement

Requests for postponement will be granted only if there is evidence that indicates the postponement is necessary due to reasons beyond the control of the parties involved (for example: hospitalization, auto accident, etc.). Verification of the reason(s) must be provided to the HACSD in writing and must cover the hearing date before a new hearing will be scheduled. A reasonable accommodation request must be provided in writing prior to the scheduled informal hearing.

After a hearing date is scheduled, the family may request to reschedule only upon showing "good cause," defined as: an unavoidable conflict that seriously affects the health, safety or welfare of the family.

Processing the Informal Hearing

A written request for an informal hearing must be received at the HACSD offices by the close of the business day, no later than fourteen days from the date of the notification of denial or termination of assistance. The informal hearing will be scheduled within 30 days of the date the request is received.

Informal hearings regarding rent calculations, utility allowances, and subsidy standard determinations, due to the specificity and/or complexity of these determinations, will be heard by an employee of the HACSD who is a Housing Specialist I or above and who was not involved in making the original determination, or a subordinate of that person. Informal hearings regarding this subject will be more informal that outlined below and may be done over the telephone or in person,

Families may, during or before the hearing:

Present written or oral objections to the HACSD's determination.

No sooner than seven (7) days after the date of the notice of informal hearing and no later than seven (7) days prior to the hearing, request copies at the family's expense of any unprivileged documents in the file that are directly relevant, as determined by the HACSD, to the issues to be considered at the hearing which form the basis for the HACSD's action, and all documents submitted to the hearing officer.

Present any information or witnesses pertinent to the issue of the hearing.

Request that HACSD staff be available to answer questions pertinent to the case.

Be represented by legal counsel, advocate, or other designated representative at his or her own expense.

In addition to other rights contained in this chapter, the HACSD has a right to:

Present evidence and any information pertinent to the issue of the hearing

Be notified if the family intends to be represented by legal counsel, advocate, or another party

Examine and copy any documents to be used by the family at least seven days prior to the hearing

Have staff persons and other witnesses familiar with the case present.

With the exception of informal hearings regarding disputes concerning rent calculations, utility allowances, and subsidy standard determinations, the HACSD may appoint hearing officers who are:

Professional mediators or arbitrators

Managers from other departments in the County of San Diego

Managers from other PHAs

The HACSD management

HACSD Analysts

HACSD Supervisors

Hearing officers will never be anyone who was involved in making the original determination or that person's subordinate.

The informal hearing shall only concern relevant issues. Evidence presented will be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

Documents or witnesses not provided to the HACSD at least seven days in advance shall not be admitted without HACSD approval.

Witnesses not provided by the HACSD in advance shall not be admitted without the opposing party's approval.

With the exception of informal hearings regarding disputes concerning rent calculations, utility allowances, and subsidy standard determinations, the family may request an audio recording of the informal hearing, if desired, within 90 days of the hearing.

The hearing officer may NOT request additional information, nor reconvene the hearing for a later date. The decision must be based solely on allowable pertinent evidence presented at time of the informal hearing.

The hearing officer will determine, based on allowable pertinent evidence and testimony, if the action, inaction, or decision of the HACSD is in accordance with HUD regulations and this Plan. Factual determinations will be based on a preponderance of relevant allowable evidence.

A notice of the hearing findings provided in writing to the HACSD and the family within twenty days shall include:

A clear summary of the decision and reasons for the decision

The effective date of the decision

A statement that the tenant may seek judicial review by filing a petition with the San Diego Superior Court pursuant to section 1094.6 of the California Code of Civil Procedure. The petition must be filed within ninety (90) days of the date of this decision.

The HACSD is not bound by hearing decisions that:

Do not require an informal hearing

Conflict or contradict HUD requirements or regulations

Exceed the hearing officer's authority

Are overturned by the HACSD Deputy Director

The HACSD shall, within 30 days of the decision, send a letter to the participant, if it determines it is not bound by the hearing officer's determination. The letter shall include the HACSD decision.

All requests for an informal hearing, supporting documentation, and a copy of the final decision will be retained in the family's file.

HEARING AND APPEAL PROVISIONS FOR "RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS"

[24 CFR Part 5, Subpart E]

Assistance to the family may not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of the decision under the United States Citizenship and Immigration Services (USCIS) appeal process.

Assistance to a family may not be terminated or denied while the HACSD hearing is pending, but assistance to an applicant may be delayed pending the HACSD hearing.

The notice of denial of assistance for noncitizens must advise the family:

That financial assistance will be denied or terminated, and provide a brief explanation of the reasons for the proposed denial or termination of assistance.

The family may be eligible for proration of assistance.

For a participants, the criteria and procedures for obtaining relief is under the provisions for preservation of families [24 CFR 5.5 14 and 5.518]

The family has a right to request an appeal to the USCIS of the results of secondary verification of immigration status and to submit additional documentation or explanation in support of the appeal.

That the family has a right to request an informal hearing with the PHA either upon completion of the USCIS appeal or 8in lieu of the USCIS appeal.

For applicants, assistance may not be delayed until the conclusion of the USCIS appeal process, but assistance may be delayed during the period of the informal hearing process.

USCIS DETERMINATION OF INELIGIBILITY

If a family member claims to be an eligible immigrant and the USCIS SAVE system and manual search do not verify the claim, the HACSD must notify the applicant or participant, within ten days of his/her right to appeal to the USCIS within thirty days, or to request an informal hearing with the HACSD either in lieu of or subsequent to the INS appeal.

If the family appeals to the USCIS, it must give the HACSD a copy of the appeal and proof of mailing, or the HACSD may proceed to deny or terminate. The time period to request an appeal may be extended by the HACSD for good cause.

The request for a HACSD hearing must be made within fourteen days of the date of the notice offering the hearing or, if an appeal was made to the USCIS, within fourteen days of receipt of that notice.

After receipt of a request for an informal hearing, the hearing is conducted as described in this chapter for both applicants and participants. If the hearing officer decides that the individual is not eligible, and there are no other eligible family members, the HACSD will:

Deny the applicant family

Defer termination of a participating family that qualifies for deferral

Terminate the participant, if the family does not qualify for deferral

If there are eligible members in the family, the HACSD will offer to prorate assistance or give the family the option to remove the ineligible members.

Other matters related to eligible citizen/immigrant status are:

If any family member fails to provide documentation or certification as required by the regulation, that member is treated as ineligible. If all family members fail to provide documentation or certifications, the family will be denied or terminated for failure to provide.

Participants whose termination is carried out after temporary deferral, may not request a hearing, since they had an opportunity for a hearing prior to the deferral of termination.

Participants whose assistance is prorated (either based on their statement that some members are ineligible or due to failure to verify eligible

immigration status for some members after exercising their appeal and hearing rights described above) are entitled to a hearing based on the right to a hearing regarding determinations of tenant rent and total tenant payment.

Families denied or terminated for fraud in connection with the non-citizens rule are entitled to a review or hearing in the same way as terminations for any other type of fraud.

MITIGATING CIRCUMSTANCES FOR APPLICANTS/PARTICIPANTS WITH DISABILITIES

[24 CFR 982.204, 982.552(c)]

When applicants are denied placement on the waiting list or program admission, or the HACSD is terminating assistance, the presence of a disability is considered a mitigating circumstance during the informal review or informal hearing process if the applicant did not respond to a request by the PHA for information due to a disability.

However, the presence of a disability is never considered a mitigating factor for violations of the regulations, criminal activities, violations of the lease, or for violations of the requirements of program.

Chapter

14

OWNER OR FAMILY DEBTS TO THE HACSD

[24 CFR 982.552]

INTRODUCTION

This chapter describes the HACSD's policies for the recovery of monies overpaid to families and owners. In addition, this chapter outlines the collection methods and guidelines for the handling and collection of different types of debts. The HACSD's policy is to communicate program guidelines to owners and families so as to minimize HACSD overpayments. The HACSD clearly documents, in the tenant file, the amount and nature of owner or family debts, as well as the method of calculation. Owners and families may receive copies of all relevant documentation regarding their debts, upon request.

The HACSD will make every effort to collect delinquent family or owner debts. The HACSD will use a variety of collection tools to recover debts including, but not limited to:

Request for lump sum payments

Small claim or civil court actions

Payment agreements

Termination of family program participation

Reductions in HAP to owner

Abatements

Collection agencies

Referrals to the County Department of Revenue and Recovery

PAYMENT AGREEMENTS FOR PARTICIPATING FAMILIES

[24 CFR 982.552 (c)(v-ii, 982.551)]

All adults in the household must sign the repayment agreement. A payment agreement or repayment agreement, as used in this Plan, is a document entered into between the HACSD and a person who owes a debt to the HACSD. It is similar to a promissory note, but contains more details regarding the nature of the debt, the terms of payment, any special provisions of the agreement, and the remedies available to the HACSD upon default of the agreement.

A family who fails to report an income increase within the 14-day reporting period is subject to a retroactive interim effective the first of the month following the income increase and collection of overpaid housing assistance. A family will be allowed to remain on the program and enter into a repayment agreement if there are no other issues, the unreported income was less than $15,000, and providing the family did not deliberately provide false, misleading, incomplete, or incorrect information to the HACSD.

If the HACSD offers a repayment agreement, it will determine the terms. The family may be offered a repayment agreement of up to 36 months, providing the family repays each month a minimum monthly payment of the greater of 10% of the family's gross monthly income or $50.00. The monthly payment amount for an elderly or disabled family with excessive medical deductions will be the greater of 10% of the family's adjusted monthly income or $40.00.

A family not current on repayment will be issued a 30-day notice of intended action to terminate assistance. If the family becomes delinquent more than three times, the repayment agreement will be considered in breach of the repayment agreement, and the HACSD will take action to terminate assistance.

A family may not move if it is not current on its repayment agreement.

A family may not port to another PHA until its debt has been repaid.

A family may not enter into more than one repayment agreement. The family may be allowed 30 days to pay the second debt in full.

PAYMENT AGREEMENTS FOR FAMILIES NO LONGER ON THE PROGRAM

A family whose program participation has been terminated will be offered a repayment agreement. The repayment agreement will ask the family to repay its debt within 120 days, but a longer period of up to one year may be approved, upon

request, when family circumstances make it difficult to honor a repayment agreement of a shorter duration. The division chief must approve a repayment period of more than one year.

A calculation of the estimated participant debt will be issued after assistance is terminated.

DEBTS OWED FOR CLAIMS

[24 CFR 792.103, 982.552 (c)(v-vii)]

DELINQUENT PAYMENTS

A payment will be considered to be in arrears if:

> The payment has not been received by the close of the business day on which the payment was due. If the due date is on a weekend or holiday, the due date will be at the close of the next business day.

If the family's payment agreement is in arrears, and the family has not contacted or made arrangements with the HACSD, the HACSD will:

> Require the family to pay the balance in full
>
> Pursue civil collection of the balance due
>
> Terminate the housing assistance

A transferring family, delinquent on its payment agreement, is required to pay the balance in full prior to the issuance of a voucher.

DEBTS DUE TO MISREPRESENTATIONS / NON-REPORTING OF INFORMATION

[24 CFR 982.163]

HUD's definition of program fraud and abuse is a single act, or pattern of actions that:

> Constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead, and that results in payment of Section 8 program funds in violation of Section 8 program requirements.

PROGRAM FRAUD

If a family owes money as a result of program fraud, the case may be referred for prosecution. The family's program participation will be terminated. The HACSD will set up a collection for the family for the full amount of housing assistance payments issued from the time the family first committed fraud to the time the family's assistance was terminated.

UNAUTHORIZED PERSONS

A family found to have unauthorized persons residing in the subsidized unit will be required to repay all housing assistance payments issued during the time the unauthorized person(s) was/were residing in the subsidized unit.

VIOLATION OF FAMILY OBLIGATIONS

A family found to have violated its family obligations may be required to repay all housing assistance payments issued during the time the family was violating its family obligations.

RENTING FROM A RELATIVE

In instances where it is found the family rented from a relative without the required HACSD permission, or due to approval based on misrepresentation, an overpayment will be collected from both the owner and the participant – each party responsible for repayment of 50% of the HAPs paid.

DEBTS DUE TO MINIMUM RENT TEMPORARY HARDSHIP

Note: the HACSD's minimum rent is zero; therefore, this section is not applicable, unless the minimum rent is increased.

