

# PHA Plans

5 Year Plan for Fiscal Years 2005 - 2009

Annual Plan for Fiscal Year 2008

Housing Authority of the City of Fort Wayne  
IN003v01  
July 1, 2008

## PHA Plan Agency Identification

**PHA Name:** Housing Authority of the City of Fort Wayne

**PHA Number:** IN003

**PHA Fiscal Year Beginning:** 07/2008

**PHA Programs Administered:**

**Public Housing and Section 8**   
  **Section 8 Only**   
  **Public Housing Only**  
 Number of public housing units:                      Number of S8 units:                      Number of public housing units:  
 Number of S8 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  
7315 Hanna Street, Fort Wayne, IN 46816, (260) 449-7811, Maynard Scales
- PHA development management offices
- PHA local offices

### Display Locations For PHA Plans and Supporting Documents

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

- Main administrative office of the PHA  
7315 Hanna Street, Fort Wayne, IN 46816
- PHA development management offices
- PHA local offices
- Main administrative office of the local government
- Main administrative office of the County government
- Main administrative office of the State government

- Public library
- PHA website
- Other (list below)

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

- Main business office of the PHA  
**7315 Hanna Street, Fort Wayne, IN 46816**
- PHA development management offices
- Other (list below)  
Website at [www.fwha.org](http://www.fwha.org)

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**5-YEAR PLAN**  
**PHA FISCAL YEARS 2005 - 2009**  
[24 CFR Part 903.5]

**A. Mission**

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

- The mission of the PHA is the same as that of the Department of Housing and Urban Development: To promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination.
- The PHA's mission is: The mission of the Fort Wayne Housing Authority is to provide good quality, affordable housing and superior services to eligible members of the Fort Wayne Community and to maintain an atmosphere that encourages self-sufficiency.

**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: **Maintain public housing vacancies below 3%**
  - Leverage private or other public funds to create additional housing opportunities:
  - Acquire or build units or developments
  - Other (list below)
    1. Promote Homeownership opportunities including the Self-Sufficiency and Housing Choice Voucher Program.
    2. Submit at least one tax credit application every 2-years with a goal to increase the number of affordable housing units by at least 250 under FWHA management.

**PROGRESS STATEMENT:**

FWHA made progress toward the above stated goal by:

1. Became a High Performing Agency with progressively improving scores for the last 6-years. 2007 PHAS Score 87. Had 4 properties score a 99, 2 scored a 98, with an average property score of 96 on Physical Inspection portion.
2. 52-unit Senior Housing LIHTC development opened spring 2006.
3. Secured HUD approval for RHF First Increment development "Village at Brooklyn Pointe" 20 unit Senior only development.

PHA Goal: Improve the quality of assisted housing

Objectives:

- Improve public housing management: (PHAS score: 95)
- Improve voucher management: (SEMAP score: 78)
- Increase customer satisfaction: Continue to provide a high-level of customer service, measure customer satisfaction for the primary and secondary customer, and implement improvement plans, as required.
- Concentrate on efforts to improve specific management functions: (list; e.g., public housing finance; voucher unit inspections) Implement Pre/Post Occupancy Training program to help reduce Public Housing turnover by 5% for each of the next 5 years.  
(List; e.g., public housing finance; voucher unit inspections)
- Renovate or modernize public housing units:
- Demolish or dispose of obsolete public housing:
- Provide replacement public housing: Working with the City of Fort Wayne to apply for HOME grant based on the City's Housing Strategy Report.
- Provide replacement vouchers: Increase ability to fund HCVP vouchers.
- Other:
  1. Implement a skills assessment testing program to evaluate staff training needs. (Ongoing)
  2. Maintain a commitment to a high level of usage of HTVN and Apartment Association staff training opportunities. (Ongoing)
  3. Maintain a commitment to a high level of usage of Professional trainer, seminars, conferences, in-house seminars, etc. for staff training. (Ongoing)
  - 4.

**PROGRESS STATEMENT:**

FWHA made progress toward the above stated goal by:

1. Used CFP Housing Revenue Bonds to accelerate a 10 year capital improvements plan. Expended balance of all Bond Finance monies, thus completing strategic exterior and interior upgrades to compete for affordable housing market share under asset management environment.
2. Used CFP funds to reduce the incident of crime and crime related activities on all properties to levels below city-wide averages by employing private security guards as well as off duty FWPD police officers. Also in 2007, we installed security cameras at all Public

Housing developments. As a result, according to FWPD statistics PHA crime rates remain lower than surrounding neighborhood rates.

3. Provided HCVP landlords information regarding program usage HQS and compliance.
4. Established a contract with a software provider to replace the existing applicant/tenant/participant management program.
5. Provided HCVP, Public Housing Management and Rental Management training to appropriate staff to improve program integrity, enhance overall staff performance relative Asset Management.

PHA Goal: Increase assisted housing choices

Objectives:

- Provide voucher mobility counseling: Add mobility module to HCVP orientation procedure.
- Conduct outreach efforts to potential voucher landlords
- Increase voucher payment standards
- Implement voucher homeownership program: Program is on-going
- Implement public housing or other homeownership programs: Working with the City of Fort Wayne and an outside developer to create LIHTC homeownership product.
- Implement public housing site-based waiting lists:
- Convert public housing to vouchers:
- Other:
  1. Following market analysis, explore converting public housing stock to vouchers.
  2. Explore establishing a Project-based HCVP Program as a tool to deconcentrate the incidence of poverty especially in the 30-40% AMI elderly, handicapped and disabled population HCVP usage.
  3. Explore applying for HCVP 811 HUD VASH Voucher funding, possibly with League of Blind and Disabled, YWCA or other advocacy group.

**PROGRESS STATEMENT:**

FWHA made progress toward the above stated goal by:

1. Conducted study of location of vouchers in jurisdiction by City quadrants and census tracts to assist in deconcentration efforts.
2. Participated in Senior Housing Fair, joined City Housing "Cabinet" to expand housing choices under the City Housing Strategy.
3. Under Homeownership program, developed Scattered Homeownership Program in PH.
4. Working with local disability advocacy groups to determine the need and develop an application for HCVP 811 vouchers.
5. Acquired property contiguous to River Cove (IN003-12), River Cove Villas development plan to be completed in 2008.

6. Submitted RHF Second Increment development plan to HUD for new 24 unit Public Housing development contiguous to Tall Oaks (IN-003-10).
7. Market Programs at community Outreach Fairs.

**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:
  1. Perform necessary modifications to units and public housing sites to successfully compete with comparable market housing. Complete and implement a curb appeal improvement plan.(Ongoing)
  2. Apply sound asset management principles on an individual site basis to maintain and build the value of all properties.
  3. Explore the possibilities of designating developments or buildings for particular resident groups (elderly, persons with disabilities).

**PROGRESS STATEMENT:**

FWHA made progress toward the above stated goal by:

1. Using CFP funded Community Policing and CPTED principles, reduce FWHA property crime levels below community-wide rate; PH units equipped with AC and carpeting, energy efficient refrigerators, windows and furnaces. Installed security cameras at all Public Housing properties.
2. Reorganized management staff and provided asset management training. Bookkeeping systems reprogrammed to support asset management. Operational performance analysis to be performed to support future decision making.
3. FWHA plans to submit a designated development plan based on resident, consultant and BOC recommendations.

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

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

Objectives:

- Increase the number and percentage of employed persons in assisted families:
- Provide or attract supportive services to improve assistance recipients' employability:
- Provide or attract supportive services to increase independence for the elderly or families with disabilities.
- Other:
  1. Develop Pre/Post Occupancy orientation and training program to assess the self-sufficiency levels and needs of assisted households.

**PROGRESS STATEMENT:**

FWHA made progress toward the above stated goal by:

1. Working with a consortium of local agencies, FWHA is developing a program to submit to AmeriCorps for persons to work with the Public Housing Self-Sufficiency Program
2. Housing Choice Voucher Family Self-Sufficiency Program
3. Comprehensive Counseling Program works with Public Housing residents in jeopardy of losing their unit to help them create budgets and meet their repayment agreement.

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

- PHA Goal: Ensure equal opportunity and affirmatively further fair housing Objectives:
  - Undertake affirmative measures to ensure access to assisted housing regardless of race, color, religion national origin, sex, familial status, and disability:
  - Undertake affirmative measures to provide a suitable living environment for families living in assisted housing, regardless of race, color, religion national origin, sex, familial status, and disability:
  - Undertake affirmative measures to ensure accessible housing to persons with all varieties of disabilities regardless of unit size required:
  - Other:
    1. FWHA provides training opportunities for staff and community on an annual basis to promote equal opportunity in housing.

**PROGRESS STATEMENT:**

FWHA made progress toward the above stated goal by:

1. Participation by all departments in staff training on Fair Housing principles. (Ongoing, done on an annual basis, required for all employees).

2. Reviewed and updated the use of the Fair Housing logo on FWHA printed materials.
3. Outreach marketing to families less likely to apply to FWHA programs: Immigrant Community and Disabled Community.
4. PH Management staff achieved Asset Management designation via HAIG.
5. FSS Staff certified in S8 case management procedures and skills development.
6. Housing Counseling staff received Fannie Mae online training for HUD reporting; achieve Home Ed Designation from IHCDA.
7. Finance Department trained in Asset Management and Accounting procedures
8. Participate in Marketing Programs at Community and Housing Fairs.

**Other PHA Goals and Objectives: (list below)**

The goals of FWHA as stated in the 5-Year Plan for Fiscal Years 2005-2009 and revisited in this annual update are consistent with HUD strategic goals and the Consolidated Plan of the City of Fort Wayne to increase the availability of decent, safe, affordable housing. FWHA's Annual Plan is available for review at the City of Fort Wayne, Division of Community and Economic Development as well as the FWHA main office.

*To accelerate the completion of modernization activities, Fort Wayne Housing Authority completed issuance of a bond issue in the approximate amount of \$3,710,000 that will be secured by the anticipated receipt of a portion of the Authority's capital funds from HUD. The bond issue proceeds were available in 2003, and the authority will allocate approximately 25% of each capital fund grant for the debt service on the bond issue. 2007 update: have expended all Bond Finance monies according to plan.*

**Demolition/Disposition:**

FWHA is committed to maintaining its current housing stock while seeking development opportunities to increase the amount of affordable housing to meet the needs documented in the Housing Needs Section below. In that regard, FWHA will develop this area in cooperation with local business resources and the City of Fort Wayne. In addition, to create improved agency efficiency, FWHA plans to dispose of its Fire House at S. Anthony and the existing Administrative Building at 2013 S. Anthony and build an addition to the current HCVP office. By combining offices, a higher level of management efficiency and cost saving can occur. 2007 update: both Anthony Street properties are vacant and have been listed with a broker.

We have adopted the following goals and objectives to guide the agency in FY2007:

1. Develop an affirmative fair housing marketing strategy based on the recently completed market study and other research.

2. Seek ways and resources to add amenities to public housing and other FWHA managed properties necessary for developments to compete with the surrounding apartment market. 2007 Completed Security Analysis: Overall assessment according to FWPD statistics indicates generally FWHA properties experience more favorable crime rates than the surrounding neighborhood and communities.
3. Expand the non-profit entity's (Housing Opportunities Program) capacity to develop tax credit and or mixed financed housing. 2007 Update: Received extensive training from IACED for capacity building as CHDO.
4. Using our non-profit entity, acquire and rehabilitate 1-2 HUD-owned or tax sale properties to meet home ownership goals. 2007 Update: Due to market conditions, this goal has been deferred 1-3 years.
5. Maintain PH FSS Program. 2007 Update: Complete reorganization of FSS to better align with S8 and PH and Homeownership. New staff and training completed. Computerized assessment tools implemented.
6. Continue to provide financial counseling to at least 100 families interested in homeownership, default and debt management improvement and rental pre and post occupancy counseling through the HUD and CDBG supported Housing Counseling Program. 2007 Update: Very successful program performance resulting in 98% goals attainment and refunding.
7. Measure and provide high-level customer service to primary and secondary customer base. 2007 Update: Ongoing and continuous.
8. Review and update the comprehensive wage and benefit study completed in 2007 as part of our effort to attract and retain competent, committed staff. (Completed 2007)
9. Maintain commitment to Staff training: HTVN, Apartment Association, in-house seminars, etc. 2007 Update: Completed In-house training for HCVP and FSS employees; Asset Management training for PH managers; Housing Counseling training completed for HomeEd Certification with State of Indiana.
10. Ensure Equal Housing Opportunity for all applicants and residents. 2007 Update: Continuous and Ongoing.
11. Develop an Operating Procedures Manual using general overview format. 2007 Update: Hired consultant; draft under review at year end. It is expected that when put in place in 2008, operational consistency and efficiency will be a major complement to the asset management strategy.
12. Publish a quarterly Agency-wide newsletter. 2007 Update: Unable to achieve this goal but it remains our intention in 2008
13. Expand Resident Advisory Board Activity year round with quarterly meetings. 2007 Update: Unfortunately, due to lack of resident leadership, the RAB did not completely meet this goal. With a reconstituted RAB this will remain a 2008 goal.
14. Expand Section 8 Home Ownership Program. 2007 Update: The number of homeownership cases has grown to 22 with several no longer needing any assistance from HCV Program. The Scattered Sites Home Ownership Program will offer the PH residents living in those units right of first refusal followed by other PH residents during 2008.
15. Continue to explore how the HOP program can participate in homeownership training. 2007 Update: HOP is now a qualified HomeEd training agency by the State of Indiana.

16. Develop contingency plans for proposed Federal funding cuts. Such items to include but not be limited to: fee management, small PH support services, maintenance services to outside agencies, grant writing, banking and mortgage companies. 2007 Update: Major achievement in this area was the development of fee management of Brooklyn Manor Apartments and developer's fee. Other similar developments are planned for 2008/9.
17. Implement plan for replacement public housing program. Have received approval on RHF I plan from HUD, anticipate approval on RHF II plan in 2008.
18. Continue to work with the City of Fort Wayne to benefit from joint housing study and Housing Strategy with the City of Fort Wayne. 2007 Update: Working closely as part of the "housing cabinet" and attending monthly CHODO meetings, FWHA was closely aligned with the City efforts in 2007.
19. Use CHDO to further the FWHA mission.
20. Web Site Improvement Plan. 2007 Update: New website developed by end of the year; content development is under way and the site is expected to be up and fully functional in 2Q2008.
21. Provide increased staff training and resources to position agency for HUD Asset Management requirements. 2007 Update: Completed.
22. Explore and develop possibility of providing Project Based Voucher assistance in deconcentration areas such as at Brooklyn Manor. 2007 Update: Much research and front end work was completed in 2007 leaving the RFP process and HUD approval to be done in 2008.
23. In an effort to coordinate with the City of Fort Wayne's Consolidated Plan and Housing Strategy, FWHA will investigate the possibility of creating a Housing Choice Voucher set-aside for relocation of current qualified low to moderate income tenants in the City's Renaissance Point revitalization area. 2007 Update: FWHA BOC approval received; HUD final approval expected in 2008
24. Explore the feasibility and make application to dispose of all Public Housing Scattered sites if it is determined to be the best alternative under the asset management model.
25. With assistance from the City of Fort Wayne, initiate plan to build a 14 unit mixed finance development on recently acquired land contiguous to River Cove (IN003-12).

**Annual PHA Plan**  
**PHA Fiscal Year 20**  
[24 CFR Part 903.7]

**i. Annual Plan Type:**

Select which type of Annual Plan the PHA will submit.

**Standard Plan**

**Troubled Agency Plan**

**ii. Executive Summary of the Annual PHA Plan**

[24 CFR Part 903.7 9 (r)]

Provide a brief overview of the information in the Annual Plan, including highlights of major initiatives and discretionary policies the PHA has included in the Annual Plan.

In Accordance with Section 511 of the Quality Housing and Work Responsibility Act, Fort Wayne is submitting its 2007 Annual Update to its second 5-year PHA plan covering the period July 1, 2005 to June 30, 2010

**Mission:** The mission of the Fort Wayne Housing Authority is to provide good quality, affordable housing and superior services to eligible members of the Fort Wayne Community and to maintain an atmosphere that encourages self-sufficiency is still appropriate for the organization

**Admissions:** At least 40% of the public housing units that become available (turnover) will be rented to the poorest families, at or below 30% of area median income. Section 8 program applicants at 30 % or less of median income will receive at least 75 % of all turnover vouchers.

**Rent:** A minimum \$50 rent has been implemented. No other changes in the way FWHA determines a family's rent were made. FWHA is however, continuing to review the flat rents that it currently charges higher income families as compared with the levels charged by other affordable programs and the cost of operating the developments. Following that review, FWHA will decide whether any adjustments in ceiling and flat rents are appropriate.

**Community Service:** Effective October 2003 FWHA reverted to the Community Service Requirements contained in the Quality Housing and Work Responsibility Act of 1998.

**Resident Employment:** The Authority will continue to consider ways to further improve its performance under the Section 3 program. Currently at least 10% of the FWHA workforce is comprised of persons receiving rental assistance. Our intern partnership with the Jobs Works division of the Department of Labor was discontinued due to changes in federal funding policies. We continue to use the CFP Program to fund PH internship Program. Under the program, unemployed Section 3 eligible persons are trained in various employment skill areas enhancing their job readiness capability. In 2008 the FWHA interns will be encouraged to enroll in the FSS program which affords additional resources to improve their skills and thus better employment opportunities.

**Deconcentration:** As required by PIH Notice 2001-26, the FWHA has completed the required Income Analysis to determine the need for further action regarding deconcentration of poverty at our sites. At this time, no changes are planned to the FWHA Admissions and Continued Occupancy Policy (ACOP) based on this analysis. We are in compliance with the requirements of the proposed rule since the average income at all covered developments is at or below 30% of area median income. During 2007,

FWHA implemented a Mobility Counseling Program with 2 primary goals in mind: 1. Assist with the utilization improvement goals; and 2. to assist voucher holder to identify and seek rental units in areas of opportunity. As the program started in 4Q2007, much of the benefit is expected during 2008.

**Section 8 Homeownership** Our 2007 goal is to increase our homeownership program by 5 homes sold YTD. FWHA has established a maximum program size of 100. 2007 Update: at the end of 2007 we have closed 24 homes sold.

**Project –Based Assistance (PBA)**

The Fort Wayne Housing Authority Section 8 administrative plan was amended to provide for the operation of a project-based assistance (PBA) program. The plan provides information to eligible families, owners, and other interested members of the public. Consistent with federal and local goals such as deconcentration, increasing affordable housing in targeted census tracts, elderly only and disability housing needs, project-based choice voucher in the City. In 2008 the housing authority will put out an RFP for additional Project-Based vouchers for senior and disabled apartments.

**Deployment of Military Personnel to the Persian Gulf Region**

PIH Notice 2003-5 (HA) encourages PHAs administering Public Housing and/or Housing Choice Vouchers and Section 8 Moderate Rehabilitation programs to be supportive of active duty Persian Gulf families. Specific actions that FWHA will undertake to support these families include, but are not limited to:

1. Allowing a suitable guardian to move into the assisted unit on a temporary basis to care for any dependents that the military person leaves in the unit. Income of the guardian temporarily living in the unit solely for this purpose is not to be counted in determining family income and the amount of rent the family income and the amount of rent the family pays based on family income.
2. Careful consideration of the circumstances of any case involving delayed payment of rent by the family. Determine whether it is appropriate to accept a late payment.
3. For the voucher program, granting exceptions to FWHA Section 8 administrative plan policies concerning family absence from the unit to continue housing assistance payments to the owner on behalf of a military family, even though all members of the military family are temporarily absent from the assisted unit because a member of the assisted family has been called to active duty in the Persian Gulf. The voucher program regulation at 24 CFR 982.312 permits family absence from the unit for no more than 180 consecutive days and FWHA may not exceed this regulatory limit.
4. For public housing, FWHA will allow the assisted tenancy and dwelling lease to remain in effect for a reasonable period of time (for example, six months), even though all members of the military family are temporarily absent from the assisted unit because a member of the family has been called to active duty on the Persian Gulf. After a reasonable period of time FWHA will reevaluate the situation and take appropriate action to balance the needs of the family with the need of FWHA to make good use of the scarce housing resources.  
It is important to note that special pay to a family member who is exposed to hostile fire while serving in the Armed Forces is specifically excluded from annual income (24 CFR 5.509 (c) (7)).

**Capital Fund Program:**

The FY 2007 Capital Fund Plan and the Replacement Housing Fund Plan are included as attachments to the Annual Plan. FWHA will continue its focused and aggressive strategy for tackling the basic capital improvements issues facing the portfolio. In the elevator buildings, the FWHA has been able to address

all of the primary and secondary critical capital projects. The latest REAC scores for these properties reflect this effort with average scores of 96 points. Special emphasis will now be placed on apartment interior upgrades and common area beautification. Likewise, in the Family portfolio all of the priority life/safety system projects, CEPTD security and safety improvements added have been completed as well as such items such as site improvements, building envelope upgrades and basic interior systems replacements. The progress reflected in the FY2006 Capital Fund Plan represents real progress towards bringing the entire portfolio to a level superior to the majority of public housing stock throughout the country. Illustrative of this point, HUD's current physical score for all properties averages 98 on a 100-point basis (Physical Indicator). See the attached CFP Annual Statement and 5-Year Plan for specific funding allocations.

### **iii. Annual Plan Table of Contents**

[24 CFR Part 903.7 9 (r)]

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

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#### **Attachments**

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

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Required Attachments:

- Attachment B -Admissions Policy for Deconcentration
- FY 2007 Capital Fund Program Annual Statement - Included in the Plan
- Most recent board-approved operating budget (Required Attachment for PHAs that are troubled or at risk of being designated troubled ONLY)
- Attachment H - List of Resident Advisory Board Members
- Attachment J - List of Resident Board Member
- Attachment C - Community Service Description of Implementation
- Attachment D - Information on Pet Policy
- Attachment Q - Section 8 Homeownership Capacity Statement, if applicable
- Description of Homeownership Programs, if applicable – See Chapter 15 of the Housing Choice Voucher Administrative Plan

Optional Attachments:

- Attachment R - PHA Management Organizational Chart
- FY 2007 Capital Fund Program 5 Year Action Plan – Included in the Plan
- Public Housing Drug Elimination Program (PHDEP) Plan
- Attachment I - Comments of Resident Advisory Board or Boards (must be attached if not included in PHA Plan text)
- Other (List below, providing each attachment name)
  1. (Public Housing Admissions and Continued Occupancy Plan)
  2. (Housing Choice Voucher Section 8 Administrative Plan)

### Supporting Documents Available for Review

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

List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Applicable Plan Component
X	PHA Plan Certifications of Compliance with the PHA Plans and Related Regulations	5 Year and Annual Plans
X	State/Local Government Certification of Consistency with the Consolidated Plan	5 Year and Annual Plans
X	Fair Housing Documentation: Records reflecting that the PHA has examined its programs or proposed programs, identified any impediments to fair housing choice in those programs, addressed or is addressing those impediments in a reasonable fashion in view of the resources available, and worked or is working with local jurisdictions to implement any of the jurisdictions' initiatives to affirmatively further fair housing that require the PHA's involvement.	5 Year and Annual Plans
X	Consolidated Plan for the jurisdiction/s in which the PHA is located (which includes the Analysis of Impediments to Fair Housing Choice (AI)) and any additional backup data to support statement of housing needs in the jurisdiction	Annual Plan: Housing Needs
X	Most recent board-approved operating budget for the public housing program	Annual Plan: Financial Resources;
X	Public Housing Admissions and (Continued) Occupancy Policy (A&O), which includes the Tenant Selection and Assignment Plan [TSAP]	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Section 8 Administrative Plan	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Public Housing Deconcentration and Income Mixing Documentation: 1. PHA board certifications of compliance with deconcentration requirements (section 16(a) of the US Housing Act of 1937, as implemented in the 2/18/99 <i>Quality Housing and Work Responsibility Act Initial Guidance; Notice</i> and any further HUD guidance) and 2. Documentation of the required deconcentration and income mixing analysis	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Public housing rent determination policies, including the methodology for setting public housing flat rents <input checked="" type="checkbox"/> check here if included in the public housing A & O Policy	Annual Plan: Rent Determination
X	Schedule of flat rents offered at each public housing development <input checked="" type="checkbox"/> check here if included in the public housing	Annual Plan: Rent Determination

<b>List of Supporting Documents Available for Review</b>		
<b>Applicable &amp; On Display</b>	<b>Supporting Document</b>	<b>Applicable Plan Component</b>
	A & O Policy	
X	Section 8 rent determination (payment standard) policies <input checked="" type="checkbox"/> check here if included in Section 8 Administrative Plan	Annual Plan: Rent Determination
X	Public housing management and maintenance policy documents, including policies for the prevention or eradication of pest infestation (including cockroach infestation)	Annual Plan: Operations and Maintenance
X	Public housing grievance procedures <input checked="" type="checkbox"/> check here if included in the public housing A & O Policy	Annual Plan: Grievance Procedures
X	Section 8 informal review and hearing procedures <input checked="" type="checkbox"/> check here if included in Section 8 Administrative Plan	Annual Plan: Grievance Procedures
X	The HUD-approved Capital Fund/Comprehensive Grant Program Annual Statement (HUD 52837) for the active grant year	Annual Plan: Capital Needs
	Most recent CIAP Budget/Progress Report (HUD 52825) for any active CIAP grant	Annual Plan: Capital Needs
X	Most recent, approved 5 Year Action Plan for the Capital Fund/Comprehensive Grant Program, if not included as an attachment (provided at PHA option)	Annual Plan: Capital Needs
	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
	Approved or submitted applications for demolition and/or disposition of public housing	Annual Plan: Demolition and Disposition
	Approved or submitted applications for designation of public housing (Designated Housing Plans)	Annual Plan: Designation of Public Housing
	Approved or submitted assessments of reasonable revitalization of public housing and approved or submitted conversion plans prepared pursuant to section 202 of the 1996 HUD Appropriations Act	Annual Plan: Conversion of Public Housing
X	Approved or submitted public housing homeownership programs/plans	Annual Plan: Homeownership
X	Policies governing any Section 8 Homeownership program <input checked="" type="checkbox"/> check here if included in the Section 8 Administrative Plan	Annual Plan: Homeownership
X	Any cooperative agreement between the PHA and the TANF agency	Annual Plan: Community Service & Self-Sufficiency
X	FSS Action Plan/s for public housing and/or Section 8	Annual Plan: Community Service & Self-Sufficiency
X	Most recent self sufficiency (ED/SS, TOP or ROSS or other resident services grant) grant program reports	Annual Plan: Community Service & Self-Sufficiency
	The most recent Public Housing Drug Elimination Program (PHEDEP) semi-annual performance report for any open grant and most recently submitted PHDEP application (PHDEP Plan)	Annual Plan: Safety and Crime Prevention

<b>List of Supporting Documents Available for Review</b>		
<b>Applicable &amp; On Display</b>	<b>Supporting Document</b>	<b>Applicable Plan Component</b>
X	The most recent fiscal year audit of the PHA conducted under section 5(h)(2) of the U.S. Housing Act of 1937 (42 U.S.C. 1437c(h)), the results of that audit and the PHA's response to any findings	Annual Plan: Annual Audit
X	Troubled PHAs: MOA/Recovery Plan	Troubled PHAs
X	Other supporting documents (optional) Housing Counseling Program	(specify as needed) Housing Counseling Plan

DRAFT

# 1. Statement of Housing Needs

[24 CFR Part 903.7 9 (a)]

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

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

Housing Needs of Families in the Jurisdiction by Family Type							
Family Type	Overall	Afford-ability	Supply	Quality	Access-ability	Size	Location
Income <= 30% of AMI	5174	5	5	5	5	2	4
Income >30% but <=50% of AMI	3353	4	4	2	2	2	2
Income >50% but <80% of AMI	566	2	1	1	2	2	2
Elderly	2239	5	5	3	4	3	3
Families with Disabilities	UNK	5	5	4	5	3	3
Race/Ethnicity	UNK	UNK	UNK	UNK	UNK	UNK	
Race/Ethnicity	UNK	UNK	UNK	UNK	UNK	UNK	
Race/Ethnicity	UNK	UNK	UNK	UNK	UNK	UNK	
Race/Ethnicity	UNK	UNK	UNK	UNK	UNK	UNK	

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

- Consolidated Plan of the Jurisdiction/s  
Indicate year:
- U.S. Census data: the Comprehensive Housing Affordability Strategy ("CHAS") dataset
- American Housing Survey data  
Indicate year:
- Other housing market study  
Indicate year:
- Other sources: (list and indicate year of information)