If the family owes the HACSD money for rent arrears incurred during the minimum rent period, the HACSD will calculate the total amount owed and divide it by three to arrive at a reasonable payback amount that the family will be required to pay to the HACSD monthly. The family will be required to pay the increased amount until the arrears are paid in full.

If the family goes into default on the repayment agreement for back rent incurred during a minimum rent period, the HACSD will reevaluate the family's financial situation to determine if the family has the ability to pay the increased rent amount. If not, the existing repayment agreement will be restructured.

OWNER DEBTS TO THE HACSD

[24 CFR 982.453(b)]

If the HACSD determines that the owner has retained housing assistance or claim payments the owner is not entitled to, the HACSD may reclaim the amounts from future housing assistance or claim payments owed the owner for any units under contract.

When the landlord has been overpaid as a result of fraud, misrepresentation or violation of the HAP contract, the HACSD may terminate the HAP contract, and arrange for restitution to the HACSD and/or family, as appropriate.

In instances where it is found the family rented from a relative without the required HACSD permission, or approval was based on misrepresentation, an overpayment will be collected from both the owner and the participant – each party responsible for repayment of 50% of the HAPs paid.

If future housing assistance or claim payments are insufficient to reclaim the amounts owed, the HACSD will seek one or more of the following remedies:

Require the owner to pay the amount in full within 30 days

Pursue collections through collection agencies and/or the local court system

Restrict the owner from future participation

WRITING OFF DEBTS

The director may write off uncollectable debts. In determining whether a debt is uncollectable, the lack of success in collecting, along with the following factors will be considered:

The debtor's whereabouts is unknown

The debt is more than one year old

The debtor is judgment proof

The debtor is deceased

The amount is less than $250.00

The writing off of a debt does not remove the debtor's responsibility to repay, or the HACSD's ability to collect the monies owed. The HACSD will always deny program admission to an applicant who has failed to repay monies owed.

Chapter

15

SPECIAL HOUSING TYPES, SPECIAL PROGRAMS, AND SPECIAL CLAIMS

[24 CFR 982.601, 24 CFR 982.625]

INTRODUCTION

The Section 8 regulations allow assistance to be paid on behalf of special housing types. It is the intent of the HACSD to provide as great an opportunity as possible for affordable housing and wherever possible will allow assistance to be paid on behalf of permissible special housing types. This chapter describes the special housing types recognized by the HACSD and how these special housing types are handled. In addition, this chapter explains how the HACSD handles the homeownership, and project-based assistance options of the Housing Choice Voucher Program, as well as special claims allowed under its special programs.

The HACSD will not set aside any program funding for any special housing type. A family may choose to rent housing that qualifies as a special housing type, or to rent other eligible housing in accordance with requirements of the program.

DISASTER VOUCHER PROGRAM

The Katrina Disaster Housing Assistance Program (KDHAP) was established on October 1, 2005 for the purpose of providing up to 18 months of housing assistance to select groups of people affected by Hurricane Katrina. KDHAP was a joint initiative between HUD and the Federal Emergency Management Agency (FEMA) to aid pre-disaster HUD-assisted and homeless families that were affected by hurricane Katrina. Providers involved with the Continuum of Care programs would provide assistance and supportive services for those who fall in the eligible homeless category. As of March 1, 2006, those being assisted under KDHAP were converted to the Disaster Voucher Program (DVP) administered directly through HUD. DVP provides assistance to eligible families affected by hurricanes Katrina and Rita.

Families to be assisted are not reviewed for income eligibility, and may receive assistance up to 18 months. The DVP provides to PHAs an administrative fee of 10

percent of the monthly HAP, plus a one-time placement fee of $1,500 per family (an increase from the one-time placement fee of $1,000 under KDHAP). The rental assistance is paid directly to the landlord. The amount of the rental subsidy is based on the lesser of the monthly gross rent or the PHA's applicable payment standard for its HCV Program. The family bedroom size is based on the PHAs subsidy standards for its HCV Program. If the family rents a unit with a gross rent that exceeds the payment standard, the family must pay the difference (40% of monthly income limit does not apply to tenant rent). A mixed family's assistance is prorated using the mixed family formula for the HCV Program.

The assisted unit must be rent reasonable and must pass HQS prior to the commencement of the lease and contract. HQS is the same as for the HCV Program with the exception of standards for overcrowding, which may be waived by the PHA on a case-by-case basis.

The family must comply with all family obligations under 24 CFR 982.551, assistance must be terminated in accordance with 24 CFR 982.552, 982.553 and an informal hearing must be offered in compliance with the requirements of 24 CFR 982.555.

The family may move within the PHAs jurisdiction, may not port, and the lease term must end no later than September 30, 2007 (unless extended by HUD).

The eligible groups that the HACSD may provide assistance to under the DVP are:

- Displaced public housing residents
- Displaced voucher participants
- Displaced families from other HUD-assisted programs such as, Section 202, 811, Project-based Section 8, or Mod Rehab SROs projects.

The process for DVP families includes:

1. Eligible family is referred to PHA by the RCC counselor or arrives independently at the PHA.
2. The PHA accesses family record in the Disaster Information System and determines family's eligibility for DVP.
3. The PHA briefs family, issues a DVP voucher, and assists family to locate a unit.
4. The PHA determines the unit is eligible, meets HQS, and the rent is reasonable.

5. If the unit is eligible and passes inspection, the PHA enters into a HAP Contract with the owner and the family executes a lease for the same term.

6. The PHA enters unit and rent information into the Disaster Information System, triggers ongoing rent subsidy assistance and administrative fee advance from HUD.

7. The PHA reports actual expenditures in the VMS on a quarterly basis.

8. HUD reconciles reported costs and leasing from VMS and the DVP database and adjusts current and future funding.

9. If family moves with continued DVP assistance, the PHA reports change in Disaster Information System.

10. Upon conclusion of the program, the PHA provides final cost certification for the DVP.

11. After DVP assistance ends, the HACSD may absorb those DVP families eligible for the DVP "super preference," if vouchers are available. The families will be issued a voucher and new lease-up papers. If the family chooses to remain in-place, an HQS inspection must be conducted and a Housing Choice Voucher Contract and new lease executed.

MAINSTREAM VOUCHERS

The Mainstream Voucher Program involves the administration of Housing Choice Vouchers designated for disabled families (head, spouse, or sole member is disabled). The HACSD must closely monitor the families on the program and provide additional assistance to the families to enable them to obtain and retain assisted housing. In all other respects, these vouchers are administered in conformance with this Plan. The participants for this program will be selected off of the Section 8 waiting list and eligibility is contingent on the head of household, spouse or sole member being a person with disabilities.

MODERATE REHABILITATION PROGRAM

The HACSD administers the Section 8 Moderate Rehabilitation (Mod Rehab) Program, which is a project-based assistance program that has long-term contracts with private rental housing owners to set-aside a set number of rental units for eligible low-income families. The program also, initially, provided loans to rehabilitate the

rental units. The Special Programs Division administers all outstanding Mod Rehab loans.

Rental assistance is paid to landlords on behalf of eligible tenants similarly to the Section 8 Rental Assistance Program, although additional assistance may be paid to landlords to assist in repayment of Mod Rehab loans provided to rehabilitate the units. The size of the program is reduced as the long-term contracts expire and are not renewed.

The Mod Rehab Program is administered in compliance with the regulations, and all discretionary activities are administered, wherever possible, in conformance with the current Section 8 Administrative Plan.

The HACSD administers a Mod Rehab waiting list and eligible tenants for placement in vacancies will be taken from this waiting list whenever possible. If it is impossible to fill vacancies from the waiting list within the prescribed period of time, the HACSD may accept the owner's, or owner's designee's recommendation of an eligible candidate for placement on the HACSD's waiting list and for immediate eligibility processing.

The HACSD may deny vacancy loss and take action to terminate the Mod Rehab contract, if there is evidence the owner or designee is circumventing the fair and impartial process of placement of a referred waiting list candidate into the vacant unit by engaging in the following activities:

- Not contacting a waiting list candidate referred by the HACSD
- Not being available when a waiting list referral repeatedly attempts to make contact
- Not returning the calls of waiting list referrals
- Refusing to show the unit or offering to show the unit at unreasonable times
- Not having the unit cleaned, repaired, and ready to show within the prescribed time
- Not providing applications to waiting list referrals
- Not providing information on why applications were denied
- Denying applications based on illegal or inequitable reasons
- Being rude, discourteous, unpleasant and/or hostile to waiting list referrals
- Showing a unit that is dirty and in disrepair
- Otherwise engaging in actions or inactions that discourage an eligible waiting list referral.

A Mod Rehab participant is not entitled to an informal review if the landlord takes action to terminate the lease. A Mod Rehab participant is entitled to an informal review if the HACSD makes the determination that the participant is no longer eligible for participation in the Mod Rehab Program in accordance with the eligibility requirements addressed elsewhere in this Plan.

CONFLICT OF INTEREST

The HACSD will not approve nor accept an owner referral for placement in a vacancy if any family member is a close personal friend of the owner or the owner's designee, or if any family member is related to the owner or owner's designee by blood or marriage. These families may be placed on the Mod Rehab waiting list, but all preferences apply, and they must properly wait their turn for fair and impartial selection from the Mod Rehab waiting list.

SPECIAL HOUSING TYPES TO EXPAND AFFORDABLE HOUSING OPPORTUNITIES

The HACSD will consider requests for special housing types on a case-by-case basis. The HACSD is open to special housing types for all families, if their use will expand affordable housing opportunities. In all cases, the HACSD will authorize the use of special housing types as a reasonable accommodation to those with a disability, so that the program is readily accessible and usable.

The requested housing type must be approvable by all other HUD standards and HQS requirements in accordance with 24 CFR 982 Section M - Special Housing Types.

SINGLE ROOM OCCUPANCY

[24 CFR 982.602]

The HACSD will use a separate lease and housing assistance payment contract for each assisted person residing in a Single Room Occupancy (SRO) unit. [24 CFR 982.603]

SRO RENT AND HOUSING ASSISTANCE PAYMENT
[24 CFR 982.604]

Payment Standards

The HACSD SRO payment standard is seventy five percent (75%) of the zero bedroom payment standard. For a person residing in an exception area, the payment standard is 75 percent of the HUD-approved zero bedroom exception payment standard amount. For all SRO housing, the SRO payment standard must be used to calculate the housing assistance payment.

Rent Reasonable

The rent must be rent reasonable in accordance with the rent reasonableness policies in this Plan.

Utility Allowance

The utility allowance for an assisted person residing in SRO housing is seventy five percent (75%) of the zero bedroom utility allowance.

Housing Quality Standards

The HACSD will ensure that all SRO units approved for the program are in compliance with all of the HQS for SROs as regulated in 24 CFR 982.605.

CONGREGATE HOUSING
[24 CFR 982.606]

Only elderly person(s), or a person(s) with disabilities, may reside in a congregate housing unit. Other families are not eligible for this special housing type.

The HACSD may approve a family member or live-in aide to reside with the elderly person or person with disabilities.

The HACSD will approve a live-in aide if needed for an elderly person, or as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

CONGREGATE HOUSING LEASE AND HAP CONTRACT
[24 CFR 982.607]

Congregate housing requires a separate lease and HAP contract for each assisted family.

The payment standard for a family that resides in a congregate housing unit is the zero-bedroom payment standard, unless the participant has a live-in aide.

However, if there are two or more rooms in the unit (not including kitchen or sanitary facilities), the payment standard for a family that resides in a congregate housing unit is the one bedroom payment standard amount.

The HACSD will approve applications for congregate housing on a case-by-case basis. The HACSD may require the names of the unassisted household members, and may not approve the application for congregate housing if it is determined the living arrangement may result in a circumvention of the program regulations, such as in the case of unassisted household members who were barred from program participation.

If there is a live-in aide, the live-in aide will be counted in determining the family unit size.

RENT REASONABLE

The rent must be rent reasonable in accordance with the rent reasonableness policies in this Plan.

HOUSING QUALITY STANDARDS

The HACSD will ensure that all congregate housing units approved for the program are in compliance with all of the Housing Quality Standards for congregate housing as regulated in 24 CFR 982.609.