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

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

Housing Needs of Families on the Waiting List			
Waiting list type: (select one)			
<input checked="" type="checkbox"/> Section 8 tenant-based assistance			
<input type="checkbox"/> Public Housing			
<input type="checkbox"/> Combined Section 8 and Public Housing			
<input type="checkbox"/> 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	2,233		300
Extremely low income <=30% AMI	2,233	100%	
Very low income (>30% but <=50% AMI)			
Low income (>50% but <80% AMI)			
Families with children	1,670	74.78%	
Elderly families	77	3.44%	
Families with Disabilities	486	21.76%	
Race/ethnicity			
Characteristics by Bedroom Size (Public Housing Only)			

Housing Needs of Families on the Waiting List			
1BR			
2 BR			
3 BR			
4 BR			
5 BR			
5+ BR			
Is the waiting list closed (select one)? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes			
If yes:			
How long has it been closed (# of months)?			
Does the PHA expect to reopen the list in the PHA Plan year? <input type="checkbox"/> No <input type="checkbox"/> Yes			
Does the PHA permit specific categories of families onto the waiting list, even if generally closed? <input type="checkbox"/> No <input type="checkbox"/> Yes			

Housing Needs of Families on the Waiting List			
Waiting list type: (select one)			
<input type="checkbox"/> Section 8 tenant-based assistance			
<input checked="" type="checkbox"/> Public Housing			
<input type="checkbox"/> Combined Section 8 and Public Housing			
<input type="checkbox"/> Public Housing Site-Based or sub-jurisdictional waiting list (optional)			
If used, identify which development/sub-jurisdiction:			
	# of families	% of total families	Annual Turnover
Waiting list total	1,751		230
Extremely low income <=30% AMI	1,683	96.1%	
Very low income (>30% but <=50% AMI)	68	3.9%	
Low income (>50% but <80% AMI)	0	0	
Families with children	930	61.3%	
Elderly families	358	23.6%	
Families with Disabilities	356	23.5%	
Race/ethnicity	Not Available	Not Available	
Race/ethnicity	Not Available	Not Available	
Race/ethnicity	Not Available	Not Available	
Race/ethnicity	Not Available	Not Available	

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Housing Needs of Families on the Waiting List			
Characteristics by Bedroom Size (Public Housing Only)			
1 BR	821		
2 BR	516		
3 BR	385		
4 BR	29		
5 BR	0		
5+ BR	0		
Is the waiting list closed (select one)? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes			
If yes:			
How long has it been closed (# of months)?			
Does the PHA expect to reopen the list in the PHA Plan year? <input type="checkbox"/> No <input type="checkbox"/> Yes			
Does the PHA permit specific categories of families onto the waiting list, even if generally closed? <input type="checkbox"/> No <input type="checkbox"/> Yes			

### C. Strategy for Addressing Needs

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

#### (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:
  1. Via CHDO entity acquires and rehabilitates existing properties for homeownership purposes, including auction and HUD-owned properties.
  2. Develop mixed financed properties in partnership with private developers.

**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:
  1. Develop Housing Choice Voucher Administration Plan revisions to adjust the program to benefit local housing needs

**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 (PH)
- Adopt rent policies to support and encourage work
- Other: (list below)

**Need: Specific Family Types: The Elderly**

**Strategy 1: Target available assistance to the elderly:**

Select all that apply

- Seek designation of public housing for the elderly (At least 1 PH Property)
- Apply for special-purpose vouchers targeted to the elderly, should they become available
- Other:
  1. Maintain frail elderly in independent living with additional supportive services to avoid premature nursing home placement.
  2. Develop elderly housing with supportive services on appropriate location(s)
  3. Project Based Vouchers RFP for Elderly and Handicapped families at 30% of AMI
  4. Apply for HUD-VASH Voucher for homeless veterans.

**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:
  1. Seek additional vouchers for mainstreaming person with disabilities.
  2. Partner with non-profit agencies to produce homeownership opportunities for families with disabilities.
  3. Project Based Vouchers RFP for Disabled and Elderly families at 30% of AMI
  4. Establish Supportive Services using FSS and Housing Counseling programs to support elderly, handicapped and disabled families.

**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)

1. Partner with Hispanic advocates to market FWHA products and services
2. Explore areas of cooperation with Burmese population, including homeownership.
3. Outreach Efforts in Community and Housing Fairs.

**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:
  1. Seek funding to establish a Mobility Counseling Program to provide group and individual counseling to Section 8 Voucher holders who are conducting housing searches.
  2. Conduct annual meetings with Independent Owners Group of the Apartment Association to discuss all aspects of the Section 8 Program, including fair housing.
  3. Provide all employees with annual fair housing training
  4. Senior and Community Fair
  5. Make Program Brochures Accessible at all FWHA Sites for the General Public.

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

**(2) Reasons for Selecting Strategies**

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

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

## 2. Statement of Financial Resources

[24 CFR Part 903.7 9 (b)]

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

<b>Financial Resources: Planned Sources and Uses</b>		
<b>Sources</b>	<b>Planned \$</b>	<b>Planned Uses</b>
<b>1. Federal Grants (FY 2008 grants)</b>		
a) Public Housing Operating Fund	\$1,784,862	
b) Public Housing Capital Fund	\$1,090,461	
c) HOPE VI Revitalization	0	
d) HOPE VI Demolition	0	
e) Annual Contributions for Section 8 Tenant-Based Assistance	\$13,000,000	
f) Public Housing Drug Elimination Program (including any Technical Assistance funds)	0	
g) Resident Opportunity and Self-Sufficiency Grants	\$126,821	
h) Community Development Block Grant	\$19,000	
i) HOME	0	
Other Federal Grants (list below)	\$118,000	
<b>Housing Counseling</b>	\$35,000	Support Housing Counseling Staff
<b>Family Self Sufficiency S8</b>	\$97,050	FSS Staff
<b>Family Self Sufficiency PH</b>	\$45,000	PH-FSS/Homeownership Staff
<b>2. Prior Year Federal Grants (unobligated funds only) (list below)</b>		
CFP	\$500,000	
<b>3. Public Housing Dwelling Rental Income</b>	\$1,020,580	

Financial Resources: Planned Sources and Uses		
Sources	Planned \$	Planned Uses
<b>4. Other income</b> (list below)		
Interest	\$50,000	
Other tenant charges	\$90,000	
<b>4. Non-federal sources</b> (list below)		
Vincent House (est.)	\$2,000	Housing Counseling Program
<b>Total resources</b>	17,978,774	

### **3. PHA Policies Governing Eligibility, Selection, and Admissions**

[24 CFR Part 903.7 9 (c)]

#### **A. Public Housing**

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

##### **(1) Eligibility**

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

- When families are within a certain number of being offered a unit: (top ten by BR size.)
- 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)
1. History of disturbing neighbors or destruction of property.
  2. Having committed fraud in connection with any federal housing assistance program.

3. History of abusing alcohol and illegal drugs in any way that may interfere with the health, safety, or right to peaceful enjoyment by others.
4. Check of State's lifetime sex offender registration program for each adult member.
5. Ability to successfully care for and maintain dwelling units to FWHA housekeeping standards.

- 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 -will be reviewed during the transition to project based management
- Other (describe)

1. Establish Pre- and Post-Occupancy training program for PH residents to reduce unit turnover which leads to reduction on overall operating costs. Successful graduates would qualify for advance placement by earning preference points (100).

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

- PHA main administrative office
- PHA development site management office
- Other (list below)

1. Applications will be available at all site offices, from the FWHA website, by mail and at other community resources offices; however, all applications for public housing must be submitted to the FWHA main administrative office or 2025 S. Anthony Blvd. in person or by mail at: 2025 S. Anthony Blvd, Fort Wayne, IN, 46803.

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

1. How many site-based waiting lists will the PHA operate in the coming year?  
None
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? 2
4. Where can interested persons obtain more information about and sign up to be on the site-based waiting lists (select all that apply)?
- PHA main administrative office
  - All PHA development management offices
  - Management offices at developments with site-based waiting lists
  - At the development to which they would like to apply
  - Other (list below)

**(3) Assignment**

- a. How many vacant unit choices are applicants ordinarily given before they fall to the bottom of or are removed from the waiting list? (select one)
- One
  - Two
  - Three or More
- b.  Yes  No: Is this policy consistent across all waiting list types?
- c. If answer to b is no, list variations for any other than the primary public housing waiting list/s for the PHA:

**(4) Admissions Preferences**

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

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

- Emergencies
- Over housed
- Under housed
- Medical justification
- Administrative reasons determined by the PHA (e.g., to permit modernization work)
- Resident choice: (state circumstances below)
- Other:  
See Admissions and Continued Occupancy/Tenant Selection Assignment Plan (ACOP/TSAP).

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 or graduates 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)

1. Single Preference – applicants who are elderly or disabled, households of no more than two persons will be given a selection preference over all other single applicants regardless of preference status

2. Chelation Therapy – Households with children undergoing Chelation therapy that are referred by the Allen County Health Dept.
3. Graduates of Pre- and Post- Occupancy Training Program.
4. Graduates of Public Housing Homeownership Program.

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:

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

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 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)

1. Singles preference
2. Children Under going Chelation Therapy with referral
3. Pre- and Post Occupancy Training Program

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)

1. FWHA website

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: Did the PHA's analysis of its family (general occupancy) developments to determine concentrations of poverty indicate the need for measures to promote deconcentration of poverty or income mixing?

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

c. If the answer to b was yes, what changes were adopted? (select all that apply)

- Adoption of site-based waiting lists  
If selected, list targeted developments below:
- Employing waiting list "skipping" to achieve deconcentration of poverty or income mixing goals at targeted developments  
If selected, list targeted developments below:
- Employing new admission preferences at targeted developments  
If selected, list targeted developments below:
- Other (list policies and developments targeted below)

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

e. If the answer to d was yes, how would you describe these changes? (select all that apply)

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

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

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

g. Based on the results of the required analysis, in which developments will the PHA make special efforts to assure access for lower-income families? (select all that apply)

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

## B. Section 8

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

### (1) Eligibility

a. What is the extent of screening conducted by the PHA? (select all that apply)

- Criminal or drug-related activity only to the extent required by law or regulation
- Criminal and drug-related activity, more extensively than required by law or regulation
- More general screening than criminal and drug-related activity (list factors below)
- Other

1. The FWHA will take into consideration any of the criteria for admission in the Housing Choice Voucher Administrative Plan, but may not otherwise

screen for factors that relate to the suitability of the applicant family as tenants. It is the responsibility of the owner to screen the applicant as to their suitability for tenancy.

- 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 if requested.
- Other (describe below)
1. FWHA will inform owners that it is their responsibility to determine suitability of prospective tenants. Owners are encouraged to screen applicants for rent payment history, eviction history, damages to units, and other factors relating to the family's suitability as a tenant.

## **(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)
1. FWHA Section 8 Program has adopted a separate Project Based Preference List." Preference points are given to an applicant currently living in a unit that is located at a site where a Section 8 Project-Based Housing Assistance Program is implemented by the Owner. **(100 points)**
- 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)

1. Applications will be available at all site offices, from the FWHA website, by mail and at other community resources offices; however, all applications for public housing must be submitted to the FWHA main administrative office or the Housing Choice Voucher office either in person or by mail.

**(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:

1. Upon request if family meets extension criteria as defined in the attached Housing Choice Voucher Administrative Plan.

**(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)

1. Chelation Therapy: There will be set a side vouchers Preference given to families with children undergoing [Chelation Therapy for Lead Poisoning](#), which are referred to the Fort Wayne Housing Authority for assistance by the Allen County Health Department.
2. Disabled Persons: In an effort to better coordinate with the City of Fort Wayne's Consolidated Plan's strategic goals and help meet unmet housing needs by increasing access to affordable housing for person with disabilities ( as defined by HUD and outlined in this FWHA Administrative Plan), FWHA will attempt to increase the number of mainstream vouchers<sup>1</sup>.
3. Public Housing to Homeownership: Vouchers will be set aside to assist Public Housing residents that have been participating in the self-sufficiency program at least one year and who have successfully completed HCVP Homeownership Training. This preference will help increase housing options and long-term family self-sufficiency for Public Housing residents.

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. All preferences have been discontinued in favor of a lottery based selection system.

Date and Time

Former Federal preferences

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

Other preferences (select all that apply)

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<sup>1</sup> Includes 30% AMI, elderly homeownership in Renaissance Point Redevelopment

- 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)

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)

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

- Through published notices
- Other (list below)

1. In partnership with service provider who specializes in working with special purpose populations.

#### **4. PHA Rent Determination Policies**

[24 CFR Part 903.7 9 (d)]

##### **A. Public Housing**

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

##### **(1) Income Based Rent Policies**

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

a. Use of discretionary policies: (select one) -

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

---or---

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

b. Minimum Rent

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

- \$0  
 \$1-\$25  
 \$26-\$50

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

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

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

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

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

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

- For the earned income of a previously unemployed household member
- For increases in earned income
- Fixed amount (other than general rent-setting policy)  
If yes, state amount/s and circumstances below:
- Fixed percentage (other than general rent-setting policy)  
If yes, state percentage/s and circumstances below:
- For household heads
- For other family members
- For transportation expenses
- For the non-reimbursed medical expenses of non-disabled or non-elderly families
- Other (describe below)

e. Ceiling rents

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

- Yes for all developments
- Yes but only for some developments
- No

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

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

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

- Market comparability study
- Fair market rents (FMR)
- 95<sup>th</sup> 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)

See Section 15.6 of ACOP:

1. During interim reexaminations, families will not be required to report any increases in income or decreases in allowable expenses.
2. Families are required to report the following changes:
  - a) A member has been added to the family through birth, or adoption or court awarded custody.
  - b) A household member is leaving or has left the family unit.
1. The family is not required to report a decrease in income but may at any time request an interim for a decrease in income.

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

## **(2) Flat Rents**

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

- The section 8 rent reasonableness study of comparable housing
- Survey of rents listed in local newspaper
- Survey of similar unassisted units in the neighborhood
- Other (list/describe below)

1. Occupancy Policy, page 52. FWHA set a flat rent for each public housing unit considering the size, type, condition, amenities, services and neighborhood of the unit.

## B. Section 8 Tenant-Based Assistance

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

### (1) Payment Standards

Describe the voucher payment standards and policies.

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

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

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

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

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

- FMRs are not adequate to ensure success among assisted families in the PHA's segment of the FMR area
- Reflects market or submarket
- To increase housing options for families

Other (list below)

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

Annually

Other (list below)

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)

1. Affects of deconcentration
2. Rent Reasonableness/Comparability study

## **(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)

(seen Section 8 Admin Plan and PHA ACOP>

## **5. Operations and Management**

[24 CFR Part 903.7 9 (e)]

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

### **A. PHA Management Structure**

Describe the PHA's management structure and organization.

(select one)

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

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

### **B. HUD Programs Under PHA Management**

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

<b>Program Name</b>	<b>Units or Families Served at Year Beginning</b>	<b>Expected Turnover</b>
Public Housing	703	220
Section 8 Vouchers	2870	300-350
Section 8 Certificates	N/A	
Section 8 Mod Rehab	N/A	
Special Purpose Section 8 Certificates/Vouchers (list individually)	75 Mainstreaming	20
Public Housing Drug Elimination Program (PHDEP)		
Other Federal Programs(list individually)		
Housing Counseling	250	90% of caseload
Public Housing - Family Self Sufficiency	9	NA
Section 8 – Family Self Sufficiency	125	35%
Homeownership	11	NA

### **C. Management and Maintenance Policies**

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

- (1) Public Housing Maintenance and Management: (list below)
  - a. Admissions and Continued Occupancy Policy
  - b. Maintenance Plan
  - c. PHA Policy and Procedures Manual with attachments
  
- (2) Section 8 Management: (list below)
  - a. Section 8 Administrative Plan
  - b. Policy and Procedures Manual with attachments

### **6. PHA Grievance Procedures**

[24 CFR Part 903.7 9 (f)]

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

### A. Public Housing

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

If yes, list additions to federal requirements below:

Policy and Procedures Manual with attachments

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

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

Public Housing Office, 2025 South Anthony Blvd., Fort Wayne, IN

### B. Section 8 Tenant-Based Assistance

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

If yes, list additions to federal requirements below:

1. Requirement outlined in Chapter 18 of Section 8 Administrative Plan
2. Policy and Procedures Manual with attachments

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

- PHA main administrative office  
 Other (list below)

## 7. Capital Improvement Needs

[24 CFR Part 903.7 9 (g)]

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

## A. Capital Fund Activities

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

### **(1) Capital Fund Program Annual Statement**

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

Select one:

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

-or-

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

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

<b>PHA Name:</b> Fort Wayne Housing Authority	<b>Grant Type and Number</b> Capital Fund Program Grant No: IN36P00350107 Replacement Housing Factor Grant No:	<b>Federal FY of Grant:</b> 2007
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Original Annual Statement  Reserve for Disasters/ Emergencies  Revised Annual Statement (revision no:1)  
 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	218,092			
3	1408 Management Improvements	218,092			
4	1410 Administration	108,046			
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	25,000			
8	1440 Site Acquisition				
9	1450 Site Improvement	35,000			
10	1460 Dwelling Structures	20,000			
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment	11,556			
14	1485 Demolition				
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs				
18	1499 Development Activities	156,925			
19	1501 Collaterization or Debt Service	297,750			
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2 – 20)	1,090,461			
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 compliance				
24	Amount of line 21 Related to Security – Soft Costs	180,000			

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

PHA Name: Fort Wayne Housing Authority		Grant Type and Number Capital Fund Program Grant No: IN36P00350107 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	Funds Obligated	Funds Expended	
Operations	Public housing supplement	1406	20%	218,092				
Management Improvements	Administrative training	1408	20%	3,092				
HA Wide	Security	1408	100%	180,000				
HA Wide	Resident Initiative	1408	100%	35,000				
Salaries and Benefits	Staff salaries/benefits	1410	3	108,046				
Fees & Costs	A/E Services	1430	1	25,000				
HA Wide	Concrete/asphalt repairs	1450	100%	30,000				
HA Wide	Landscape Improvements	1450	100%	5,000				
HA Wide	HVAC Equipment	1460	100%	10,000				
HA Wide	Flooring	1460	100%	10,000				
HA Wide	Computer Hardware	1475	100%	11,556				

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

PHA Name: <b>Fort Wayne Housing Authority</b>		Grant Type and Number Capital Fund Program Grant No: IN36P00350107 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	Funds Obligated	Funds Expended	
HA Wide	Build Apartments	1499	100%	156,925				
Debt Service	Repayment of debt	9000	1	297,750				

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

PHA Name: Fort Wayne Housing Authority		Grant Type and Number Capital Fund Program No: IN36P00350107 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	
<b>Operations</b>	09/14/09			09/14/11			
<b>Management Improvements</b>	09/14/09			09/14/11			
<b>Salaries and Benefits</b>	09/14/09			09/14/11			
<b>Fees &amp; Costs</b>	09/14/09			09/14/11			
<b>Site Improvements</b>	09/14/09						
HA Wide	09/14/09			09/14/11			
HA Wide	09/14/09			09/14/11			
<b>Dwelling Unit Improvements</b>	09/14/09			09/14/11			
HA Wide	09/14/09			09/14/11			
HA Wide	09/14/09			09/14/11			
<b>Dwelling Equipment</b>	09/14/09						
<b>Non-Dwelling Equipment</b>	09/14/09			09/14/11			
HA Wide	09/14/09			09/14/11			
HA Wide	09/14/09			09/14/11			
<b>Development</b>	09/14/09			09/14/11			
<b>Repayment of debt</b>			09/28/07				

**(2) Optional 5-Year Action Plan**

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

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

b. If yes to question a, select one:

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

-or-

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

DRAFT

**Table for 5-Year Action Plan for Capital Fund (Component 7)**

Complete one table for each development in which work is planned in the next 5 PHA fiscal years. Complete a table for any PHA-wide physical or management improvements planned in the next 5 PHA fiscal year. Copy this table as many times as necessary. Note: PHAs need not include information from Year One of the 5-Year cycle, because this information is included in the Capital Fund Program Annual Statement.

Optional 5-Year Action Plan Tables			
Development Number	Development Name (or indicate PHA wide)	Number Vacant Units	% Vacancies in Development
IN003-04	Miami Homes		
Description of Needed Physical Improvements or Management Improvements		Estimated Cost	Planned Start Date (HA Fiscal Year)
Replace dumpster pads		6,000	2006
Replace flooring		50,000	2007
Replace HVAC		240,000	2008
Total estimated cost over next 5 years		296,000	

Optional 5-Year Action Plan Tables			
Development Number	Development Name (or indicate PHA wide)	Number Vacant Units	% Vacancies in Development
IN003-05	Beacon Heights		
Description of Needed Physical Improvements or Management Improvements		Estimated Cost	Planned Start Date (HA Fiscal Year)
Landscaping		15,000	2007
Exterior lighting		25,000	2007
Total estimated cost over next 5 years		40,000	

Optional 5-Year Action Plan Tables			
Development Number	Development Name (or indicate PHA wide)	Number Vacant Units	% Vacancies in Development
IN003-06	McCormick Place		
Description of Needed Physical Improvements or Management Improvements		Estimated Cost	Planned Start Date (HA Fiscal Year)
Replace siding		600,000	2007
Bath renovations		400,000	2008
Kitchen renovations		600,000	2009
Parking lot repairs		25,000	2007
Total estimated cost over next 5 years		1,625,000	

Optional 5-Year Action Plan Tables			
Development Number	Development Name (or indicate PHA wide)	Number Vacant Units	% Vacancies in Development
IN003-07	Brookmill Court		
Description of Needed Physical Improvements or Management Improvements		Estimated Cost	Planned Start Date (HA Fiscal Year)
Replace windows		400,000	2006
Bath renovations		200,000	2007
HVAC replacement – phase II		250,000	2008
Bath renovations		200,000	2008, 2009
Total estimated cost over next 5 years		1,050,000	

Optional 5-Year Action Plan Tables			
Development Number	Development Name (or indicate PHA wide)	Number Vacant Units	% Vacancies in Development
IN003-08	North Highlands		
Description of Needed Physical Improvements or Management Improvements		Estimated Cost	Planned Start Date (HA Fiscal Year)
Exterior lighting		50,000	2006
Landscaping		15,000	2006
Total estimated cost over next 5 years		65,000	

Optional 5-Year Action Plan Tables			
Development Number	Development Name (or indicate PHA wide)	Number Vacant Units	% Vacancies in Development
IN003-10	Tall Oaks		
Description of Needed Physical Improvements or Management Improvements		Estimated Cost	Planned Start Date (HA Fiscal Year)
Exterior lighting		50,000	2006
Landscaping		30,000	2006, 2007
Total estimated cost over next 5 years		80,000	

Optional 5-Year Action Plan Tables			
Development Number	Development Name (or indicate PHA wide)	Number Vacant Units	% Vacancies in Development
IN003-11	Maumee Terrace		
Description of Needed Physical Improvements or Management Improvements		Estimated Cost	Planned Start Date (HA Fiscal Year)
Replace flooring		40,000	2006
Appliance replacement		12,800	2006
Replace DHW		6,400	2008
Landscaping		15,000	2008
HVAC replacement		80,000	2009
Total estimated cost over next 5 years		154,200	

Optional 5-Year Action Plan Tables			
Development Number	Development Name (or indicate PHA wide)	Number Vacant Units	% Vacancies in Development
IN003-12	Scattered Sites		
Description of Needed Physical Improvements or Management Improvements		Estimated Cost	Planned Start Date (HA Fiscal Year)
Replace stoops/walks		250,000	2006
Landscaping		100,000	2006
Total estimated cost over next 5 years		350,000	

Optional 5-Year Action Plan Tables			
Development Number	Development Name (or indicate PHA wide)	Number Vacant Units	% Vacancies in Development
IN003-15	River Cove		
Description of Needed Physical Improvements or Management Improvements		Estimated Cost	Planned Start Date (HA Fiscal Year)
Replace flooring		12,500	2006
Parking lot repair		50,000	2006
Landscaping		50,000	2009
Total estimated cost over next 5 years		112,500	

Optional 5-Year Action Plan Tables			
Development Number	Development Name (or indicate PHA wide)	Number Vacant Units	% Vacancies in Development
HA - Wide			
Description of Needed Physical Improvements or Management Improvements		Estimated Cost	Planned Start Date (HA Fiscal Year)
Vehicle replacement		100,000	2006, 2007, 2008,
Security		526,561	2009
Administrative training		60,000	2006, 2007, 2008,
Maintenance training		40,000	2009
Resident Initiative Program		100,000	2006, 2007, 2008,
Computer software		80,000	2009
Computer hardware		80,000	2006, 2007, 2008,
A/E services		200,000	2009
			2006, 2007, 2008,
			2009
			2006, 2007, 2008,
			2009
Total estimated cost over next 5 years		1,186,561	

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

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

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

1. Development name:

2. Development (project) number:

3. Status of grant: (select the statement that best describes the current status)

- Revitalization Plan under development
- Revitalization Plan submitted, pending approval
- Revitalization Plan approved
- Activities pursuant to an approved Revitalization Plan underway

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

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

- Yes  No: e) Will the PHA be conducting any other public housing development or replacement activities not discussed in the Capital Fund Program Annual Statement?
- If yes, list developments or activities below:
- Development of RHF First Increment "Village at Brooklyn Pointe" a twenty unit Public Housing "Senior Only" property.

## 8. Demolition and Disposition

[24 CFR Part 903.7 9 (h)]

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

1.  Yes  No: Does the PHA plan to conduct any demolition or disposition activities (pursuant to section 18 of the U.S. Housing Act of 1937 (42 U.S.C. 1437p)) in the plan Fiscal Year? (If "No", skip to component 9; if "yes", complete one activity description for each development.) Disposition of 2 Office buildings located at 2013 & 5300 S. Anthony Blvd.  
Also, under the FWHA Scattered Sites Homeownership Plan, we plan to offer up to 5 scattered sites, single family units for sale, first to PH residents, then to any other qualified low income family

### 2. Activity Description

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

<b>Demolition/Disposition Activity Description</b>
1a. Development name: FWHA Administration Building and the Fire House Building 1b. Development (project) number:
2. Activity type: Demolition <input type="checkbox"/> Disposition <input checked="" type="checkbox"/>
3. Application status (select one) Approved <input checked="" type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input type="checkbox"/>
4. Date application approved, submitted, or planned for submission: <u>(15/05/05)</u>
5. Number of units affected:
6. Coverage of action (select one) <input checked="" type="checkbox"/> Part of the development Fire House-Tall Oaks ACC: Admin Bldg-McCormick ACC <input type="checkbox"/> Total development
7. Timeline for activity: a. Actual or projected start date of activity: Q1-2005 b. Projected end date of activity: Q1-2008

<b>Demolition/Disposition Activity Description</b>
1a. Development name: Scattered Sites 1b. Development (project) number: IN003-12
2. Activity type: Demolition <input type="checkbox"/> Disposition <input checked="" type="checkbox"/>
3. Application status (select one)

Approved <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input checked="" type="checkbox"/>
4. Date application approved, submitted, or planned for submission: <u>(12/31/06)</u>
5. Number of units affected: 50
6. Coverage of action (select one) <input checked="" type="checkbox"/> Part of the development: Up to 5 units per year during plan period. <input type="checkbox"/> Total development
7. Timeline for activity: a. Actual or projected start date of activity: Q2-2008 b. Projected end date of activity: Q4 - 2002

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

[24 CFR Part 903.7 9 (i)]

Exemptions from Component 9; Section 8 only PHAs are not required to complete this section.