GROUP HOMES

[24 CFR 982.610, 982.612]

A group home must be licensed, certified, or otherwise approved in writing by the state, or the state's licensing department. The license or certification must specify that the group home is for elderly persons or persons with disabilities.

Elderly person(s) or a person(s) with disabilities may reside in a state-approved group home. If approved by the HACSD, a live-in aide may reside with a person with disabilities. Other persons are not eligible to reside with the participant.

The HACSD must approve a live-in aide, if needed for an elderly person or as a reasonable accommodation, so that the program is readily accessible to and usable by persons with disabilities. Except for live-in aides, all residents of a group home must be elderly persons or persons with disabilities.

The HACSD will not approve assistance for a person to live in a group home if documentation indicates that the person is in need of continual medical or nursing care.

No more than twelve persons may reside in a group home. This limit covers all persons who reside in the unit, including assisted and unassisted residents and any live-in aides.

GROUP HOME LEASE
[24 CFR 982.611]

A separate HAP contract and lease is required for each assisted person living in a group home. For a group home, the term "pro-rata portion" means the ratio derived by dividing the number of persons in the assisted household by the total number of residents (assisted and unassisted) residing in the group home. The number of persons in the assisted household equals one assisted person plus any HACSD-approved live-in aide.

GROUP HOME RENT
[24 CFR 982.613]

The rent to owner for an assisted person may not exceed the pro-rata portion of the reasonable rent for the group home.

The reasonable rent for a group home is determined in accordance with CFR 982.507. In determining reasonable rent, the HACSD will consider whether sanitary facilities, and facilities for food preparation and service, are common or private.

RENT REASONABLE
The rent must be rent reasonable in accordance with the rent reasonableness policies in this Plan.

MAXIMUM SUBSIDY
The family unit size is usually one bedroom. If there is a live-in aide, the live-in aide will be counted in determining the family unit size.

The payment standard for a person who resides in a group home is the lower of the payment standard for the family unit size, or the pro-rata portion of the payment standard amount on the HACSD payment standard schedule for the group home size.

UTILITY ALLOWANCE

The utility allowance for each assisted person residing in a group home is the pro-rata portion of the utility allowance for the group home unit size.

HOUSING QUALITY STANDARDS

The HACSD will ensure that all group home units approved for the program are in compliance with all of the Housing Quality Standards for group homes as regulated in 24 CFR 982.614.

SHARED HOUSING

[24 CFR 982.615]

OCCUPANCY

An assisted family may reside in shared housing. In shared housing, an assisted family may share a unit with another resident or residents of a unit. The unit may be a house or an apartment.

The HACSD may approve a live-in aide to reside with a family in order to care for an elderly or near elderly person, or a person with a disability. The HACSD must approve a live-in aide, if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

Other persons who are assisted or not assisted under the tenant-based program may reside in a shared housing unit. The owner of a shared housing unit may reside in the unit, but may never be related to the family by blood or marriage unless the living situation warrants a reasonable accommodation.

The HACSD will approve applications for shared housing on a case-by-case basis. The HACSD may require the names of the unassisted household members, and will not approve the application for shared housing if it is determined the living arrangement may result in a circumvention of the program regulations, such as in the case of unassisted household members who were barred from program participation.

A resident owner may enter into a HAP contract with the HACSD. However, housing assistance may not be paid on behalf of an owner. A live-in aide may not be an owner.

There will be a separate housing assistance payment contract and lease for each assisted family residing in a shared housing unit.

RENT AND HAP CONTRACT

For shared housing, the term "pro-rata portion" means the ratio derived by dividing the number of bedrooms in the private space available for occupancy by a family by

the total number of bedrooms in the unit. For example, for a family entitled to occupy three bedrooms in a five-bedroom unit, the ratio would be 3/5. In this case, suppose the owner rents a five-bedroom house for $1500. The assisted family's contract rent is $900 (3/5 of the total rent).

The rent to owner for the family may not exceed the pro-rata portion of the reasonable rent for the shared housing dwelling unit. The reasonable rent must be in accordance with the standard Section 8 regulations in this Plan.

If the family is renting a room or rooms from a resident owner, the rent for the rooms must be rent reasonable. The rents on comparable rooms for rent must be reviewed, as well as the pro-rated reasonable rent for a like unit.

MAXIMUM SUBSIDY

For a family that resides in a shared housing unit, the payment standard is the lower of the payment standard amount on the HACSD payment standard schedule, or the pro-rata portion of the payment standard amount on the HACSD payment standard for the actual shared housing unit size. For example, if the family is in three bedrooms of a five-bedroom unit, a comparison will be made of the three-bedroom payment standard vs. 3/5 of the five-bedroom payment standard. The HACSD will use as a payment standard the lower of the two.

If the HACSD approves a live-in aide, the live-in aide will be counted in determining the family unit size. The live in aide may **never** be the owner of the assisted unit.

UTILITY ALLOWANCE

The utility allowance for an assisted family living in shared housing is the pro-rata portion of the utility allowance for the shared housing unit. For example, there are five bedrooms in the unit, the family occupies three of the five bedrooms and pays for its share of the total utilities. In this case, 3/5 of the total five-bedroom utilities would be given to the family as a utility allowance deduction.

HOUSING QUALITY STANDARDS

The HACSD will ensure that all shared housing units approved for the program are in compliance with all of the housing quality standards for shared housing as regulated in 24 CFR 982.618.

A zero or one-bedroom unit is ineligible for shared housing. The housing unit must have an adequate number of bedrooms to house both the assisted and unassisted family and the assisted family must have an adequate number of bedrooms so it is not overcrowded. Alternate sleeping areas will not be considered in shared housing.

COOPERATIVE HOUSING

[24 CFR 982.619]

The HACSD will approve a family living in cooperative housing if it is determined that assistance under the program will help maintain affordability of the cooperative unit for low-income families. The HACSD will not approve assistance for a family in cooperative housing until the HACSD has also determined that the cooperative has adopted requirements to maintain continued affordability for low-income families after transfer of a cooperative member's interest in a cooperative unit (such as a sale of the resident's share in a cooperative corporation).

The reasonable rent in cooperative housing is determined in accordance with the Section 8 regulations in this Plan. For cooperative housing, the rent to owner is the monthly carrying charge under the occupancy agreement/lease between the member and the cooperative.

The carrying charge consists of the amount assessed to the member by the cooperative for occupancy of the housing. It includes the member's share of the cooperative debt service, operating expenses, and necessary payments to cooperative reserve funds. However, the carrying charge does not include down payments or other payments to purchase the cooperative unit, or to amortize a loan to the family for this purpose. Gross rent is the carrying charge plus any utility.

For a cooperative, rent adjustments are applied to the carrying charge similarly to regular Section 8 rent adjustments described in the rent reasonableness section of this Plan.

The lease and other appropriate documents will stipulate that the monthly carrying charge is subject to Section 8 limitations on rent to owner. The housing assistance payment will be determined in accordance with the standard Section 8 guidelines in this Plan.

The HACSD may approve a live-in aide to reside with the family to care for an elderly or near elderly person, or person with disabilities. The HACSD will approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. If the HACSD approves a live-in aide, the live-in aide will be counted when determining the family unit size.

HOUSING QUALITY STANDARDS

The HACSD will ensure that all cooperative housing units approved for the program are in compliance with all of the Housing Quality Standards outlined in the "Housing Quality Standards and Inspections" chapter, and regulated by 24 CFR 982.401.

MANUFACTURED HOMES

[24 CFR 982.620]

The HACSD will permit a family to lease a manufactured home and space with assistance under the program just as a house or apartment may be leased. The HACSD will provide assistance for a family that owns the manufactured home and leases only the space.

The HACSD may approve a live-in aide to reside with a family to care for an elderly or near elderly person, or a person with disabilities. The HACSD will approve a live-in aide if needed as a reasonable accommodation so the program is accessible to and usable by persons with disabilities. If the HACSD approves a live-in aide, the live-in aide must be counted when determining the family unit size. A live-in aide may **never** be an owner of the manufactured home or the park.

HOUSING QUALITY STANDARDS

[24 CFR 982.621]

A manufactured home must meet all the HQS requirements outlined in the Housing Quality Standards and Inspections section of this Plan and regulated by 24 CFR 982.401. In addition the manufactured home also must meet the following requirements:

A manufactured home must be placed on the site in a stable manner, and must be free from hazards such as sliding or wind damage.

The HACSD has a HUD waiver of the tie-down requirement for manufactured homes.

MANUFACTURED HOME SPACE RENTAL

[24 CFR 982.622]

Rent to owner for a manufactured home space will include payment for maintenance services the owner must provide to the tenant under the lease for the space.

Rent to owner does not include the cost of utilities and trash collection for the manufactured home. However, the owner may charge the family a separate fee for the cost of utilities or trash collection provided by the owner.

REASONABLE RENT

During the assisted tenancy, the rent to owner for the manufactured home space may not exceed a reasonable rent as determined by the HACSD.

The HACSD will not approve a lease for a manufactured home space until the HACSD has determined that the initial rent to owner for the space is a reasonable rent. At

least annually during the assisted tenancy, the HACSD will re-determine that the rent is reasonable.

The HACSD will determine whether the rent to the owner for a manufactured home space is a reasonable rent in comparison to rents for other comparable manufactured home spaces. The HACSD will consider the size and location of the space and any services and maintenance provided by the owner in accordance with the lease. The HACSD will evaluate reasonable rent annually whether the rent has increased or not.

By accepting each monthly housing assistance payment from the HACSD, the owner of the manufactured home space certifies that the rent to owner for the space is not more than rent charged by the owner for unassisted rental of comparable spaces in the same manufactured home park, or elsewhere. If requested by the HACSD, the owner must provide the HACSD information on rents for other manufactured home spaces.

PAYMENT STANDARD

There is a separate fair market rent (FMR) for a family renting a manufactured home space. The payment standard, based on the FMR, is used to calculate the monthly housing assistance payment for a family. While the FMR for a manufactured home space rent is generally 40 percent of the published two-bedroom FMR, historically, the San Diego County region has been awarded a higher FMR for space rent than the standard formula.

SUBSIDY CALCULATION

During the term of a voucher tenancy, the amount of the monthly housing assistance payment for a family will equal the lesser of:

The payment standard minus the total tenant payment; or

The gross rent for rental of the real property on which the manufactured home owned by the family is located (the space rent) minus the total tenant payment.

The space rent is the sum of the following as determined by the HACSD:

Rent to owner for the manufactured home space;

Owner maintenance and management charges for the space;

The utility allowance for tenant paid utilities.

UTILITY ALLOWANCE SCHEDULE FOR MANUFACTURED HOME SPACE RENTAL

[24 CFR 982.624]

The HACSD will establish utility allowances for manufactured home space rental. For the first twelve months of the initial lease term only, the allowances will include a reasonable amount for utility hook-up charges payable by the family, if the family actually incurs the expenses because of a move.

Allowances for utility hook-up charges do not apply to a family that leases a manufactured home space in place.

Utility allowances for manufactured home space will not be applied to cover the costs of digging a well or installation of a septic system. The HACSD has adopted separate utility allowances for water, sewer and trash, but other utilities are the same for manufactured homes as for other housing types of the same size.

HOMEOWNERSHIP

[24 CFR 982.625]

GENERAL

The homeownership option is used to assist a family residing in a home purchased and owned by one or more members of the family. The HACSD has adopted the homeownership option although it may not be readily workable given the high cost of housing within the HACSD jurisdiction. The homeownership program will be administered as follows:

> The HACSD must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities, or an elderly or near elderly person.
>
> The HACSD may limit homeownership to a maximum of ten searching families at any given time, or suspend the program.
>
> The HACSD may provide homeownership assistance in the form of monthly payments, or as a downpayment assistance grant. The HACSD will offer the form of assistance it determines to be the most beneficial to the family. A family may receive only one form of homeownership assistance.

A family that includes a person who was an adult member of a family that previously received either form of homeownership assistance may not receive the other form of assistance from the HACSD.

The HACSD will offer homeownership assistance only to those families who qualify under the guidelines and policies in this chapter and the regulations.

ELIGIBILITY REQUIREMENTS

[24 CFR 982.627]

The family must meet all of the requirements listed below before the commencement of homeownership assistance.

The family must be eligible for the Housing Choice Voucher program.

The family must qualify as a first-time homeowner, or may be a cooperative member.