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

2. Activity Description

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

<b>Designation of Public Housing Activity Description</b>
1a. Development name: One of the 3 existing multifamily mid-rise properties. Exact property to be determined based on public comment.
1b. Development (project) number: IN003-05 or 08 or 09
2. Designation type: Occupancy by only the elderly <input checked="" type="checkbox"/> Occupancy by families with disabilities <input type="checkbox"/>

Occupancy by only elderly families and families with disabilities <input type="checkbox"/>
3. Application status (select one) Approved; included in the PHA's Designation Plan <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input checked="" type="checkbox"/>
4. Date this designation approved, submitted, or planned for submission: (3Q08)
5. If approved, will this designation constitute a (select one) <input checked="" type="checkbox"/> New Designation Plan <input type="checkbox"/> Revision of a previously-approved Designation Plan?
6. Number of units affected: 100
7. Coverage of action (select one) <input type="checkbox"/> Part of the development <input checked="" type="checkbox"/> Total development

### **10. Conversion of Public Housing to Tenant-Based Assistance**

[24 CFR Part 903.7 9 (j)]

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

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

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

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

<b>Conversion of Public Housing Activity Description</b>	
1a. Development name:	
1b. Development (project) number:	
2. What is the status of the required assessment?	
<input type="checkbox"/> Assessment underway	
<input type="checkbox"/> Assessment results submitted to HUD	
<input type="checkbox"/> Assessment results approved by HUD (if marked, proceed to next	

<p>question)  <input type="checkbox"/> Other (explain below)</p>
<p>3. <input type="checkbox"/> Yes <input type="checkbox"/> No: Is a Conversion Plan required? (If yes, go to block 4; if no, go to block 5.)</p>
<p>4. Status of Conversion Plan (select the statement that best describes the current status)</p> <p><input type="checkbox"/> Conversion Plan in development</p> <p><input type="checkbox"/> Conversion Plan submitted to HUD on: (DD/MM/YYYY)</p> <p><input type="checkbox"/> Conversion Plan approved by HUD on: (DD/MM/YYYY)</p> <p><input type="checkbox"/> Activities pursuant to HUD-approved Conversion Plan underway</p>
<p>5. Description of how requirements of Section 202 are being satisfied by means other than conversion (select one)</p> <p><input type="checkbox"/> Units addressed in a pending or approved demolition application (date submitted or approved: - )</p> <p><input type="checkbox"/> Units addressed in a pending or approved HOPE VI demolition application (date submitted or approved: - )</p> <p><input type="checkbox"/> Units addressed in a pending or approved HOPE VI Revitalization Plan (date submitted or approved: - )</p> <p><input type="checkbox"/> Requirements no longer applicable: vacancy rates are less than 10 percent</p> <p><input type="checkbox"/> Requirements no longer applicable: site now has less than 300 units</p> <p><input type="checkbox"/> Other: (describe below)</p>

**B. Reserved for Conversions pursuant to Section 22 of the U.S. Housing Act of 1937**

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

**11. Homeownership Programs Administered by the PHA**

[24 CFR Part 903.7 9 (k)]

**A. Public Housing**

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

1.  Yes  No: Does the PHA administer any homeownership programs administered by the PHA under an approved section 5(h) homeownership program (42 U.S.C. 1437c(h)), or an approved HOPE I program (42 U.S.C. 1437aaa) or has the PHA applied or plan to apply to administer any homeownership programs under section 5(h), the HOPE I program, or section 32 of the U.S.

Housing Act of 1937 (42 U.S.C. 1437z-4). (If “No”, skip to component 11B; if “yes”, complete one activity description for each applicable program/plan, unless eligible to complete a streamlined submission due to **small PHA** or **high performing PHA** status. PHAs completing streamlined submissions may skip to component 11B.)

2. Activity Description

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

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

**B. Section 8 Tenant Based Assistance**

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

performer status. **High performing PHAs** may skip to component 12.)

2. Program Description: The Section 8 Homeownership Program, approved in 2002, had 14 closed loans as of 12/2007. In close coordination with the FSS program, the 2007/08 reorganization added resilience and quality allowing for stronger homeowner in difficult environment.

a. Size of Program

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

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

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

b. PHA-established eligibility criteria

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

If yes, list criteria below:

1. Participation in the Housing Choice Voucher FSS Program
2. Participation in a HUD approved Homeownership Counseling Program
3. See Homeownership Program Administration Plan Attachment

## **12. PHA Community Service and Self-sufficiency Programs**

[24 CFR Part 903.7 9 (l)]

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

### **A. PHA Coordination with the Welfare (TANF) Agency**

1. Cooperative agreements:

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

If yes, what was the date that agreement was signed? 04/30/01

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

Client referrals

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

**B. Services and programs offered to residents and participants**

**(1) General**

a. Self-Sufficiency Policies

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

- Public housing rent determination policies
- Public housing admissions policies
- Section 8 admissions policies
- Preference in admission to section 8 for certain public housing families: PH Homeownership graduates to receive S8 voucher to support homeownership.
- Preferences for families working or engaging in training or education programs for non-housing programs operated or coordinated by the PHA
- Preference/eligibility for public housing homeownership option participation after FSS and Homeownership graduation.
- Preference/eligibility for section 8 homeownership option participation
- Other-policies (list below)

b. Economic and Social self-sufficiency programs

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

Services and Programs				
Program Name & Description (including location, if appropriate)	Estimated Size	Allocation Method (waiting list/random selection/specific criteria/other)	Access (development office / PHA main office / other provider name)	Eligibility (public housing or section 8 participants or both)
Boys & Girls Club at McCormick Apartments	60	Open to all	McCormick Club	Public Housing
Boys & Girls Club at Brookmill Apartments	60	Open to all	Brookmill Club	Public Housing
All God's Children Daycare	49	Open to all	McCormick Daycare	Public Housing
Lifeline (Brookmill, Childcare)	20	Open to all	Brookmill Pre-school	Public Housing
Youth Guidance (Brookmill) 12 month drug avoidance program for teens	30-40	Open to all	Primetime/Bethlehem Lutheran Center	Public Housing
Public Housing Intern Program	0-10	Open to all PH Adults	Public Housing Office	Public Housing
Family Self Sufficiency PH	25	Open to Adults	All Developments	PH
Family Self Sufficiency S8	271	Open to adults	FSS Anthony St	S8
Job Works Intern Program	2-3	Job Works Clients	Job Works Office	Public Housing
Project Impact Social Services	40	Open to all PH Family Develops	Site Offices	Public Housing
<b>Pending Adequate Budget Auth.</b>				

**(2) Family Self Sufficiency program/s**

a. Participation Description

Family Self Sufficiency (FSS) Participation		
Program	Required Number of Participants (start of FY 2008 Estimate)	Actual Number of Participants (As of: 04/14/2008)
Public Housing	25	9
Section 8	271	97

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

**C. Welfare Benefit Reductions**

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

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

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

**13. PHA Safety and Crime Prevention Measures**

[24 CFR Part 903.7 9 (m)]

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

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

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

- High incidence of violent and/or drug-related crime in some or all of the PHA's developments
- High incidence of violent and/or drug-related crime in the areas surrounding or adjacent to the PHA's developments
- Residents fearful for their safety and/or the safety of their children
- Observed lower-level crime, vandalism and/or graffiti
- People on waiting list unwilling to move into one or more developments due to perceived and/or actual levels of violent and/or drug-related crime
- Other (describe below)
  - a. Need to maintain security to keep FWHA crime statistics at levels that will allow our properties to compete in the Southeast Quadrant of Fort Wayne.
  - b. Need to continue screening the criminal history on housing applicants.

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

- Safety and security survey of residents
- Analysis of crime statistics over time for crimes committed "in and around" public housing authority
- Analysis of cost trends over time for repair of vandalism and removal of graffiti
- Resident reports
- PHA employee reports
- Police reports
- Demonstrable, quantifiable success with previous or ongoing anticrime/anti drug programs
- Other (describe below)
  - a. Internal Incident Reporting System – Reviewed, tracked, maintained by Public Housing Administrator; shared with management, police and security.
  - b. Refined criteria for eviction process.
  - c. NO TRESPASS ORDER database – Reported by security, police, and managers; maintained by Public Housing Administrator; distributed to police security, staff and residents.
  - d. Proactive attempts and reports to prevent/arrest criminal activity; especially drug abuse in targeted units.

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

- a. McCormick
- b. Brookmill

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

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

- Contracting with outside and/or resident organizations for the provision of crime- and/or drug-prevention activities
- Crime Prevention Through Environmental Design
- Activities targeted to at-risk youth, adults, or seniors
- Volunteer Resident Patrol/Block Watchers Program
- Other (describe below)
  - a. Crime Mapping
  - b. Regular meetings with service providers to improve drug prevention programs
  - c. Regular meetings with residents to address safety/crime/drug concerns.
  - d. Regular meetings with security guards to improve security measures.
  - e. Family site Pot Luck dinners to build a sense of community, trust and commitment toward crime and drug prevention.
  - h. Summer Sports Program as a team building, drug prevention activity.
  - i. Safety surveys distributed to residents to monitor and improve program effectiveness.
  - j. Domestic Violence Packets given to residents experiencing battery or other domestic violence.

1. Drug prevention resources purchased/maintained/shared with service providers.
2. Which developments are most affected? (list below)
  - a. McCormick
  - b. Brookmill

**C. Coordination between PHA and the police**

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

- Police involvement in development, implementation, and/or ongoing evaluation of drug-elimination plan
- Police provide crime data to housing authority staff for analysis and action
- Police have established a physical presence on housing authority property (e.g., community policing office, officer in residence)
- Police regularly testify in and otherwise support eviction cases
- Police regularly meet with the PHA management and residents
- Agreement between PHA and local law enforcement agency for provision of above baseline law enforcement services
- Other activities (list below)
  - a. Off-Duty Police Officers provide additional protection and prompt response to criminal activity on Public Housing Sites
  - b. Availability of police reports and criminal activity involvement of applicants, residents and visitors to public housing sites.
  - c. Advise police of suspicious activity and unwanted persons, especially those with warrants.
  - d. Send NO TRESPASS lists and vacancy lists regularly to police and security patrol.

2. Which developments are most affected? (list below)
  - a. McCormick
  - b. Brookmill

**D. Additional information as required by PHDEP/PHDEP Plan**

PHAs eligible for FY 2005 PHDEP funds must provide a PHDEP Plan meeting specified requirements prior to receipt of PHDEP funds.

- Yes  No: Is the PHA eligible to participate in the PHDEP in the fiscal year covered by this PHA Plan?
- Yes  No: Has the PHA included the PHDEP Plan for FY 2005 in this PHA Plan?
- Yes  No: This PHDEP Plan is an Attachment. (Attachment Filename: \_\_\_\_)

## **14. RESERVED FOR PET POLICY**

[24 CFR Part 903.7 9 (n)]

## **15. Civil Rights Certifications**

[24 CFR Part 903.7 9 (o)]

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

## **16. Fiscal Audit**

[24 CFR Part 903.7 9 (p)]

1.  Yes  No: Is the PHA required to have an audit conducted under section 5(h)(2) of the U.S. Housing Act of 1937 (42 U.S.C. 1437c(h))?  
(If no, skip to component 17.) -
2.  Yes  No: Was the most recent fiscal audit submitted to HUD?
3.  Yes  No: Were there any findings as the result of that audit?
4.  Yes  No: If there were any findings, do any remain unresolved?  
If yes, how many unresolved findings remain? \_\_\_\_
5.  Yes  No: Have responses to any unresolved findings been submitted to HUD?  
If not, when are they due (state below)?

## **17. PHA Asset Management**

[24 CFR Part 903.7 9 (q)]

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

1.  Yes  No: Is the PHA engaging in any activities that will contribute to the long-term asset management of its public housing stock, including how the Agency will plan for long-term operating, capital investment, rehabilitation, modernization, disposition, and other needs that have **not** been addressed elsewhere in this PHA Plan?
2. What types of asset management activities will the PHA undertake? (select all that apply)  
 Not applicable  
 Private management  
 Development-based accounting  
 Comprehensive stock assessment  
 Other: (list below)

Maintain and update FWHA Information Technology systems to meet HUD

technology and efficient property and program management requirements.

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

## **18. Other Information**

[24 CFR Part 903.7 9 (r)]

### **A. Resident Advisory Board Recommendations**

1.  Yes  No: Did the PHA receive any comments on the PHA Plan from the Resident Advisory Board/s?
2. If yes, the comments are: (if comments were received, the PHA **MUST** select one)
- Attached at Attachment D
- Provided below:
3. In what manner did the PHA address those comments? (select all that apply)
- Considered comments, but determined that no changes to the PHA Plan were necessary.
- The PHA changed portions of the PHA Plan in response to comments  
List changes below:
- Other: (list below)

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

1.  Yes  No: Does the PHA meet the exemption criteria provided section 2(b)(2) of the U.S. Housing Act of 1937? (If no, continue to question 2; if yes, skip to sub-component C.)
2.  Yes  No: Was the resident who serves on the PHA Board elected by the residents? (If yes, continue to question 3; if no, skip to sub-component C.)

#### 3. Description of Resident Election Process

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

- Candidates were nominated by resident and assisted family organizations
- Candidates could be nominated by any adult recipient of PHA assistance
- Self-nomination: Candidates registered with the PHA and requested a place on ballot

Other: (describe)

Appointed by Mayor

b. Eligible candidates: (select one)

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

c. Eligible voters: (select all that apply)

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

### C. Statement of Consistency with the Consolidated Plan

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

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

- The PHA has based its statement of needs of families in the jurisdiction on the needs expressed in the Consolidated Plan/s.
- The PHA has participated in any consultation process organized and offered by the Consolidated Plan agency in the development of the Consolidated Plan.
- The PHA has consulted with the Consolidated Plan agency during the development of this PHA Plan.
- Activities to be undertaken by the PHA in the coming year are consistent with the initiatives contained in the Consolidated Plan. (list below)

The following needs are identified in Part 6, Housing Needs of the Consolidated Plan:

- a. Housing Affordability: The public and private sectors must work together to insure that fair, safe and sanitary housing, whether old or new is affordable for all residents
- b. Rental Conversions: The public and private sectors must work together to decrease the number of livable single-family units that are converted to rental use in Fort Wayne resulting from subprime problems in neighborhoods.
- c. Condition of Rental Properties: The public and private sectors must work together to insure that existing rental properties are safe, decent and affordable to all
- d. Housing Creation: The public and private sectors must work together

to create decent and affordable housing, whether old or new, in all areas of Fort Wayne

- e. Resident Integration: The public and private sectors must work together to discourage segregation and to insure equal housing opportunities throughout the city for all populations
- f. Code Enforcement: When necessary, the public and private sector must work together to address unsafe and unsanitary conditions in a fair, timely and efficient manner

1. FWHA is pursuing city and community partnerships to address our jurisdiction's affordable housing needs. While we cannot ourselves meet the entire need identified here, in accordance with our goals included in this plan, we are trying to address some of the identified needs by using appropriate resources to maintain and preserve our existing stock. When appropriate and feasible, we will apply for additional grants and loans from Federal, state and local sources, including private sources to help add to the affordable housing available in our community. We intend to work with local partner to try to meet these identified needs.

Other: (list below)

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

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

- a. Partnership to revitalize central areas of the City with rehabilitation and reconstruction of existing housing, development of new affordable housing and opportunities for homeownership, primarily in the Renaissance Point Redevelopment District for residents.
- b. Comprehensive Housing Counseling Programs, including pre-purchase counseling, foreclosure prevention and reverse mortgages for the elderly/disabled

#### **D. Other Information Required by HUD**

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

#### **Definition of Substantial Deviation and Significant Amendment or Modification: Definition**

A change that constitutes a material change in policy or implementation may constitute a substantial deviation and/or a significant amendment or modification, unless such change is the resulting factor of a HUD regulatory change.