The family must meet the federal minimum income requirement. The family must have a gross annual income equal to the federal minimum wage multiplied by 2000, based on the income of adult family members who will own the home. Unless the family is elderly or disabled, income from welfare assistance will not be counted toward this requirement.

The family must meet the federal minimum employment requirement.

At least one adult family member who will own the home must be currently employed full time and must have been continuously employed for one year prior to homeownership assistance.

HUD regulations define “full time employment” as not less than an average of 30 hours per week.

A family member will be considered to have been continuously employed even if that family member has experienced a break in employment, provided that the break in employment:

Did not occur within the last nine-month period immediately prior to the family’s request to utilize the homeownership option

Did not last more than 21 days

Has been the only break in employment within the past twelve calendar months.

The federal minimum employment requirement does not apply to elderly or disabled families who must meet the minimum income requirement of the current monthly Supplemental Security Income benefit multiplied by 12.

Welfare assistance payments for adult family members who will own the home will be included in the determination of the minimum income requirement.

Any family member who has previously defaulted on a mortgage obtained through the homeownership option is barred from receiving future homeownership assistance.

The HACSD will impose the following additional initial requirements:

The family has no family-caused violations of HUD's housing quality standards within the last year.

The family is not within the initial term of the lease.

The family does not owe money to the HACSD.

The family has not committed any serious or repeated violations of a HACSD-assisted lease within five years.

The family has not had any arrests for violent or drug-related criminal activities over the last five years.

RANKING PREFERENCES

Applications will be offered to eligible candidates in the following priority order with date and time of application the deciding factor among priority groups:

(1) Upon request, Section 8 program participants displaced from an assisted rental unit that is undergoing a condominium conversion, are pre-qualified for a loan to purchase their units, and who meet the Homeownership Program requirements are eligible for participation.

(2) Upon request, Portability Homeownership participants who were found eligible for the Section 8 Homeownership program at the initial agency and the initial agency certifies they are porting as Homeownership participants and not porting for rental assistance.

(3) Upon request, a family with a person with disabilities that has been pre-qualified for a loan and identified a property in the jurisdiction of the HACSD that the family has sufficient resources to purchase.

(4) Family Self Sufficiency (FSS) program participants who have not yet received full payout from the FSS escrow account at the time they completed the Qualification Questionnaire. Candidates who receive top ranking will be those who have the largest amount of money to apply to downpayment and closing costs, and then by those who have the highest annual income.

(5) Housing Choice Voucher program participants who will graduate from a training or educational course within the next six months and expect their annual earnings to increase within the next year. Candidates who receive top ranking will be those who have the largest amount of money to apply to downpayment and closing costs, and then by those who have the highest annual income.

(6) Other Housing Choice Voucher program participants who are pre-qualified for the purchase of a residence and have identified an eligible residence.

HOMEOWNERSHIP COUNSELING REQUIREMENTS

[24 CFR 982.630]

When the family has been determined eligible, it must attend and complete homeownership counseling sessions. HACSD staff or another counseling service will hold the counseling sessions. Such counseling shall be consistent with HUD-approved housing counseling.

The following topics will be included in the homeownership counseling sessions:

Home maintenance (including care of the grounds)

Budgeting and money management

Credit counseling

How to negotiate the purchase price of a home

How to obtain homeownership financing and loan approvals, including a description of types of financing that may be available, and the pros and cons of different types of financing

How to find a home, including information about homeownership opportunities, schools, and transportation in the HACSD jurisdiction

The advantages to purchasing a home in an area that does not have a high concentration of low-income families, and how to locate homes in such areas

How to identify and avoid loans with oppressive terms and conditions

ELIGIBLE UNITS

[24 CFR 982.628]

The unit must meet all of the following requirements:

The unit must meet HUD's "Eligible Housing" requirements. The unit may not be any of the following:

A public housing or Indian housing unit

A unit receiving Section 8 project-based assistance

A nursing home, board and care home, or facility providing continual psychiatric, medical or nursing services

A college or other school dormitory

A penal, reformatory, medical, mental, or similar public or private institutions.

A manufactured home in a park, with the exception noted below.

The unit must be existing or under construction at the time the family enters into a contract of sale.

The unit is a one-unit property, or a single dwelling unit (including a manufactured home) in a cooperative or condominium.

The unit may be a home where the family will not own fee title to the real property (such as a manufactured home), if the home has a permanent foundation and the family has the right to occupy the site for at least 40 years.

The unit has been inspected by the HACSD and by an independent inspector designated by the family.

The unit meets HQS.

The HACSD must not approve the seller of the unit, if the HACSD has been informed that the seller is debarred, suspended, or subject to a limited denial of participation. The HACSD may disapprove the seller for any reason provided for disapproval of an owner in the voucher program.

HACSD SEARCH AND PURCHASE REQUIREMENTS

[24 CFR 982.629]

The HACSD has established the maximum time that will be allowed for a family to locate and purchase a home. The HACSD may, at its discretion, allow a reasonable extension of the maximum time, if requested in writing with justification.

The family's deadline date for locating a home to purchase will be 210 calendar days from the date the family's eligibility for the homeownership option is determined.

The family must obtain financing for the home within 120 calendar days of the date the home was located.

The family must purchase the home within 270 calendar days of the date the home was located.

The HACSD will not require periodic reports on the family's progress in finding and purchasing a home.

If the family is unable to purchase a home within 270 days from the date the family's eligibility was determined, the HACSD will place the family's name on the voucher waiting list. The HACSD may extend the deadlines for locating and purchasing a home upon request.

INSPECTION AND CONTRACT

[24 CFR 982.631]

The unit must meet HQS, and must also be inspected by an independent professional inspector selected and paid by the family.

The independent inspection must cover major building systems and components. The inspector must be qualified to identify physical defects and report on property conditions, including major building systems and components. These systems and components include, but are not limited to:

Foundation and structure

Housing interior and exterior

Roofing

Plumbing, electrical and heating systems

The independent inspector must not be a HACSD employee or contractor. The HACSD will not require the family to use an independent inspector selected by the

HACSD, but the inspector selected must hold credentials required by the lending industry.

Copies of the independent inspection report will be provided to the family and the HACSD. Based on the information in this report, the family and the HACSD will determine whether any pre-purchase repairs are necessary.

The HACSD may disapprove the unit for homeownership assistance based on information in the report.

The family must enter into a contract of sale with the seller of the unit. A copy of the contract must be given to the HACSD. The contract of sale must specify the price and terms of sale, and provide that the purchaser will arrange for a pre-purchase independent inspection of the home. The contract must also:

State the purchaser is not obligated to buy the unit unless the inspection is satisfactory

State the purchaser is not obligated to pay for necessary repairs

Contain the seller's certification that he or she has not been debarred, suspended or subject to a limited denial of participation

FINANCING
[24 CFR 982.632]

The family is responsible for securing financing. The HACSD has established financing requirements, listed below, and may disapprove proposed financing if the HACSD determines that the debt is unaffordable.

The HACSD will on the primary loan prohibit the following forms of financing:

Balloon payment mortgages

Variable interest rate loans

Adjustable interest rate loans

The above restrictions do not apply to secondary financing offered through public first-time homebuyer closing costs and downpayment assistance programs.

The HACSD requires a minimum cash down payment of one percent (1%) of the purchase price to be paid from the family's own resources. The total down payment must be at least three percent (3%) of the purchase price.

Closing costs must be reasonable when compared to the standard industry practices of major reputable lenders backed by FannieMae or FreddieMac.

A participating homeownership family may not refinance for an amount greater than the current loan balance and the loan is subject to the above restrictions.

DOWNPAYMENT ASSISTANCE GRANTS
[24 CFR 982.643]

The HACSD may not offer the downpayment assistance grant option until HUD publishes a notice in the Federal Register announcing that appropriated funds are available.

The HACSD may provide the alternate mutually exclusive option of a single downpayment assistance grant for an eligible homeownership participant. The family that is given this option is no longer eligible for assistance once this option is utilized.

Most of the regulations governing monthly homeownership assistance apply to downpayment assistance grants. However, families receiving these grants are not subject to the regulations concerning continued assistance, family obligations, the maximum term of assistance, amount and distribution of payments, or moves with continued assistance.

Eligibility for downpayment assistance is limited to current participants in the voucher program. The maximum downpayment assistance grant is the HACSD's payment standard minus the TTP multiplied by 12.

Downpayment assistance must be applied to the downpayment for the purchase of the home. The HACSD may allow the grant to be applied to reasonable and customary closing costs as defined by the HACSD and based on standard industry lending practices. The closing costs on an FHA loan are subject to FHA requirements.

The downpayment assistance grant may be applied to the downpayment for the home and the following closing costs:

Loan origination fees

Credit report fees

Escrow fees

Title insurance fees

Recording fees

Appraisal reports

The downpayment assistance grant shall be paid at the closing of a purchase of a home.

For each downpayment assistance grant, HUD will pay the HACSD a one-time administrative fee equal to six months of ongoing regular administrative fees under the voucher program.

A family that had received a downpayment assistance grant may apply to the waiting list and receive tenant-based rental assistance, in accordance with program requirements and PHA policies. However, the HACSD may not commence tenant-based rental assistance so long as any member of the family owns any title or other interest in the home purchased with homeownership assistance. Further, eighteen months must have passed since the family's receipt of the downpayment assistance grant.

CONTINUED ASSISTANCE
[24 CFR 982.633]

Homeownership assistance will only be paid while the family is residing in the home. The family or lender is not required to refund homeownership assistance for the month when the family moves out.

The family must comply with the following obligations:

The family must comply with the terms of the mortgage securing debt incurred to purchase the home, or any refinancing of such debt.

The family may not convey or transfer ownership of the home, except for purposes of financing, refinancing, or pending settlement of the estate of a deceased family member. Use and occupancy of the home are subject to CFR 982.551 (h) and (i).

The family must supply information to the HACSD or HUD as specified in CFR 982.551(b). The family must further supply any information required by the HACSD or HUD concerning mortgage financing or refinancing, sale or transfer of any interest in the home, or homeownership expenses.

The family must notify the HACSD before moving out of the home.

The family must notify the HACSD if the family defaults on the mortgage used to purchase the home.

No family member may have any ownership interest in any other residential property.

The payment standard will be increased when the applicable payment standard increases, but the payment standard will never be less than the payment standard at the time of home purchase.

Families are subject to annual and interim examinations in accordance with the policies elsewhere in this Plan.

No annual HQS inspections are conducted. Special HQS inspections may be conducted if there is information indicating the unit is violating HQS.

Before commencement of homeownership assistance, the family must execute a statement in which the family agrees to comply with all family obligations under the homeownership option.

MAXIMUM TERM OF HOMEOWNERSHIP ASSISTANCE

[24 CFR 982.634]

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

Fifteen-years, if the initial mortgage term is 20 years or longer, or

Ten-years in all other cases.

The elderly exception only applies if the family is qualified as elderly at the start of homeownership assistance. The disabled exception applies if, at any time during receipt of homeownership assistance, the family qualifies as disabled.

If the family ceases to qualify as elderly or disabled during the course of homeownership assistance, the maximum term becomes applicable from the date assistance commenced. However, such a family must be afforded at least six months of homeownership assistance after the maximum term becomes applicable.

If the family receives homeownership assistance for different homes, or from different PHAs, the maximum term limitations apply.

HOMEOWNERSHIP ASSISTANCE PAYMENTS AND HOMEOWNERSHIP EXPENSES

[24 CFR 982.635]

The monthly homeownership assistance payment is the lower of: the voucher payment standard minus the total tenant payment, or the monthly homeownership expenses minus the total tenant payment.

In determining the amount of the homeownership assistance payment, the HACSD will use the same payment standard schedule, payment standard amounts, and subsidy standards as for its Section 8 Rental Assistance Program. However, the payment standard may never be below the payment standard applicable at the time of home purchase.

The HACSD will pay the homeownership assistance payment directly to the lender.

Some homeownership expenses are allowances or standards determined by the HACSD in accordance with HUD regulations. These allowances are used in determining expenses for all homeownership families and are not based on the condition of the home.

Homeownership expenses include:

Principal and interest on mortgage debt

Maintenance and major repairs expenses calculated at $1 per square foot of the residence. For example, annual maintenance expenses for a 1500 square foot home would be $1500.

Mortgage insurance premium

Taxes and insurance

The HACSD utility allowance used for the voucher program

If the home is a cooperative or condominium, expenses also include operating expenses or maintenance fees assessed by the homeowners' association.

Annual expenses are calculated and then divided by 12 to calculate monthly homeownership expenses.

PORTABILITY

[24 CFR 982.636, 982.353(b) and (c), 982.552, 982.553]

Subject to the restrictions on portability included in HUD regulations and this Plan, the family may exercise portability if the receiving PHA is administering a voucher homeownership program and accepting new homeownership families.

The receiving PHA may absorb the family into its voucher program, or bill the initial PHA. The receiving PHA arranges for housing counseling and the receiving PHA's homeownership policies apply.

The HACSD will accept incoming portables into its Homeownership Program so long as the they are identified as Homeownership participants by the initial PHA and they are porting for the sole purpose of home purchase.

MOVING WITH CONTINUED ASSISTANCE

[24 CFR 982.637]

A family receiving homeownership assistance may move with continued tenant-based assistance. The family may move with voucher rental assistance or with voucher homeownership assistance. Continued tenant-based assistance for a new unit cannot begin so long as any family member holds title to the prior home.

The HACSD will deny permission to move with continued rental or homeownership assistance, if the HACSD determines that it does not have sufficient funding to provide continued assistance.

The HACSD will require the family to complete additional homeownership counseling prior to moving to a new unit with continued assistance under the homeownership option.

DENIAL OR TERMINATION OF ASSISTANCE

[24 CFR 982.638]

Termination of homeownership assistance is governed by the policies for the Housing Choice Voucher program contained in this Plan. However, the provisions of CFR 982.551 (c) through (j) are not applicable to homeownership. The provisions not applicable are:

(c) HQS Breach caused by the family

(d) Allowing PHA inspection

(e) Violation of the Lease

(f) Family notice of move or lease termination

(g) Owner eviction notice

(h) Use and occupancy of the unit

(i) Absence from unit

(j) Interest in unit

The HACSD will terminate homeownership assistance if the family is dispossessed from the home due to a judgment or order of foreclosure.

The HACSD will permit such a family to move with continued voucher rental assistance. However, rental assistance will be denied if the family defaulted on an FHA-insured mortgage, and the HACSD will not permit such a family to move with voucher rental assistance if the family fails to demonstrate that:

The family conveyed title to the home as required by HUD, and

The family moved within the period required by HUD.

The HACSD will terminate homeownership assistance if the family violates any of the family obligations contained in this section, this Plan, or the regulations.

The HACSD will terminate homeownership assistance if the family violates any of the following family obligations:

Transfer or conveyance of ownership of the home

Providing requested information to the HACSD or HUD

Notifying the HACSD before moving out of the home

RECAPTURE OF HOMEOWNERSHIP ASSISTANCE

There will be no recapture of homeownership assistance.

PROJECT-BASED HOUSING CHOICE VOUCHERS

[24 CFR 983]

GENERAL PROVISIONS

The project-based component of the Housing Choice Voucher Program allows rental assistance to be attached to a specific unit and/or project instead of to a particular eligible assisted family. The project may be owned by any individual, corporation, trust, partnership, non-profit entity, as well as by the Housing Authority of the County of San Diego (HACSD), excluding those sanctioned from participation.

The Section 8 Project-Based Housing Choice Voucher Program of the HACSD may allocate up to 250 Housing Choice Vouchers (approximately 2 percent of the Housing Choice Voucher Program). These vouchers may be used in up to 100 percent of any

given project that services elderly or disabled or families participating in FSS supportive services or other supportive services and up to 25 percent of mixed-family projects with more than four dwelling units and up to 100 percent of the units in projects where there are a maximum of four dwelling units per building. The HACSD may administer a separate project-based waiting list.

Eligible applicants for the Section 8 Project-Based Housing Choice Voucher Program may offer, for a term of up to ten years, either existing projects, projects to be rehabilitated, or projects to be constructed, with preference given, first, to existing projects, then, to projects to be rehabilitated.

HACSD projects may consist of following types of residences: apartments, condominiums, group homes, or houses. Ineligible projects include the following types of residences: shared housing, manufactured housing, nursing homes, or convalescent centers. All projects are subject to an environmental review under the National Environmental Policy Act or are subject to a determination of being exempt or excluded from the requirements of the Act.

Projects must be located in the HACSD jurisdiction and must generally be located in an area with a poverty rate under 20 percent. Special consideration will be given to those projects located in either an Enterprise Zone, Economic Community or Renewal Community, an area where the concentration of assisted units will be or have decreased as a result of public housing demolition, an area where the census tract is undergoing significant revitalization, an area where government funding has been invested, an area where new market rate units are being developed that are likely to positively impact the poverty rate in the area, an area with a poverty rate over 20 percent which has in the past five years had a decline in the poverty rate, or an area where there are meaningful opportunities for educational and economic advancement. Projects cannot be located in the cities of San Diego, National City, Oceanside, Carlsbad or Encinitas as well as any areas outside San Diego County.

BACKGROUND

San Diego County Section 8 Housing Choice Voucher holders have encountered a number of obstacles in their search for rental housing that qualifies for tenant-based rental assistance. The rental market, for several years, has reacted to the economic laws of supply and demand to the detriment of renters. For some time, supply has not kept up with demand, resulting in low vacancy rates and inflating rents. Due to these factors, depending on market conditions, landlords may be reluctant to participate in a program that assists low-income households, particularly when some program participants have a history of delinquent bills and evictions. After all, when a landlord looks at two applications, one that reflects a negative history, and the other a positive history (e.g., credit, rental or employment), the landlord will usually choose the latter.

The HACSD has found that many of those with a less than perfect credit and rental history never use the vouchers that are issued to them. This failure to assist those who need help the most has resulted in both a loss of time and effort by the HACSD, and the anger and frustration of those unsuccessful in utilizing their vouchers. In order to improve the success rate of those least likely to be successful in a tenant-based rental assistance program, the HACSD has determined it may be necessary to allocate its vouchers to projects-based assistance.

PROJECT SELECTION PROCESS

The HACSD may advertise to accept applications from owners of rental housing developments who are interested in receiving project-based Section 8 vouchers for at least 25 percent for mixed family developments and up to 100 percent of the units in elderly and/or disabled developments, or developments providing family self-sufficiency or other supportive services for alcohol and/or drug recovery. This federal Section 8 housing subsidy program will attach rental assistance directly to a specific unit or project for a term of up to ten years.

The highest priority will be given to proposals with existing housing and those willing to commit to a ten-year contract. The project must comply with the above General Section and all other requirements in the regulations.

Application Requirements

Narrative written response to the evaluation criteria.

Description per unit of unit rent, type, size, age, condition, amenities, and the utilities, services and appliances included in the rent.

Comparable rent information for at least three comparable unassisted units.

Gross rents must be rent reasonable and not exceed 110 percent of the applicable published area Fair Market Rents.

Applications will be evaluated, based on responsiveness to the following criteria:

Site and design of existing project. Is the site and design of the project adequate and suitable for the number of units, and is the location of the project accessible to public and private social, recreational, educational, commercial, and health facilities and services, including employment and public transportation?

Extent to which the project contributes to the geographic distribution of affordable housing throughout the County of San Diego, promotes de-concentration of poverty, and furthers fair housing objectives.

Priority will be given to existing units that are attractive, in good condition and exceed housing quality standards.

Only vacant units are eligible for the program.

PROGRAM ADMINISTRATION

Inspection of the Projects and Units

Project must be inspected for conformance with Section 8 housing quality standards (HQS) prior to the execution of the contract with the project owner or designee.

A copy of an inspection by a certified independent inspector done within the previous three months must be provided to the HACSD prior to execution of the contract.

Corrections to HACSD identified deficiencies including those noted on either the housing quality standards or the independent inspection must be completed prior to execution of the contract.

Individual units must be inspected prior to approval of a tenant lease and the commencement of project-based assistance for that unit.

A random inspection of at least ten percent of the units must be inspected annually.

The project and/or individual units are subject to special inspections for quality control purposes, or in response to a request and/or complaint.

Maintenance of projects

Project must be maintained in conformance with Section 8 housing quality standards (HQS).

Occupants of assisted units may be required to make repairs to correct violations in HQS that were caused by tenant abuse or neglect.

Project must be in compliance with all relevant federal, State and local laws, as well as all zoning and other regulatory requirements.

Taxes, fees, assessments, insurance, mortgages, or any other debts related to the projects must be kept current.

The project must be maintained in accordance with the provisions of the contract.

Project owners must take prompt action against residents engaging in illegal activities on the premises.

The Contract will be a HUD standard contract, if available. If not available, the contract will be based on contracts currently in use by other public housing agencies, and must include the following:

The contract must state the remedies for non-compliance with the contract.

The contract must state the term.

The contract must contain provisions for termination by either party.

The contract must allow for termination by the HACSD if funding becomes unavailable.

The contract must state the duties and responsibilities of all parties.

The contract must state the owner may request a rent adjustment once a year unless extraordinary additional expenses warrant a special rent adjustment.

The HAP contract may be renewed for terms of up to five years. However, the initial term plus all subsequent extensions cannot in aggregate exceed 15 years.

In addition, the contract may have a provision for contract extensions.

Waiting List

Separate waiting lists may be maintained for project-based assistance.

In-place tenants will be given an absolute preference for selection off of the HACSD's waiting list for the project. A preference may be given for services offered at a particular project and a preference may be given to persons with disabilities whose disabilities significantly interfere with their ability to obtain and maintain themselves in housing; who, without such services will not in the future be able to maintain themselves in housing; and for whom such services cannot be provided in a non-segregated community. Disabled residents cannot be required to accept the services being offered. The project may be advertised as being for a particular type of disability; however, the project must be open to all otherwise eligible persons with disabilities who may benefit from the services being offered.

If the HACSD determines a need for separate waiting lists, all those on the regular Section 8 waiting list will be notified and given the opportunity to place their names on the project-based waiting lists.

Families will be selected off the waiting list in accordance with HACSD-established selection preferences.

Families selected off the waiting list will be processed for eligibility in conformance with the regulations and the HACSD Section 8 Administrative Plan.

Families must meet income targeting guidelines in-place at the time of selection off the waiting list.

Families denied admission to the project will be returned to the waiting list, if eligible, with the appropriate selection preferences and original date and time of application.

Vacancies

If included in the contract, projects are eligible for up to sixty days vacancy loss, upon request, providing all appropriate measures are taken to fill the vacancies.

The HACSD may reduce the number of units under the contract if the units remain vacant for 120 days.

Assistance

Assistance will be paid on behalf of eligible families in eligible project-based units. Assistance will be the difference between 30% of the family's monthly-adjusted income and the lower of either the gross rent or the applicable payment standard.

A Project owner cannot be the spouse of an assisted family member or a relative as defined under the regulations for the HCV Program.

Initial, Annual and Ongoing Activities

All Families:

Annual eligibility determination of all families in units receiving project-based assistance.

Annual review of progress families are achieving in meeting educational, job training and/or employment goals established at the time of initial eligibility.

Annual random inspections of at least ten percent of the project-based units.

All activities, unless indicated otherwise, or superseded by the regulations, will be in conformance with the Section 8 Administrative Plan.

Families may request tenant-based Housing Choice Vouchers after one year. At that time, the next available tenant-based Housing Choice Vouchers or other assistance, such as HOME tenant-based rental assistance, will be offered to eligible families.

Rent adjustments to the owner may be processed once a year provided the new rent is rent reasonable and the owner gives at least a 60-day advance notice to the tenant(s) and the HACSD.

No special rent adjustments will be allowed.

SPECIAL CLAIMS

Some HACSD programs, such as Moderate Rehabilitation (Mod Rehab), may in some instances allow owners to make "special claims" for damages, unpaid rent, and vacancy loss. Except for project-based assistance, the Housing Choice Voucher Program does not have a “special claims” provision.

Owner claims for payment for unpaid rent, damages, or vacancy loss will be reviewed for accuracy and completeness and compared with records in the file. The HACSD establishes standards by which to evaluate claims, but the burden of proof rests with the owner.

If vacancy loss is claimed, the HACSD will ascertain whether or not the family gave proper notice of its intent to move. The file will also be reviewed to verify owner compliance at the time the contract was terminated.