**Attachments**

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

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## Attachment A

### FWHA Statement of Progress in Meeting the 5-Year Plan Mission and Goals During 2007

The following table reflects the progress we have made in achieving our goals and objectives:

<b>Goal One: The Fort Wayne Housing Authority shall maintain its status as a high performing housing authority under PHAS and achieve it under SEMAP.</b>	
<b>Objective</b>	<b>Progress</b>
Educate the staff on the requirements of PHAS and SEMAP.	2007 – conducted all staff training for HCVP staff and PHM and Asset Management training for PH Managers - Continued series of sessions at staff meetings and by off-site training.
Adopt operational policies and procedures necessary to achieve the goal.	Our policies and procedures manuals are being developed. TCD Q2-2007. A CAP was sent to HUD regarding Section 8.
Incorporate PHAS and SEMAP standards into employee performance evaluations.	In progress to the degree allowed.
Provide the media with at least 4 positive stories about PHA a year and have a PHA leader speak to at least 2 public groups each year.	Accomplished.

<b>Goal Two: The Fort Wayne Housing Authority shall improve its collaborations with its community agency partners in order to assist our residents and those in need of housing assistance.</b>	
<b>Objective</b>	<b>Progress</b>
Increase the usage of interagency meetings and roundtables with our partners.	Done.
Streamline the process our partners need to utilize to effectively work with PHA.	Creating the Point of Contact directory for Section 8 program. A director of caseworkers was placed on the website.
Create a PHA agency "point of contact" to provide better service and a more timely response to our partners and the people we service.	In progress, TCD Q3- 2007
With the help of our agency partners, the FWHA will streamline the HCVP process.	Hired additional processing people and revised the application process and forms. Customer Service and Landlord outreach programs are being planned for 2007.

<b>Goal Three: Provide 200 additional affordable housing opportunities for the people we serve.</b>	
<b>Objective</b>	<b>Progress</b>
Investigate possible HUD funding opportunity and apply for funding that is appropriate.	We are constantly searching for additional opportunities.
Encourage development partners and mixed financing opportunities.	We have assisted other development activities and we have established a joint venture partnership with Keller Development for this purpose. Additionally, RHF development and CHDO develop contribute to goal achievement.
Work with city government to create more affordable rental housing.	We continue to work very closely with the City especially as it relates to the City Comprehensive Plan and the Housing

	Strategy. Renaissance Pointe elderly homeownership partnership with Section 8 Assistance
Goal: Expand the supply of assisted housing	FWHA made progress toward the above stated goal by: <ul style="list-style-type: none"> <li>✓</li> <li>✓ Secured HUD approval on RHF I development plan</li> <li>✓ Acquired property for development of mixed finance housing</li> </ul>
<b>Goal: Improve the quality of assisted housing</b>	<ul style="list-style-type: none"> <li>✓ Used CFP Housing Revenue Bonds accelerated 10 year capital improvement plans (Completed all work items)</li> <li>✓ Used CFP funds to reduce the incident of crime and crime related activities on all properties to levels below city wide averages.</li> <li>✓ Provided HCV landlords information regarding program usage, HQS and compliance.</li> <li>✓ Implementation of new software to improve program integrity and delivery.</li> <li>✓ Renovated family properties adding curb appeal program. Improve the quality of assisted housing appeal by adding site improvements, such as air conditioning, windows, doors and siding. (Ongoing)</li> <li>✓ Referral of participants to Credit Enhancement Counseling Services.</li> </ul>
<b>Goal: Increase assisted housing choices</b>	<ul style="list-style-type: none"> <li>✓ Conducted study of location of vouchers in the jurisdiction by City quadrants and census tracts to assist in deconcentration efforts.</li> <li>✓ Participated in Senior Housing Fair, Joined City Housing "Cabinet" to expand housing choices under the City Housing Strategy</li> <li>✓ Under homeownership program, placed 13 loans for program participants</li> <li>✓ Mobility Counseling Program to add choice and deconcentrate poverty opportunities.</li> <li>✓ Acquired new property for mixed finance development</li> <li>✓ Secured HUD approval for RHF I development. Breaking ground Spring 2008</li> </ul>
<b>Goal: Improve community quality of life and economic vitality</b>	FWHA made progress toward the above stated goal by: <ul style="list-style-type: none"> <li>✓ Using CFP funded Community Policing and CPTED principles, reduce FWHA property crime levels below community-wide rates.</li> <li>✓ FWHA continues to explore the designated development option in the new 5 year plan</li> </ul>
<b>Goal: Promote self-sufficiency and asset development of families and individuals</b>	FWHA made progress toward the above stated goal by: <ul style="list-style-type: none"> <li>✓ Resident Services</li> <li>✓ Public Housing Self-Sufficiency Program</li> <li>✓ Housing Choice Voucher Family Self-Sufficiency Program</li> <li>✓ Comprehensive Counseling Program</li> </ul>
<b>Goal: Ensure Equal Opportunity in Housing for all Americans</b>	FWHA made progress toward the above stated goal by: <ul style="list-style-type: none"> <li>✓ All staff trained in Fair Housing principles</li> <li>✓ Reviewed and updated the use of the Fair Housing</li> </ul>

	<p>logo on print materials</p> <ul style="list-style-type: none"> <li>✓ Outreach marketing to families less likely to apply to program: Immigrants &amp; Disabled.</li> <li>✓ Developed new 504 Policy</li> </ul>
<b>Increase Home Ownership by 4 units in 2004</b>	<p><b>Section 8 Homeownership</b> Our 2006 goal is to increase our homeownership program to a minimum of 5 homes sold per year with an upward target of 10. FWHA has established a maximum program size of 100.</p>

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**Attachment B**

**Deconcentration and Income Mixing**

**RESOLUTION 2002-13**

**Resolution Exempting the Housing Authority of the City of Fort Wayne from the Deconcentration Provisions Affecting the FWHA Agency Plan**

**WHEREAS**, the Housing Authority of the City of Fort Wayne Indiana operates a Public Housing Authority established in 1938 and funded by the U.S. Department of Housing and Urban Development, and

**WHEREAS**, HUD published a proposed amendment to the definition of "Established Income Range" in the Final Rule at (24 CFR 903) in the Federal Register on August 15, 2001; and

**WHEREAS**, that amendment eliminates the need for PHAs to move lower income families into developments with average income that is already at or below 30% of area median income; and

**WHEREAS**, the Housing Authority of the City of Fort Wayne, Indiana has conducted an analysis of the average incomes of all of its general occupancy (family) public housing developments with 100 or more units and determined that the average income is at or below 30% of area median income; and

**WHEREAS**, income mixing would not promote deconcentration of poverty in any Fort Wayne Housing Authority covered development; and

**NOW THEREFORE, BE IT RESOLVED** that the Board of Commissioners of the Fort Wayne Housing Authority hereby approves the Exemption to the Deconcentration Rule affecting the Fort Wayne Housing Authority Agency Plan.

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Charles Redd, Chairperson

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Thomas J. Hannen, Secretary

**APPROVED: April 9, 2002**

**Attachment C**

**Community Service**

DRAFT



## Fort Wayne Housing Authority

### Community Service Requirement Procedure

#### 1.0 Background

The Quality Housing and Work Responsibility Act of 1998 requires that all non-exempt (see definitions) adult public housing residents (18 – 62) contribute 8 hours per month of community service (volunteer work) or participate in 8 hours per month of economic self sufficiency activity, defined to include education, training, counseling, classes or some other activities that help an individual toward self-sufficiency and economic independence. A combination of community service and self-sufficiency program participation totaling 8 hours per month is allowed. [ 24 CFR 960.601]. This requirement will also be a part of the residential lease signed with all public housing residents of the Fort Wayne Housing Authority ("FWHA").

The FWHA requires public housing residents to verify compliance annually with their development manager, at least thirty (30) days before the expiration of the lease term. Self-certification by residents is not acceptable; third party verification must be provided by the entity with which the resident is performing the community service or training.

The provisions of the policy are not intended to be punitive, but rather considered as rewarding activity that will assist residents in improving their own and their neighbors' economic and social well-being and give residents a greater stake in their communities.

Under the provision of the law, noncompliance with the community service and self-sufficiency requirement is a lease violation and is grounds for non-renewal of the lease at the end of a 12-month lease term, but not for termination of tenancy during the course of the 12-month term. The non-renewal of the lease will result in the issuance of a 30-day notice to vacate. Upon the issuance of the notice, the FWHA will move to evict the non-compliant household.

#### 2.0 Definitions

**Community Service**--the performance of voluntary work or duties that are a public benefit, and that serves to improve the quality of life, enhance resident self-sufficiency, or increase resident self-responsibility in the community; may not be employment or political activities.

##### **§ 24 CFR 960.601(b)**

**Exempt Adult**--A household member under the age of 18 or over 62 or any age household member who meets one or more of the exemptions listed in Section 2.3 of this policy and provides adequate documentation to property management to qualify for exemption from community service.

**Non-exempt Adult**-- A household member between the ages of 18 and 60 who does not qualify for any exemption listed in Section 2.3 of this policy and is required to contribute eight (8) hours per month of community service.

**Service Requirement**--the obligation of each adult resident, other than an exempt individual, to perform community service or participate in an economic self-sufficiency program required in accordance with **§ 960.603. § 24 CFR 960.601(b)**

**2.1 Community Service** - volunteer service that includes, but is not limited to:

- Unpaid service at a local community institution such as a school, church (other than religious activities), hospital, clinic, recreation center, senior center, service organization,

homeless shelter, hospice, meals program, public nursing home, disability advocacy organization, adult day care center, or child care center;

- Unpaid service with youth or senior organizations, including Boy and Girl Scouts, *Boys and Girls Clubs, Lifeline Youth and Family Services, The Fair Group Counseling Services, Meals on Wheels, etc;*
- Unpaid service at FWHA to help improve physical conditions including building clean-ups, neighborhood clean-ups, gardening, and non-paid time spent on caretaker duties; \*
- Unpaid service at FWHA with children's programs or youth sporting events \*
- Service at FWHA to help with senior programs; \*
- Helping neighborhood groups with special projects;
- Working with the Resident Councils, The Resident Advisory Board, Housing Residential Presidents, Inc.;
- Assisting in literacy, self esteem program, or before or after school youth program;
- Assisting in alcohol and drug prevention programs;
- Other volunteer service with non-profits, for example, 501(c) 3 organizations providing community service programs; and
- Any other "community service," which includes the "performance of voluntary work or duties that are a public benefit and that serve to improve the quality of life, enhances resident self-sufficiency, or increase resident self-responsibility in the community." **24 C.F.R. §960.601(b).**

**\*Community service or self-sufficiency activities performed by residents must not be substituted for work ordinarily performed by FWHA employees, or replace a paid job at any location where residents perform activities to satisfy the service requirement (24 CFR 960.609).**

**NOTE: Political activity is excluded. This exclusion includes but is not limited to voter registration; campaign work; and poll worker assignments.**

**2.2 Self-Sufficiency Activities** - activities include, but are not limited to:

- Pre/Post Occupancy Counseling
- Apprenticeships
- Delinquent Rental Counseling
- Household management, employment counseling, work placement programs required by the Department of Public Assistance
- Resident Opportunity and Self-Sufficiency Programs (ROSS)
- Job training programs
- College or university
- GED classes
- Substance abuse or mental health counseling
- English proficiency or literacy (reading) classes
- Budgeting and credit counseling
- Homeownership educational programs or seminars (offered by FWHA and other community organizations)
- Activities in any other "economic self-sufficiency program" which included "any program designed to encourage, assist, train, or facilitate the economic independence of participants and their families or to provide work for participants, including programs for job training, employment counseling, work placement, basic skills training, education, workfare, financial or household management, apprenticeship or other activities as the Secretary may provide".

**2.3 Exempt Adult (24 CFR 960.601)** The following adult individuals, age 18 or older, of a household are exempt from this requirement if the individual:

1. Is 62 years of age or older;
2. Is a blind or disabled individual;
  - a. Is receiving Supplemental Security Income (SSI) disability benefits;
  - b. Is receiving Social Security Disability Insurance (SSDI) disability benefits;
  - c. Is receiving P3 Transitional Assistance Disability benefits (individual has applied for SSI disability benefits and has been found by Indiana Department of Human Services to meet the SSI disability standards);
  - d. Is receiving Aid for Aged, Blind, or Disabled (AABD) benefits; or
  - e. Is not receiving any benefits but is able to submit documentation from a medical provider that his or her blindness or disability, as defined by the Social Security Act, prevents them from meeting the community or economic self-sufficiency requirement.
3. Is the primary caretaker of a blind or disabled person described in exemption 2, above;
4. Is temporarily or chronically ill and is able to submit documentation from their medical provider;
5. Is required to give full-time care to another unit member due to that member's medical condition;
6. Is a student of any age enrolled at least part-time in any recognized school, training program, or school of higher education. Students remain exempt during school vacations unless they graduate, are expelled or suspended, drop out, or do not plan on registering for the next term (excluding summer school);
7. Is participating in working activities<sup>1</sup> for at least 10 hours per week.  
Work activities include:
  - a. unsubsidized employment;
  - b. subsidized private sector employment;
  - c. subsidized public sector employment;
  - d. work experience (including work associated with the refurbishing of publicly assisted housing) if sufficient private sector employment is not available;
  - e. on-the-job training;
  - f. job search and job readiness assistance for up to six weeks; (No more than four weeks may be consecutive);
  - g. community service programs;
  - h. vocational educational training (not to exceed 12 months with respect to any individual);
  - i. job skills training directly related to employment;
  - j. education directly related to employment, in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency;
  - k. satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence, in the case of a recipient who has not completed secondary school or received such a certificate; and
  - l. the provision of childcare services to an individual who is participating in a community service program.
8. Is responsible for the care of a child under age one (1); or
9. Is a member of a family receiving assistance, benefits or services under a State welfare program with a work requirement and the family member is in compliance with all program requirements.

Examples of programs:

Temporary Assistance to Needy Families (TANF)  
State Family and Children Assistance

## Aid For Aged, Blind or Disabled (AABD)

10. Is receiving unemployment insurance benefits.

Each exempt adult member of the household must sign a Community Service Exemption Certification at each annual recertification or if they become an "exempt adult" at any time between recertifications.

### 3.0 Requirements of the Program

**3.1** The service requirement may be either volunteer community service, self-sufficiency program activity, or a combination of the two.

**3.2** At least eight (8) hours of activity must be performed each month. A resident is allowed to perform less than eight (8) hours a month if the resident can document a total of ninety-six (96) hours of community service prior to renewal of the lease. Failure to perform a total of 96 hours prior to recertification is a violation of the service requirement and may result in termination of the Lease.