The HACSD will pay properly filed claims to the owner as a function of the contract, but the tenant is ultimately responsible to reimburse the HACSD for claims paid to the owner.

UNPAID RENT

Unpaid rent only applies to the tenant's portion of rent while the tenant is in residence under the assisted lease. It does not include the tenant's obligation for rent beyond the termination date of the HAP contract.

Separate agreements are not considered a tenant obligation under the lease and the HACSD will not reimburse the owner for any claims under these agreements.

VACANCY LOSS

In some special programs, vacancy loss is paid if the move was in violation of the notice requirements in the lease, or the result of an eviction. However, project-

based Housing Choice Vouchers have vacancy loss provisions unique to the individual contracts with the owners.

In order to claim vacancy loss, the unit must be available for lease and the landlord must:

Notify the HACSD within 48 hours excluding weekends and holidays upon learning of the vacancy, or prospective vacancy, and

Pursue all possible activities to fill the vacancy, including, but not limited to:

Contacting applicants on the owner's waiting list, if any,

Seeking eligible applicants by listing the unit with the HACSD,

Advertising the availability of the unit, and

Not rejecting potentially eligible applicants except for good cause.

In the event that a unit becomes vacant because of the death of the tenant, the HACSD will permit the owner to keep the HAP for the month in which the tenant died.

If the tenant moves *after* the date given on their notice of intent to vacate, the landlord may claim vacancy loss by providing acceptable documentation that there was a bona fide prospective tenant to whom the unit could have been rented.

To ensure valid claim processing, the HACSD will conduct a thorough move-in inspection noting "conditions" as well as HQS deficiencies, take pictures of questionable items, and send a report of all items to the owner and tenant.

MOVE-OUT AND CLOSE-OUT INSPECTIONS

The Housing Choice Voucher Program has no damage claim provision.

For older voucher contracts and other special programs that have a damage claim provision, the owner must notify the HACSD of the move-out and request an inspection within 48 hours of becoming aware of the damages. Otherwise, the owner cannot submit a claim for damages. If the contract was terminated due to owner breach, or the owner was in violation of the contract at the time that it was terminated, there will be no entitlement to claims and therefore no inspection.

The owner and tenant will be notified of the date and time of the inspection. If the owner or his authorized agent is not present, the move-out inspection will not be rescheduled.

The HACSD will not conduct a move-out inspection upon a tenant's request, if the owner does not also request an inspection.

A damage claim will not be approved *unless* the move-out inspection is requested and completed prior to any work being done.

In the event that the HACSD is unable to inspect within five days, the owner will be permitted to use date-stamped photographs to substantiate the claim.

PROCESSING CLAIMS

Any amount owed by the tenant to the owner for unpaid rent or damages will first be deducted from the maximum-security deposit, which the owner could have collected under the program rules. If the maximum allowable security deposit is insufficient to reimburse the owner for the unpaid tenant rent or other amounts that the family owes under the lease, the owner may request reimbursement from the HACSD up to the limits for each program.

If the owner claims vacancy loss, the security deposit that s/he collected or could have collected will be deducted from the vacancy loss claim.

The HACSD reviews claims for unpaid rent, damages, or vacancy loss and makes a preliminary determination of amount payable. The family is informed that a claim is pending (a notice is sent to last known address.) The notification will state the preliminarily determined amount, the type of claim, and describe the procedure for contesting the claim.

The HACSD will offer the family fourteen days to contest the claim. If the family disputes the claim, the HACSD will schedule an informal meeting with the owner and tenant in order to resolve the differences.

> If the tenant fails to attend the meeting, the HACSD will proceed with its original determination.
>
> Meetings will not be rescheduled if neither the owner, nor the tenant attends.
>
> Meetings will not be rescheduled if either the owner or the tenant fails to attend.

After a determination has been made, the HACSD will notify the family in writing of the decision. If it has been determined that the family owes money, the HACSD will pursue collection to repay either in a lump sum or through a payment agreement. The notice will warn the family that their assistance may be terminated and they may be denied future participation in the program if they do not reimburse the HACSD as required.

OTHER REQUIREMENTS FOR CLAIMS PROCESSING

The HACSD will require proof that the owner has complied with state and local laws applicable to security deposits before making payment on any claim.

All notices to tenants during the processing of a claim must include proof of mailing or of personal delivery.

Costs of filing eviction to remove the tenant or any other legal fees may not be reimbursed.

No claims will be paid for a unit that is vacant as the result of the landlord voluntarily moving a family to another unit owned by the same landlord.

All unpaid rent, damage, and vacancy loss claim forms must be fully complete when they are submitted, and they must be submitted within 30 days of the date the owner learned of the move-out.

RESERVED

GLOSSARY

ACRONYMS USED IN SUBSIDIZED HOUSING

ACC	Annual Contributions Contract
BR	Bedroom
CDBG	Community Development Block Grant
CFR	Code of Federal Regulations. Commonly referred to as "the regulations." The CFR is the compilation of Federal rules first published in the Federal Register to define and implement a statute.
CPI	Consumer Price Index. CPI is published monthly by the Department of Labor as an inflation indicator.
ELI	Extremely low income
FDIC	Federal Deposit Insurance Corporation
FHA	Federal Housing Administration
FICA	Federal Insurance Contributions Act - Social Security taxes
FmHA	Farmers Home Administration
FMR	Fair Market Rent
FY	Fiscal Year
FYE	Fiscal Year End
GAO	Government Accounting Office
GFC	Gross Family Contribution. Has been replaced by the term Total Tenant Payment (TTP).
GR	Gross Rent
HAP	Housing Assistance Payment
HAP Plan	Housing Assistance Payment Plan
HCDA	Housing and Community Development Act
HQS	Housing Quality Standards
HUD	The Department of Housing and Urban Development or its designee.
HURRA	Housing and Urban/Rural Recovery Act of 1983; resulted in most of the 1984 HUD regulation changes to definition of income, allowances, rent calculations

IG	Inspector General
IGR	Independent Group Residence
IPA	Independent Public Accountant
IRA	Individual Retirement Account
KDHAP	Katrina Housing Disaster Assistance Program
MOD REHAB	Moderate Rehabilitation Program
MSA	Metropolitan Statistical Area established by the U.S. Census Bureau
PHA	Public Housing Agency
PMSA	A Primary Metropolitan Statistical Area established by the U.S. Census Bureau
PS	Payment Standard
QC	Quality Control
RFTA	Request for Tenancy Approval
RFP	Request for Proposals
RRP	Rental Rehabilitation Program
SRO	Single Room Occupancy
SSMA	Standard Statistical Metropolitan Area. Has been replaced by MSA, Metropolitan Statistical Area.
TR	Tenant Rent
TTP	Total Tenant Payment
UA	Utility Allowance
URP	Utility Reimbursement Payment
USCIS	United States Citizen and Immigration Services
VWA	Violence Against Women Act

GLOSSARY OF TERMS IN SUBSIDIZED HOUSING

1937 ACT. The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.)

ADMINISTRATIVE PLAN. The HUD required written policy of the PHA governing its administration of the Section 8 tenant-based programs. The Administrative Plan and any revisions must be approved by the PHA's board and a copy submitted to HUD as a supporting document to the PHA Plan.

ABSORPTION. In portability, the point at which a receiving PHA stops billing the initial PHA for assistance on behalf of a portability family. The receiving PHA uses funds available under the receiving PHA consolidated ACC.

ACC RESERVE ACCOUNT (FORMERLY "PROJECT RESERVE"). Account established by HUD from amounts by which the maximum payment to the PHA under the consolidated ACC (during a PHA fiscal year) exceeds the amount actually approved and paid. This account is used as the source of additional payments for the program.

ADA. Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.)

ADJUSTED INCOME. Annual income, less allowable HUD deductions.

ADMINISTRATIVE FEE. Fee paid by HUD to the PHA for administration of the program.

ADMINISTRATIVE FEE RESERVE (Formerly "Operating reserve"). Account established by PHA from excess administrative fee income. The administrative fee reserve must be used for housing purposes.

ADMISSION. The effective date of the first HAP contract for a family (first day of initial lease term) in a tenant-based program. This is the point when the family becomes a participant in the program.

ANNUAL BUDGET AUTHORITY. The maximum annual payment by HUD to a PHA for a funding increment.

ANNUAL CONTRIBUTIONS CONTRACT (ACC). A written contract between HUD and a PHA. Under the contract HUD agrees to provide funding for operation of the program, and the PHA agrees to comply with HUD requirements for the program

ANNUAL INCOME. The anticipated total Annual Income of an eligible family from all sources for the 12-month period following the date of determination of income, computed in accordance with the regulations.

ANNUAL INCOME AFTER ALLOWANCES. The Annual Income (described above) less the HUD-approved allowances.

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

"AS-PAID" STATES. States where the welfare agency adjusts the shelter and utility component of the welfare grant in accordance with actual housing costs.

ASSETS. (See Net Family Assets.)

ASSISTED TENANT. A tenant who pays less than the market rent as defined in the regulations. Includes tenants receiving rent supplement, Rental Assistance Payments, or Section 8 assistance and all other 236 and 221 (d)(3) BMIR tenants, except those paying the 236 market rent or 120% of the BMIR rent, respectively.

AUXILIARY AIDS. Term refers to services or devices that enable persons with impaired sensory, manual, or speaking skills to have an equal opportunity to participate in, and enjoy the benefits of, programs or activities receiving Federal financial assistance. For example, auxiliary aids for persons with impaired vision may include: readers, Brailed materials, audio recordings, and other similar services and devices. Auxiliary aids for persons with impaired hearing may include: telephone handset amplifiers, telephones compatible with hearing aids, telecommunication devices for deaf persons (TDDs), interpreters, note takers, written materials, and other similar services and devices.

BUDGET AUTHORITY. An amount authorized and appropriated by the Congress for payment to PHAs under the program. For each funding increment in a PHA program, budget authority is the maximum amount that may be paid by HUD to the PHA over the ACC term of the funding increment.

CHILD CARE EXPENSES. Amounts paid by the family for the care of minors under 13 years of age where such care is necessary to enable an adult family member to be employed, actively seek work or to further his/her education.

CO-HEAD. An individual in the household who is equally responsible for the lease with the head of household. (A family never has a co-head and a spouse and; a co-head is never a dependent).

COMMON SPACE. In shared housing: Space available for use by the assisted family and other occupants of the unit.

CONGREGATE HOUSING. Housing for elderly persons or persons with disabilities that meets the HQS for congregate housing.

CONSOLIDATED ANNUAL CONTRIBUTIONS CONTRACT. (Consolidated ACC). See 24 CFR 982.151.

CONTIGUOUS MSA. In portability, an MSA that shares a common boundary with the MSA in which the jurisdiction of the initial PHA is located.

CONTINUOUSLY ASSISTED. An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the voucher program.

CONTRACT. (See Housing Assistance Payments Contract.)

COOPERATIVE. Term includes mutual housing. Housing owned by a nonprofit corporation or association, and where a member of the corporation or association has the right to reside in a particular apartment, and to participate in management of the

housing. A special housing type: See 24 CFR 982.619. A cooperative also is defined as a dwelling unit owned and/or shared by a group of individuals who have individual sleeping quarters and share common facilities such as kitchen, living room and some bathrooms.

COVERED FAMILIES. Statutory term for families who are required to participate in a welfare agency economic self-sufficiency program and who may be subject to a welfare benefit sanction for noncompliance with this obligation. Includes families who receive welfare assistance or other public assistance under a program for which Federal, State or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for the assistance.

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

DISABILITY ASSISTANCE EXPENSE. Anticipated costs for care attendants and auxiliary apparatus for disabled family members to enable a family member (including the disabled family member) to work.

DISABLED FAMILY. Means a family whose head, or spouse, or sole member (head), is a person with disabilities. The term “disabled family” may include: two or more persons with disabilities living together, or one or more persons with disabilities living with one or more persons determined to be essential to the care or well-being of the person or persons with disabilities (live-in aides). A disabled family may include persons with disabilities who are elderly.

DISABLED PERSON. See Person with Disabilities.

DISPLACED PERSON/FAMILY. A person or family displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized under federal disaster relief laws.

DOMICILE. The legal residence of the household head or spouse as determined in accordance with state and local law.

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

DRUG TRAFFICKING. 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. 802)).

ECONOMIC SELF-SUFFICIENCY PROGRAM. Any program designed to encourage, assist, train or facilitate the economic independence of assisted families, or to provide work for such families. Can include job training, employment counseling, work placement, basic skills training, education, English proficiency, Workfare, financial or household management, apprenticeship, or any other program necessary to ready a participant to work (such as treatment for drug abuse or mental health treatment).

Includes any work activities as defined in the Social Security Act (42 U.S.C. 607(d)). Also see 24 CFR 5.603 (c).

ELDERLY FAMILY. A family whose head, spouse, or sole member (head) is a person who is an elderly person (at least 62 years of age). The term “elderly family” includes two or more persons who are at least 62 years of age living together; or one or more persons who are at least 62 years of age living with one or more live-in aides. An elderly family may include elderly persons with disabilities, and non-elderly family members.

ELDERLY HOUSEHOLD. A family whose head or spouse or whose sole member is at least 62 years of age. The term “elderly family” may include two or more elderly persons living together or one or more such persons living with another person who is determined to be essential to his/her care and well being.

ELDERLY PERSON. A person who is at least 62 years old.

ELIGIBILITY INCOME. May 10, 1984, regulations deleted eligibility income, per se, because Annual Income is now for eligibility determination to compare to income limits.

ELIGIBLE FAMILY. (Family)**.** A family is defined by the PHA in the Administrative Plan, approved by HUD.

EXCEPTIONAL MEDICAL OR OTHER EXPENSES. Prior to the regulation change in 1982, this meant medical and/or unusual expenses as defined in Part 889 which exceeded 25% of the annual income. It is no longer used.

EXCEPTION RENT. In the pre-merger certificate program, an initial rent (contract rent plus any utility allowance) in excess of the published FMR. See FMR/Exception rent.

EXCESS MEDICAL EXPENSES. Any medical expenses incurred by elderly or disabled families in excess of 3% of annual income which are not reimbursable from any other source.

EXTREMELY LOW-INCOME FAMILY. A family whose annual income does not exceed 30 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income ceilings higher or lower than 30% of median income if HUD finds such variations are necessary due to unusually high or low family incomes.

FAIR HOUSING ACT. Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988 (42 U.S.C. 3601 et seq.)

FAIR MARKET RENT (FMR). The rent including the cost of utilities (except telephone) that would be required to be paid in the housing market area to obtain privately owned existing decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. Fair market rents for existing housing are established by HUD for housing units of varying sizes (number of bedrooms) and are published in the *Federal Register.*

FAMILY. "Family" includes but is not limited to:

A family with or without children (the temporary absence of a child from the home due to placement in foster care shall not be considered in determining family composition and family size);

An elderly family;

A near-elderly family;

A displaced family

The 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.

("Family" can be further defined by the PHA).

FAMILY OF VETERAN OR SERVICE PERSON. A family is a "family of veteran or service person" when:

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

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

FAMILY RENT TO OWNER. In the voucher program, the portion of the rent to owner paid by the family.

FAMILY SELF-SUFFICIENCY PROGRAM (FSS PROGRAM). The program established by a PHA to promote self-sufficiency of assisted families, including the provision of supportive services.

FAMILY SHARE. The amount calculated by subtracting the housing assistance payment from the gross rent.

FAMILY UNIT SIZE. The appropriate number of bedrooms for a family, as determined by the PHA under the PHA's subsidy standards.

FMR/EXCEPTION RENT. The fair market rent published by HUD headquarters. In the pre-merger certificate program the initial contract rent for a dwelling unit plus any utility allowance could not exceed the FMR/exception rent limit (for the dwelling unit or for the family unit size). In the voucher program the PHA adopts a payment standard schedule that is within 90% to 110% of the FMR for each bedroom size.

FOSTER CHILD CARE PAYMENT. Payment to eligible households by state, local, or private agencies appointed by the State, to administer payments for the care of foster children.

FULL-TIME STUDENT. A person who is attending school or vocational training on a full-time basis (carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended).

FUNDING INCREMENT. Each commitment of budget authority by HUD to a PHA under the consolidated annual contributions contract for the PHA program.

GROSS FAMILY CONTRIBUTION. Changed to Total Tenant Payment.

GROSS RENT. The sum of the Rent to Owner and the utility allowance. If there is no utility allowance, Rent to Owner equals Gross Rent.

GROUP HOME. A dwelling unit that is licensed by a state as a group home for the exclusive residential use of two to twelve persons who are elderly or persons with disabilities (including any live-in aide).

HANDICAP. Any condition or characteristic that renders a person an individual with handicaps.

HAP CONTRACT. (See Housing Assistance Payments contract.)

HEAD OF HOUSEHOLD. The head of household is the person who assumes legal and financial responsibility for the household and is listed on the application as head.

HOUSING AGENCY. A state, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) authorized to engage in or assist in the development or operation of low-income housing. ("PHA" and "HA" mean the same thing.)

HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974. Act in which the U.S. Housing Act of 1937 (sometimes referred to as the Act) was recodified, and which added the Section 8 Programs.

HOUSING ASSISTANCE PAYMENT. The monthly assistance payment by a PHA. The total assistance payment consists of:

A payment to the owner for rent to owner under the family's lease.

An additional payment to the family if the total assistance payment exceeds the rent to owner. The additional payment is called a "utility reimbursement" payment.

HOUSING ASSISTANCE PAYMENTS CONTRACT. (HAP contract). A written contract between a PHA and an owner in the form prescribed by HUD headquarters, in which the PHA agrees to make housing assistance payments to the owner on behalf of an eligible family.

HOUSING ASSISTANCE PLAN. (1) A Housing Assistance Plan submitted by a local government participating in the Community Development Block Program as part of the

block grant application, in accordance with the requirements of 570.303(c) submitted by a local government not participating in the Community Development Block Grant Program and approved by HUD. (2) A Housing Assistance Plan meeting the requirements of 570.303(c) submitted by a local government not participating in the Community Development Block Grant Program and approved by HUD.

HOUSING QUALITY STANDARDS (HQS). The HUD minimum quality standards for housing assisted under the tenant-based programs.

HUD. The Department of Housing and Urban Development.

HUD REQUIREMENTS. HUD requirements for the Section 8 programs. HUD requirements are issued by HUD headquarters as regulations, Federal Register notices, or other binding program directives.

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

IMPUTED INCOME. HUD passbook rate x total cash value of assets. Calculation used when assets exceed $5,000.

IMPUTED WELFARE INCOME. An amount of annual income that is not actually received by a family as a result of a specified welfare benefit reduction, but is included in the family's annual income and therefore reflected in the family's rental contribution.

INCOME. Income from all sources of each member of the household as determined in accordance with criteria established by HUD.

INCOME FOR ELIGIBILITY. Annual Income.

INDIAN. Any person recognized as an Indian or Alaska native by an Indian tribe, the federal government, or any State.

INDIAN HOUSING AUTHORITY (IHA). A housing agency established either by exercise of the power of self-government of an Indian Tribe, independent of State law, or by operation of State law providing specifically for housing authorities for Indians.

INDIVIDUAL WITH HANDICAPS. Means any person who has 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 an impairment. The term does not include any individual who is an alcoholic or drug abuser whose current use prevents the individual from participating in the program or activity in question, or whose participation, by reason of such current alcohol or drug abuse, would constitute a direct threat to property of the safety of others.

INITIAL PHA. In portability, the term refers to both:

> A PHA that originally selected a family that later decides to move out of the jurisdiction of the selecting PHA; and
>
> A PHA that absorbed a family that later decides to move out of the jurisdiction of the absorbing PHA.

INITIAL PAYMENT STANDARD. The payment standard at the beginning of the HAP contract term.

INITIAL RENT TO OWNER. The rent to owner at the beginning of the HAP contract term.

INTEREST REDUCTION SUBSIDIES. The monthly payments or discounts made by HUD to reduce the debt service payments and, hence, rents required on Section 236 and 221 (d)(3) BMIR projects. Includes monthly interest reduction payments made to mortgagees of Section 236 projects and front-end loan discounts paid on BMIR projects.

JURISDICTION. The area in which the PHA has authority under State and local law to administer the program.

KATRINA DISASTER HOUSING ASSISTANCE PROGRAM. Provides housing assistance to previously assisted families displaced by Hurricane Katrina. Funded by the Federal Emergency Management Agency in partnership with HUD to administer.

LANDLORD. This term means either the owner of the property or his/her representative or the managing agent or his/her representative, as shall be designated by the owner.

LARGE VERY LOW INCOME FAMILY. Prior to the 1982 regulations, this meant a very low-income family which included six or more minors. This term is no longer used.

LEASE. A written agreement between an owner and a tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP contract between the owner and the PHA. In cooperative housing, a written agreement between a cooperative and a member of the cooperative. The agreement establishes the conditions for occupancy of the member's family with housing assistance payments to the cooperative under a HAP contract between the cooperative and the PHA.

LEASE ADDENDUM. For pre-merger Certificate, pre-merger OFTO, and pre-merger Voucher tenancies, the lease language required by HUD in the lease between the tenant and the owner.

LIVE-IN AIDE. A person who resides with an elderly person or disabled person and who is determined to be essential to the care and well-being of the person, is not obligated for the support of the person, and would not be living in the unit except to provide necessary supportive services.

LOCAL PREFERENCE. A preference used by the PHA to select among applicant families.

LOW-INCOME FAMILY. A family whose annual income does not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income ceilings higher or lower than 80% for areas with unusually high or low-income families.

MAJOR LIFE ACTIVITIES. The term is related to an individual with handicaps, and refers to functions such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning, and working.

MANUFACTURED HOME. A manufactured structure that is built on a permanent chassis, is designed for use as a principal place of residence, and meets HQS. A special housing type. See 24 CFR 982.620 and 982.621.

MANUFACTURED HOME SPACE. In manufactured home space rental: A space leased by an owner to a family. A manufactured home owned and occupied by the family is located on the space. See 24 CFR 982.622 to 982.624

MARKET RENT. The rent HUD authorizes the owner of FHA insured/subsidized multi-family housing to collect from families ineligible for assistance. For unsubsidized units in an FHA-insured multi-family project in which a portion of the total units receive project-based rental assistance, under the Rental Supplement or Section 202/Section 8 Programs, the Market Rate Rent is that rent approved by HUD and is the Contract Rent for a Section 8 Certificate holder. For BMIR units, Market Rent varies by whether the project is a rental or cooperative.

MEDICAL EXPENSES. Those total 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. (A deduction for elderly or disabled families only.) These allowances are given when calculating adjusted income for medical expenses in excess of 3% of Annual Income.

MERGER DATE. October 1, 1999 was the date the Voucher and Certificate programs began to be converted to the Housing Choice Voucher program.

MINOR. A member of the family household (excluding foster children) other than the family head or spouse who is under 18 years of age.

MIXED FAMILY. A family with citizens and those with eligible immigration status and without citizens and those with eligible immigration status as defined in 24 CFR 5.504(b)(3)

MODERATE REHABILITATION PROGRAM. A project-based rental assistance program in which private rental property owners receive loans to rehabilitate their rental units and then set aside these units under low-term contracts to provide assisted rental housing for low-income families.

MONTHLY ADJUSTED INCOME. 1/12 of the Annual Income after Allowances or Adjusted Income.

MONTHLY INCOME. 1/12 of the Annual Income.

MUTUAL HOUSING. Included in the definition of COOPERATIVE.

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

NEAR-ELDERLY FAMILY. A family whose head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62. The family may include: 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.

NEGATIVE RENT. Now called Utility Reimbursement. A negative tenant rent results in a Utility Reimbursement Payment (URP).

NET FAMILY ASSETS. Value of equity in savings, checking, IRA and Keogh accounts, real property, stocks, bonds, and other forms of capital investment. The value of necessary items of personal property such as furniture and automobiles is excluded from the definition.

NET FAMILY CONTRIBUTION. Former name for Tenant Rent.

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

OCCUPANCY STANDARDS. [Now referred to as Subsidy Standards] Standards established by a PHA to determine the appropriate number of bedrooms for families of different sizes and compositions.

OVER-FMR TENANCY (OFTO). In the pre-merger Certificate program: A tenancy for which the initial gross rent exceeds the FMR/exception rent limit. This program no longer exists.