### 4.0 Family obligations

**4.1** At the time of recertification, all public housing household adult members (18 years of age or older) must:

- Receive a written description of the community service requirement, information on the process for verifying exemption status and the affect on their tenancy as a result of noncompliance included in their notice of recertification appointment;
- Receive certification forms for every adult household member regarding their status to participate in or to be exempt from the community service requirement and submit completed verification within 10 calendar days of their recertification appointment;
- Receive the monthly record and certification form for each non-exempt adult household member in their notice of recertification appointment; and
- If a household member submits insufficient documentation within the time allotted, the FWHA or its designee will provide the household written notice of such deficiency and receive an additional five days from the date of notice to submit the requisite verification.

**4.2** At each annual or monthly recertification, each non-exempt adult household member must present their completed monthly record and certification form (blank form to be provided by FWHA's property management) of activities performed over the previous twelve (12) months. Each non-exempt adult household member is also entitled to submit monthly documentation with the household rent payment. These forms will include places for signatures of supervisors, instructors, or counselors certifying to the number of hours contributed.

**4.3** If a family member is found to be noncompliant at recertification, he/she and the head of household will sign an agreement with FWHA to make up the deficient hours over the next 12-month period. The entire household will be allowed to enter such an agreement only once during the household's entire tenancy.

**4.4** If, during the 12-month period, a non-exempt person becomes exempt, it is his or her responsibility to report this to the property management office and provide documentation within ten (10) calendar days of the occurrence.

**4.5** If, during the 12-month period, an exempt person becomes non-exempt, it is his or her responsibility to report this to the property management office within 10 calendar days. The FWHA or its designee will provide the person with a list of agencies in the community that provide volunteer and or training opportunities.

**4.6** Each household member must supply the FWHA with accurate written information regarding exemption status. Failure to supply such information and/or misrepresentation of information is a serious violation of the terms of the Lease and may result in termination of the Lease.

## **5.0 FWHA's Obligations**

To the greatest extent possible and practicable:

**5.1** The FWHA or its designee will provide names and contacts at agencies that can provide opportunities for residents to fulfill their Community Service obligations.

**5.2** The FWHA or its designee will provide the household a written description of the service requirement, the process for claiming status as an exempt person and for FWHA verification of such status in the notice of recertification appointment. The FWHA will also provide the family with: Community Service Exemption Certification Form.

**5.3** The Property Manager will make the final determination as to whether or not a household member is exempt from the Community Service requirement. The Property Manager must provide the household with written notification that identifies the family members who are subject to the service requirements and the family members who are exempt. Residents may use the FWHA Grievance Procedure if they disagree with Property Manager's determination of exemption status. The following provides a brief description of the FWHA grievance procedures:

**A.** A grievable offense as defined by the FWHA Grievance Procedures is any determination that:

**(1)** Adversely affects a Resident's rights, duties, welfare or status and

**(2)** Results from FWHA action or failure to act in accordance with the Lease, or FWHA policies and procedures.

**B.** In the case of a proposed adverse action other than a proposed Lease termination, the FWHA shall not take the proposed action until the time for the Resident to request a grievance hearing has expired, and if a hearing was timely requested by the Resident, the grievance process has been completed.

**C.** Residents shall file their grievance either orally or in writing with the Management Office.

**5.4** For each non-exempt adult member, FWHA shall, at least, 30 days before the expiration of each lease term of the family, review and determine the compliance of the resident with the community service requirement.

**5.5** The Property Manager has the authority to enforce compliance of the service requirement by all non-exempt adult household members. Failure of any family member to complete the community service requirement amounts to noncompliance with the terms of the residential lease. If FWHA determines that a resident subject to this requirement has not complied, FWHA shall notify the resident

(1) of the determination of noncompliance, including a description of the noncompliance [24 C.F.R. §960.607(b)(2)(i)];

(2) that the determination of noncompliance is subject to the grievance procedures and that the resident may exercise any available judicial remedies to seek timely redress for the FWHA's non-renewal of the lease because of such determination.

(3) that the household's lease will not be renewed at the end of the twelve month lease term unless:

a) the household member, and any other noncompliant resident, enters into a written agreement with the FWHA to cure any noncompliance by completing the additional hours of community service or economic self-sufficiency activity needed to make up the total number of hours required over the twelve month term of the new lease (the household is entitled to this remedy only once during their tenancy); or

b) the family provides written assurance satisfactory to the FWHA that the tenant or other noncompliant resident no longer resides in the unit.

- If the family member wishes to comply, the Property Manager will enter into an agreement with the non-compliant member and the leaseholder for the noncompliant member to make up the deficient hours over the next twelve (12) month period. The resident or household member is allowed to enter into this agreement once during the household's entire tenancy.

- If, at the next annual recertification or during the interim time, the family member still is not compliant with the agreement, the lease will not be renewed and the entire family would be issued a 30-day vacate notice by the Property Manager, unless the non-compliant member agrees to move out of the unit and a new lease is signed with the family, amending its composition accordingly.

- The family may use the Grievance Procedure to appeal the lease termination, after attending a private conference with the Property Manager or other representative of FWHA.

- All determinations shall be made in accordance with the principles of due process and on a nondiscriminatory basis. [42 U.S.C.A. §1437j(c)(3)(B)].

#### **6.0 Community Service Reporting to HUD**

The FWHA must include information and compliance with the community service/ economic self-sufficiency program with the submission of the Agency Plan to HUD (24 CFR 903.7). In addition, the reporting on each public housing resident's status is included in the submission of HUD form 50058. The status is completed during the annual recertification process.

Current status listings on the HUD form 50058 Section 3q-Meeting the community service requirement includes:

- Yes
- No
- Pending
- Exception



Exhibit I

**FWHA - COMMUNITY SERVICE EXEMPTION CERTIFICATION**

I certify that I am eligible for an exemption from the Community Service requirement for the following reason:

- I am 62 or older
- I am blind or disabled, and as a result I cannot comply with the community service requirements. I can verify my disability by (circle below):
  1. My receipt of SSI or SSDI benefits
  2. My receipt of Transitional Assistance Disability benefits
  3. My receipt of Aid for Aged, Blind, or Disabled benefits
  4. My receipt of worker's compensation for my disability with documentation provided by a medical provider
  5. Providing documentation of medical assistance or interim SSDI benefits, or
  6. Receiving no benefits but am able to submit documentation from a medical provider that my blindness or disability, as defined by the Social Security Act, prevents me from meeting the community or economically self sufficiency requirement
- I am the primary caretaker of a (temporarily or permanently) blind or disabled person who meets the disability definition as described above, and I can submit verification
- I am temporarily or chronically ill and am able to submit documentation from a medical provider
- I am responsible for the full time care of a child under age one (1).
- I am a student enrolled part or full time in a recognized school, training program, or school of higher education
- I am working at least 30 hours per week
- I am receiving unemployment insurance payments
- I am a participant of a State welfare program and am in compliance with all economic sufficiency or work activity requirements or am exempt from program requirements (provide verification)
- A member of my household is receiving assistance, benefits or services under State welfare program with a work requirement and the family member is in compliance with all program requirements

\* \_\_\_\_\_

Resident Signature Date

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FWHA Signature Date

*\*This Certification must be signed by each exempt adult household member*



Exhibit 2

AGREEMENT OF COMPLIANCE

COMMUNITY SERVICE/SELF SUFFICIENCY REQUIREMENT

In accordance with the provisions of FWHA's Community Service/Self Sufficiency policy:

I, \_\_\_\_\_ (name)

agree to complete all deficient service hours over the next 12-month period.

The number of deficient service hours for the last lease year are \_\_\_\_\_ and will be completed in addition to the 8 hours/month requirement for this year, by

\_\_\_\_\_.

I also understand that FWHA may issue a 30-day notice of termination of the lease agreement if the service hour requirements of the lease are not brought into compliance by the above date. I/we understand what volunteer work qualifies as community service and what types of programs qualify as self-sufficiency participations.

\*

\_\_\_\_\_  
Resident Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
FWHA Signature

\_\_\_\_\_  
Date

*\*This Certification must be signed by each non-exempt adult household member*

# Community Service Documentation Form

Name of Tenant \_\_\_\_\_

Name of Agency or Organization \_\_\_\_\_

Location/Site of Service \_\_\_\_\_

Date/s of Community Service \_\_\_\_\_

Number of Hours Worked \_\_\_\_\_

Name of Person Verifying Hours \_\_\_\_\_

Telephone Number \_\_\_\_\_

**Thank you for taking the time to complete this form**



Exhibit 4

**NOTICE of NON-COMPLIANCE COMMUNITY SERVICE/  
SELF-SUFFICIENCY REQUIREMENT**

Date: \_\_\_\_\_

Address: \_\_\_\_\_

Dear \_\_\_\_\_:

Please be advised that FWHA has not received verification or evidence of completion of the 96 hours of community service for the following adult members of your listed family:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

All non-exempt adult members of the family must complete the community service hours as a part of the annual recertification process. If you feel one or more of the above listed family members may be eligible for an exemption, please provide immediate verification to your management office.

If you or a family member must fulfill the requirement and failed to provide the verification, then this action can be corrected by providing the verification immediately to the management office. If you or a family member must fulfill the requirement and have failed to perform 8 hours of community service/self sufficiency per month, then this action can be corrected by bringing your requirement current this year. You may be eligible to enter into an agreement to complete deficient service hours. In the event service hours have not been completed for all non-exempt adult members, your lease will not be renewed. If your lease is not renewed, you will be issued a 30-day notice to vacate. In accordance with community service policy, you may request a grievance for disputes arising under noncompliance with the community service requirements. You must file a grievance in your management office. Your cooperation in this matter is needed to assist in preserving your housing opportunity.

Sincerely,

\_\_\_\_\_  
Property Manager



Exhibit 5

**COMMUNITY SERVICE EXCEPTION  
CARETAKER VERIFICATION**

I, \_\_\_\_\_, certify that I am the primary caretaker for

\_\_\_\_\_.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
FWHA Address

I certify that \_\_\_\_\_ is my primary caretaker.

I certify that I receive:

Supplemental Security Income (SSI) disability benefits;

Social Security Disability Insurance (SSDI) disability benefits;

P3 Transitional Assistance Disability benefits (individual has applied for SSI disability benefits and has been found by IDHS to meet the SSI disability standards);

Aid for Aged, Blind, or Disabled (AABD) benefits; or

No benefits but am able to submit documentation from a medical provider that my blindness or disability, as defined by the Social Security Act, prevents me from meeting the community or economic self-sufficiency requirement.

Because of such disability, I cannot perform voluntary work or duties that are a public benefit, and serve to improve the quality of life, enhance resident self-sufficiency or increase resident self-responsibility in the community.

\_\_\_\_\_  
Signature/ Date

\_\_\_\_\_  
Address

**Attachment D**

**Pet Policy**

DRAFT



## **FWHA PET POLICY**

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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.

### **ANIMALS THAT ASSIST PERSONS WITH DISABILITIES**

The resident/pet owner will be required to qualify animals (for exclusion from the pet policy) 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 to assist with the specified disability

### **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 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.

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; or,
- 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.

### **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**

The resident/pet owner will be required to qualify animals (for exclusion from the pet policy) 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 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 not permitted to have more than one *type* of pet.

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 licensed as specified now or in the future by State law and local ordinance

2. **Cats**

- ❖ Maximum number (one)
- ❖ Must be spayed or neutered
- ❖ Must have all required inoculations
- ❖ Must be trained to use a litter box or other waste receptacle
- ❖ Must be licensed as specified now or in the future by State law or local ordinance

3. **Birds**

- ❖ Maximum number : 2
- ❖ Must be enclosed in a cage at all times

4. **Fish**

- ❖ Maximum aquarium-size 10 gallons
- ❖ Must be maintained on an approved stand

5. **Rodents (Rabbit , guinea pig, hamster, or gerbil ONLY)**

- ❖ Maximum number: 2
- ❖ Must be enclosed in an acceptable cage at all times
- ❖ Must have any or all inoculations as specified now or in the future by State law or local ordinance

6. **Turtles**

- ❖ Maximum number: 2
- ❖ Must be enclosed in an acceptable cage or container at all times.

**PETS TEMPORARILY ON THE PREMISES**

Pets which 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.

### **ADDITIONAL FEES AND DEPOSITS FOR PETS**

Tenants with animals must pay a pet deposit.

The resident/pet owner shall be required to pay a refundable deposit for the purpose of defraying all reasonable costs directly attributable to the presence of a dog or cat.

An initial payment of \$200.00 on or prior to the date the pet is properly registered and brought into the apartment, this amount may be paid in installments of not less than \$25, however the total \$200 deposit must be paid before the pet can be registered and brought into the unit and;

- ❖ The PHA reserves the right to change or increase the required deposit by amendment to these rules.
- ❖ 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.**

### **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.

## **PET WASTE REMOVAL CHARGE**

Pet owners are expected to provide for the sanitation needs of their pets. It is unacceptable for animal waste to be left on the complex grounds or within the individual apartments. All animal waste must be disposed of by the owner. If, the owner does not remove the pet waste charges will be assessed and a lease violation notice sent.

A separate pet waste removal charge of \$10.00 per occurrence will be assessed against the resident for violations of the pet policy. 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; and
- ❖ 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 which 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.

## **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.

## **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.

## **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.

### **PET CARE**

- ❖ No pet (excluding fish) shall be left unattended in any apartment for a period in excess of 72 hours.
- ❖ 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.

### **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.

### **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 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.

### **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 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) which were violated. The notice will also state:

- ❖ That the resident/pet owner has 3 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.

If the pet owner requests a meeting within the [3] day period, the meeting will be scheduled no later than [3] calendar days before the effective date of service of the notice, unless the pet owner agrees to a later date in writing.

### **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 3 days of the notice and 24 hours for safety and health reasons; and
- ❖ A statement that failure to remove the pet may result in the initiation of termination of tenancy procedures.

### **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.

### **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. Includes pets that are poorly cared for or have been left unattended for over 72 hours.

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.

### **EMERGENCIES**

The PHA will take all necessary steps to insure that pets which 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 HA to place the pet in a shelter facility, the cost will be the responsibility of the tenant/pet owner.**

**Attachment E**

**Maintenance Policy**

DRAFT

# MAINTENANCE POLICY

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The Maintenance Division of the Fort Wayne Housing Authority is responsible for managing the maintenance function in the most cost effective manner possible while maximizing the useful life of Authority properties and providing the best service to Authority residents. The following policy statements are designed to establish the structure of an effective and efficient maintenance system

## **1.0 COMPONENTS OF A MAINTENANCE SYSTEM**

The Fort Wayne Housing Authority maintenance system shall include certain components:

- A. A system of priorities for work requests;
- B. Comprehensive working procedures;
- C. Performance goals;
- D. A work order system;
- E. A skills training program; and
- F. A long-range planning system.