OWNER. Any persons or entity having the legal right to lease or sublease a unit to a participant.

PARTICIPANT. A family that has been admitted to the PHA's program and is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the PHA for the family (First day of initial lease term).

PAYMENT STANDARD. The maximum monthly assistance payment for a family assisted in the voucher program (before deducting the total tenant payment by the family.

PERSON WITH DISABILITIES. A person who has a disability as defined in 42 U.S.C 423 or a developmental disability as defined in 42 U.S.C. 6001. Also includes a person who is determined, under HUD regulations, to have a physical or mental impairment that is expected to be of long-continued and indefinite duration, substantially impedes the ability to live independently, and is of such a nature that the ability to live independently could be improved by more suitable housing conditions. For purposes of reasonable accommodation and program accessibility for persons with disabilities, means an "individual with handicaps" as defined in 24 CFR 8.3. Definition does not exclude persons who have AIDS or conditions arising from AIDS, but does not include a person whose disability is based solely on drug or alcohol dependence (for low-income housing eligibility purposes).

PHA PLAN. The annual plan and the 5-year plan as adopted by the PHA and approved by HUD in accordance with 24 CFR 903.

PORTABILITY. Renting a dwelling unit with Section 8 tenant-based assistance outside the jurisdiction of the initial PHA.

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

PRIVATE SPACE. In shared housing: The portion of a contract unit that is for the exclusive use of an assisted family.

PROCESSING ENTITY. Entity responsible for making eligibility determinations and for income reexaminations. In the Section 8 Program, the "processing entity" is the "responsible entity."

PROGRAM. The Section 8 tenant-based assistance program under 24 CFR Part 982.

PROGRAM RECEIPTS. HUD payments to the PHA under the consolidated ACC, and any other amounts received by the PHA in connection with the program.

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

PUBLIC HOUSING AGENCY (PHA). PHA includes any State, county, municipality or other governmental entity or public body that is authorized to administer the program (or an agency or instrumentality of such an entity), or any of the following:

> A consortia of housing agencies, each of which meets the qualifications in paragraph (1) of this definition, that HUD determines has the capacity and capability to efficiently administer the program (in which case, HUD may enter into a consolidated ACC with any legal entity authorized to act as the legal representative of the consortia members):
>
> Any other public or private non-profit entity that was administering a Section 8 tenant-based assistance program pursuant to a contract with the contract administrator of such program (HUD or a PHA) on October 21, 1998; or
>
> For any area outside the jurisdiction of a PHA that is administering a tenant-based program, or where HUD determines that such PHA is not administering the program effectively, a private non-profit entity or a governmental entity or public body that would otherwise lack jurisdiction to administer the program in such area.

REASONABLE RENT. A rent to owner that is not more than rent charged for comparable units in the private unassisted market, and not more than the rent charged for comparable unassisted units in the premises.

RECEIVING PHA. In portability: A PHA that receives a family selected for participation in the tenant-based program of another PHA. The receiving PHA issues a voucher and provides program assistance to the family.

RECERTIFICATION. Sometimes called reexamination. The process of securing documentation of total family income used to determine the rent the tenant will pay for the next 12 months if there are no additional changes to be reported. There are annual and interim recertifications.

REGULAR TENANCY. In the pre-merger certificate program: A tenancy other than an over-FMR tenancy. This program no longer exists

REMAINING MEMBER OF TENANT FAMILY. Person left in assisted housing after other family members have left and become unassisted.

RENT TO OWNER. The total monthly rent payable to the owner under the lease for the unit. Rent to owner covers payment for any housing services, maintenance and utilities that the owner is required to provide and pay for.

RESIDENCY PREFERENCE. A PHA preference for admission of families that reside anywhere in a specified area, including families with a member who works or has been hired to work in the area ("residency preference area").

RESIDENCY PREFERENCE AREA. The specified area where families must reside to qualify for a residency preference.

RESIDENT ASSISTANT. A person who lives in an Independent Group Residence and provides on a daily basis some or all of the necessary services to elderly, handicapped, and disabled individuals receiving Section 8 housing assistance and who is essential to these individuals' care or well being. A Resident Assistant shall not be related by blood, marriage or operation of law to individuals receiving Section 8 assistance nor contribute to a portion of his/her income or resources towards the expenses of these individuals.

RESPONSIBLE ENTITY. For the public housing and Section 8 tenant-based assistance, project-based certificate assistance and moderate rehabilitation program, the responsible entity means the PHA administering the program under an ACC with HUD. For all other Section 8 programs, the responsible entity means the Section 8 owner.

SECRETARY. The Secretary of Housing and Urban Development.

SECTION 8. Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f).

SECURITY DEPOSIT. A dollar amount to be paid by a tenant to a landlord and to be applied to unpaid rent, damages or other amounts to the owner under the lease.

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

SHARED HOUSING. A unit occupied by two or more families. The unit consists of both common space for shared use by the occupants of the unit and separate private space for each assisted family. A special housing type.

SINGLE PERSON. A person living alone or intending to live alone.

SPECIAL ADMISSION. Admission of an applicant that is not on the PHA waiting list or without considering the applicant's waiting list position.

SPECIAL HOUSING TYPES. See Subpart M of 24 CFR 982, which states the special regulatory requirements for SRO housing, congregate housing, group homes, shared housing, cooperatives (including mutual housing), and manufactured homes (including manufactured home space rental).

SPECIFIED WELFARE BENEFIT REDUCTION. Those reductions of welfare benefits (for a covered family) that may not result in a reduction of the family rental contribution. A reduction of welfare benefits because of fraud in connection with the welfare program, or because of welfare sanction due to noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

SPOUSE. The husband or wife of the head of the household.

SUBSIDIZED PROJECT. A multi-family housing project (with the exception of a project owned by a cooperative housing mortgage corporation or association) which receives the benefit of subsidy in the form of:

Below-market interest rates pursuant to Section 221(d)(3) and (5) or interest reduction payments pursuant to Section 236 of the National Housing Act; or

Rent supplement payments under Section 101 of the Housing and Urban Development Act of 1965; or

Direct loans pursuant to Section 202 of the Housing Act of 1959; or

Payments under the Section 23 Housing Assistance Payments Program pursuant to Section 23 of the United States Housing Act of 1937 prior to amendment by the Housing and Community Development Act of 1974;

Payments under the Section 8 Housing Assistance Payments Program pursuant to Section 8 of the United States Housing Act after amendment by the Housing and Community Development Act unless the project is owned by a Public Housing Agency;

A Public Housing Project.

SUBSIDY STANDARDS. Standards established by a PHA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

SUBSTANDARD UNIT. Substandard housing is defined by HUD for use as a federal preference.

SUSPENSION/TOLLING. Stopping the clock on the term of a family's voucher, for such period as determined by the PHA, from the time when the family submits a request for PHA approval to lease a unit, until the time when the PHA approves or denies the request. If the PHA decides to allow extensions or suspensions of the voucher term, the PHA administrative plan must describe how the PHA determines

whether to grant extensions or suspensions, and how the PHA determines the length of any extension or suspension.

TENANCY ADDENDUM. For the Housing Choice Voucher Program, the lease language required by HUD in the lease between the tenant and the owner.

TENANT. The person or persons (other than a live-in-aide) who executes the lease as lessee of the dwelling unit.

TENANT RENT. The amount payable monthly by the family as rent to the unit owner (Section 8 owner or PHA in public housing). For a tenancy in the pre-merger certificate program, tenant rent equals the total tenant payment minus any utility allowance.

TOTAL TENANT PAYMENT (TTP). The total amount the HUD rent formula requires the tenant to pay toward gross rent and utility allowance.

UNIT. Residential space for the private use of a family.

UNUSUAL EXPENSES. Prior to the change in the 1982 regulations, this was the term applied to the amounts paid by the family for the care of minors under 13 years of age or for the care of disabled or handicapped family household members, but only where such care was necessary to enable a family member to be gainfully employed.

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

UTILITY ALLOWANCE. If the cost of utilities for water, sewer, gas, and electricity and including range and refrigerator, and other housing services for an assisted unit is not included in the Contract Rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by a PHA or HUD 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 healthy living environment.

UTILITY REIMBURSEMENT. In the voucher program, the portion of the housing assistance payment which exceeds the amount of the rent to owner.

UTILITY REIMBURSEMENT PAYMENT. In the pre-merger certificate program, 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.

VACANCY LOSS PAYMENTS. (For pre-merger certificate contracts effective prior to 10/2/95) When a family vacates its unit in violation of its lease, the owner is eligible for 80% of the Contract Rent for a vacancy period of up to one additional month, (beyond the month in which the vacancy occurred) if s/he notifies the PHA as soon as s/he learns of the vacancy, makes an effort to advertise the unit, and does not reject any eligible applicant except for good cause.

VERY LARGE LOWER-INCOME FAMILY. Prior to the change in the 1982 regulations this was described as a lower-income family which included eight or more minors. This term is no longer used.

VERY LOW INCOME FAMILY. A Lower-Income Family whose Annual Income does not exceed 50% of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50% of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes. This is the income limit for the pre-merger certificate and voucher programs.

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

VIOLENT CRIMINAL ACTIVITY. Violent criminal activity is 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 likely to cause, serious bodily injury or property damage.

VOUCHER (rental voucher). A document issued by a PHA to a family selected for admission to the voucher program. This document describes the program and the procedures for PHA approval of a unit selected by the family. The voucher also states the obligations of the family under the program.

VOUCHER HOLDER. A family holding an active voucher that has not yet expired (search time).

VOUCHER PROGRAM. The Housing Choice Voucher program.

WAITING LIST. A list of families organized according to HUD regulations and PHA policy waiting for a subsidy to become available.

WAITING LIST ADMISSION. An admission from the PHA waiting list.

WELFARE ASSISTANCE. Income assistance from Federal or State welfare programs, including assistance provided under TANF and general assistance. Does not include assistance directed solely to meeting housing expenses, nor programs that provide health care, child care or other services for working families. For the Family Self Sufficiency Program (984.103(b)), "welfare assistance" includes only cash maintenance payments from Federal or State programs designed to meet a family's ongoing basic needs, but does not include food stamps, emergency rental and utilities assistance, SSI, SSDI, or Social Security.

WELFARE RENT. This concept is used ONLY for pre-merger Certificate tenants who receive welfare assistance on an "AS-PAID" basis. It is not used for the Housing Voucher Program.

> If the agency does NOT apply a ratable reduction, this is the maximum a public assistance agency COULD give a family for shelter and utilities, NOT the amount

the family is receiving at the time the certification or recertification is being processed.

If the agency applies a ratable reduction, welfare rent is a percentage of the maximum the agency could allow.

WELFARE-TO-WORK (WTW) FAMILIES. Families assisted by a PHA with voucher funding awarded to the PHA under the HUD welfare-to-work voucher program (including any renewal of such WTW funding for the same purpose).

GLOSSARY OF TERMS USED IN THE NONCITIZENS RULE

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

CITIZEN. A citizen or national of the United States.

EVIDENCE OF CITIZENSHIP OR ELIGIBLE STATUS. The documents which must be submitted as evidence of citizenship or eligible immigration status.

HEAD OF HOUSEHOLD. The adult member of the family who is the head of the household for purpose of determining income eligibility and rent.

HUD. Department of Housing and Urban Development.

INS. The U.S. Immigration and Naturalization Service.

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

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.

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

PHA. A housing authority that operates Public Housing.

RESPONSIBLE ENTITY. The person or entity responsible for administering the restrictions on providing assistance to noncitizens with ineligible immigration status (the PHA).

SECTION 214. Section 214 restricts HUD from making financial assistance available for noncitizens unless they meet one of the categories of eligible immigration status specified in Section 214 of the Housing and Community Development Act of 1980, as amended (42 U.S.C. 1436a).

SECTION 504 OF THE REHABILITATION ACT OF 1973. As amended, states that no otherwise qualified individual with handicaps shall, solely by reason of his/her handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance from HUD. Compliance requires accessibility by physically handicapped persons.

SPOUSE. Spouse refers to the marriage partner, either a husband or wife, who is someone you need to divorce in order to dissolve the relationship. It includes the partner in a common-law marriage. It does not cover boyfriends, girlfriends, significant others, or "co-heads." "Co-head" is a term recognized by some HUD programs, but not by public and Indian housing program.

RESERVED