By developing a maintenance system that has these components in place, the authority will have the tools it needs to control the performance of maintenance work at the Fort Wayne Housing Authority.

### **1.1 PRIORITY SYSTEM**

The work priorities adopted by the Fort Wayne Housing Authority exemplify its philosophy of delivering maintenance services. This priority system ensures that the most important maintenance work is done at a time it can be performed most cost-effectively. Minimizing vacancy loss is part of the cost-effectiveness calculation. The maintenance priorities of the Fort Wayne Housing Authority are the following:

- A. Emergencies
- B. Scheduled Operations and Services
- C. Vacancy Preparation

D. Resident On-Demand Requests

Placing planned maintenance and vacancy preparation work ahead of resident work requests does not indicate that resident requests are unimportant. It emphasizes the importance of maintaining control of the maintenance work by performing scheduled routine and preventive work first. By doing so the Authority will decrease on-demand work and maintain the property in a manner that will keep and attract good tenants.

**1.2 DEVELOP PROCEDURES**

The Director of Maintenance will ensure that there are sufficient clear procedures in place to allow staff to implement this maintenance policy statement. All procedures will include the following:

- A. A statement of purpose;
- B. The job title(s) of the staff member(s) responsible for carrying out the activities in the procedure;
- C. Any forms needed to carry out the activities; and
- D. The frequency of any specified activities.

After their adoption, maintenance procedures will be reviewed and updated at least annually.

**1.3 DEVELOP PERFORMANCE STANDARDS AND GOALS**

The Director of Maintenance will establish measures that will allow the effectiveness of maintenance systems and activities to be evaluated. In establishing these standards the Housing Authority will take into consideration certain factors:

- A. Local housing codes;
  - B. HUD Housing Quality Standards;
  - C. Public Housing Assessment System (PHAS) standards;
  - D. Fort Wayne Housing Authority job descriptions.
- Nothing in the documents listed above will prevent the Housing Authority from setting a standard that is higher than that contained in the documents.

These standards and goals will be used to evaluate current operations and performance and to develop strategies to improve performance and meet the standards that have been set.

#### **1.4 WORK ORDER SYSTEM**

The Fort Wayne Housing Authority shall have a comprehensive work order system that includes all work request information: source of work, description of work, priority, cost to complete, days to complete, and hours to perform. This information is required for the Authority to plan for the delivery of maintenance services as well as evaluate performance. To obtain the greatest effectiveness from the work order system, all work requests and activities performed by maintenance staff must be recorded on work orders.

Work orders will contain, at a minimum, the following information:

- A. Preprinted number
- B. Source of request (planned, inspection, resident, etc.)
- C. Priority assigned
- D. Location of work
- E. Date and time received
- F. Date and time assigned
- G. Worker(s) assigned
- H. Description of work requested (with task number)
- I. Description of work performed (with task number)
- J. Estimated and actual time to complete
- K. Materials used to complete work
- L. Resident charge
- M. Resident signature

#### **1.5 TRAINING**

In order to allow its staff members to perform to the best of their abilities, the Fort Wayne Housing Authority recognizes the importance of providing the staff with opportunities to refine technical skills, increase and expand craft skills, and learn new procedures. Each employee must participate in training annually.

The Director of Maintenance is responsible for developing a training curriculum for the departmental staff and working with personnel department staff to identify the means of delivering the training.

## **1.6 LONG-RANGE PLANNING**

The Fort Wayne Housing Authority will put in place a long-range maintenance planning capability in order to ensure the most cost-effective use of Authority resources and the maximum useful life of Authority properties.

The Director of Maintenance will develop a property-specific long-range planning process that includes the following components:

- A. A property maintenance standard;
- B. An estimate of the work required to bring the property to the maintenance standard;
- C. An estimate of the work required to keep the property at the maintenance standard including routine and preventive maintenance workloads, vacant unit turn-around, inspection requirements and resident on-demand work;
- D. An estimate of the on-going cost of operating the property at the maintenance standard;
- E. A market analysis of the property to determine if there are any capital improvements needed to make the property more competitive;
- F. A cost estimate to provide the specified capital improvements; and
- G. A revised work plan and cost estimate of maintaining property at the improved standard.

By developing a work plan, the Authority will be able to anticipate its staff, equipment and materials needs. It will also be possible to determine need for contracting particular services.

## **2.0 MAINTAINING THE PROPERTY**

All maintenance work performed at Housing Authority properties can be categorized by the source of the work. Each piece of work originates from a particular source -- an emergency, the routine maintenance schedule, the preventive maintenance schedule, a unit inspection, a unit turnover, or a resident request.

## **2.1 RESPONDING TO EMERGENCIES**

Emergencies are the highest priority source of work. The Fort Wayne Housing Authority will consider a work item to be an emergency if the following occur:

- A. The situation constitutes a serious threat to the life, safety or health of residents or staff; or
- B. The situation will cause serious damage to the property structure or systems if not repaired within twenty-four (24) hours.

If a staff member is unsure whether or not a situation is an emergency, he or she will consult with his or her supervisor. If a supervisor is not available, the employee will use his or her best judgment to make the decision.

For emergencies that occur after regular working hours, the Fort Wayne Housing Authority shall have a twenty-four (24) emergency response system in place. This response system includes the designation of a maintenance employee in charge for each day as well as a list of qualified pre-approved contractors, open purchase orders for obtaining required supplies or equipment, and access to Authority materials and supplies. The designated employee shall prepare a work order and report on any emergency within twenty-four hours after abatement of the emergency.

## **2.2 PREPARE VACANT UNITS FOR REOCCUPANCY**

It is the policy of the Fort Wayne Housing Authority to reoccupy vacant units as soon as possible. This policy allows the Authority to maximize the income produced by its properties and operate attractive and safe properties.

The Director of Maintenance is responsible for developing and implementing a system that ensures an average turn-around time of seven (7) calendar days. In order to do so, he or she must have a system that can perform the following tasks:

- A. Forecast unit preparation needs based on prior years' experience;
- B. Estimate both the number of units to be prepared and the number of hours it will take to prepare them; and

C. Control work assignments to ensure prompt completion.

The maintenance procedure for reoccupying vacant units relies on the prompt notification by management of the vacancy, fast and accurate inspection of the unit, ready availability of workers and materials, and good communication with those responsible for leasing the unit.

The Director of Maintenance has the ability to create special teams for vacancy turnaround or to hire contractors when that is required to maintain Authority goals.

**2.3 PREVENTIVE MAINTENANCE PROGRAM**

Preventive maintenance is part of the planned or scheduled maintenance program of the Fort Wayne Housing Authority. The purpose of the scheduled maintenance program is to allow the Authority to anticipate maintenance requirements and make sure the Authority can address them in the most cost-effective manner. The preventive maintenance program focuses on the major systems that keep the properties operating. These systems include heating and air conditioning, electrical, life safety and plumbing.

A. General Operating Systems

The heart of any preventive maintenance program is a schedule that calls for the regular servicing of all systems. The development of this schedule begins with the identification of each system or item that must be checked and serviced, the date it must be serviced, and the individual responsible for the work. The servicing intervals and tasks for each system must be included in the schedule. The completion of all required tasks is considered a high priority for the Fort Wayne Housing Authority.

The systems covered by the preventive maintenance program include but are not limited to:

1. Catch basins
2. Compactors
3. Condensate pumps
4. Electric transformer and emergency generators
5. Elevator equipment
6. Emergency lighting

7. Exhaust fans
8. Exterior lights
9. Fire extinguishers and other life safety systems
10. Heating systems
11. Mechanical equipment and vehicles
12. Sanitary drains
13. Air Conditioning equipment
14. Domestic water
15. Gutters

A specific program will be developed for each system. This program shall include a list of the scheduled service maintenance for each system and the frequency and interval at which that service must be performed. The equipment and materials required to perform the service will be listed as well so that they will be on hand when needed. An assessment of the skills or licensing needed to perform the tasks will also be made to determine if an outside contractor must be used to perform the work. The preventive maintenance schedule must be updated each time a system is added, updated, or replaced.

**B. Roof Repairs/ Replacement**

Maintenance of roofs requires regular inspections by knowledgeable personnel to ensure that there is no unauthorized access to roof surfaces and that there is good drainage, clear gutters and prompt discovery of any deficiencies.

The Director of Maintenance is responsible for the development of a roof maintenance plan that includes these features:

1. The type, area, and age of roof
2. Warranties and/or guarantees in effect
3. Company that installed the roof
4. Expected useful life of roof

5. History of maintenance and repair
6. Inspection schedule

The authority maintenance staff will usually undertake only minor roof repairs. Therefore there should be a list of approved roofing contractors to take on more serious problems for roofs no longer under warranty.

C. Vehicle/Equipment Maintenance

The Fort Wayne Housing Authority will protect the investment it has made in vehicles and other motorized equipment by putting in place a comprehensive maintenance program. The vehicles and equipment to be covered include:

1. Cars, trucks and vans
2. Tractors
3. Hustlers/Bobcats
4. Snow blowers
5. Leaf blowers
6. Weed cutters
7. Lawn Mowers
8. Chain saws

The Public Housing Administrator is responsible for the development of this plan which shall contain components for minimal routine service as well as servicing for seasonal use. Serviceable components for each vehicle or piece of motorized equipment will be listed in the plan along with the type and frequency of service required.

The Director of Maintenance shall also maintain a system to ensure that any employee that operates a vehicle or piece of motorized equipment has the required license or certification.

D. Lead-Based Paint

The Fort Wayne Housing Authority is committed to controlling lead-based paint hazards in all its dwellings, especially family dwellings constructed

before 1978. If any hazards are discovered, the Authority will develop a plan to abate the hazard. The Director of Maintenance shall have the authority and responsibility to direct all activities associated with lead hazard control. The control plan will include such activities as:

1. Detecting the possible presence of lead paint;
2. Protection of residents and workers from lead-based paint hazards;
3. Surface protection of non-painted surfaces;
4. Equipment use and care;
5. Paint quality; and
6. Method of application.

Other responsibilities include directing training sessions, issuing special work orders, informing residents, responding to cases of children with elevated blood lead levels, correcting lead-based paint hazards on an emergency repair basis, and any other efforts that may be appropriate.

The Fort Wayne Housing Authority's plan to control such hazards is detailed in a risk assessment report and lead hazard control plan.

#### E. Life Safety Systems

The Fort Wayne Housing Authority shall have a comprehensive program for maintenance of life safety systems to ensure that they will be fully functional in the case of an emergency. The Director of Maintenance shall be responsible for the development and implementation of a schedule that includes the inspection, servicing and testing of this equipment. The equipment to be included in the plan includes the following:

1. Fire alarms and fire alarm systems
2. Fire extinguishers
3. Fire hoses
4. Emergency generators
5. Emergency lighting
6. Smoke detectors

7. Sprinkler systems

The plan will include the required testing and servicing as required by manufacturer's recommendations. It will also include a determination of the most reliable and cost effective way to perform the work including the decision to hire a contractor.

**2.4 INSPECTION PROGRAM**

The Fort Wayne Housing Authority's goals of efficiency and cost-effectiveness are achieved through a carefully designed and rigorously implemented inspection program. This program calls for the inspection of all areas of the Authority's facilities -- the dwelling units, the grounds and building exteriors, and major service systems.

A. Dwelling Unit Inspections

The unit inspection system of the Fort Wayne Housing Authority has two primary goals:

1. To assure that all dwelling units comply with standards set by HUD and local codes; and
2. To assure that the staff of the Fort Wayne Housing Authority knows at all times the condition of each unit for which it is responsible.

The achievement of these goals may require more than the annual HUD required inspection. The Director of Maintenance is responsible for developing a unit inspection program that schedules inspections at the frequency required.

For all non-emergency inspections, the Resident shall be given at least two (2) days written notice of the inspection.

The maintenance staff shall perform the unit inspection program of the Fort Wayne Housing Authority. During each inspection, the staff shall perform specified preventive and routine maintenance tasks. Any other work items noted at the time of the inspection will be documented on the Fort Wayne Housing Authority inspection form. All uncompleted work items shall be converted to a work order within twenty-four hours of the completion of the inspection. The maintenance staff shall endeavor to complete all inspection-generated work items within 30 days of the inspection.

All maintenance staff is responsible for monitoring the condition of dwelling units. Whenever a maintenance staff member enters a dwelling unit for any purpose, such as completing a resident request for service or accompanying a contractor, he or she shall record on an inspection form any required work he or she sees while in the apartment. These work items shall also be converted to a service request within twenty-four hours of discovery.

**B. Building and Grounds Inspections**

Regular inspections of the property grounds and building exteriors are required to maintain the curb appeal of the property. This curb appeal is required to maintain the attractiveness of the property for both current and prospective residents. The inspection procedure will specify the desired condition of the areas to be inspected. This defined condition will include any HUD or locally required standards. The existence of these standards shall not prevent the Housing Authority from setting a higher standard that will make the property more competitive in the local market.

Building and grounds inspections must cover these areas:

1. Hallways
2. Stairwells
3. Community room and other common space such as kitchens or public restrooms
4. Laundry facilities
5. Lobbies
6. Common entries
7. Basements
8. Grounds
9. Porches or patios
10. Parking lots
11. Sidewalks and fences
12. Lawns, shrubs and trees

13. Trash compactors or collection areas

14. Building foundations

An inspection form will be developed for common areas and building exteriors and grounds. The staff member responsible for the inspection shall note all deficiencies on the form and ensure that these deficiencies are recorded on work order within twenty-four hours of the inspection. The Fort Wayne Housing Authority will complete all inspection-generated work items within thirty (30) days of the inspection.

Nothing in this policy shall prevent any Fort Wayne Housing Authority staff member from reporting any needed work that they see in the regular course of their daily activities. Such work items shall be reported to the site manager of the appropriate property.

C. Systems Inspections

The regular inspection of all major systems is fundamental to a sound maintenance program. The major systems inspection program overlaps with the preventive maintenance program in some areas. To the extent that inspections, in addition to those required for scheduled service intervals, are needed, they will be a part of the inspection schedule. Any work items identified during an inspection shall be converted to a work order within twenty-four hours and completed within thirty (30) days.

## 2.5 ***SCHEDULED ROUTINE MAINTENANCE***

The Fort Wayne Housing Authority includes in this work category all tasks that can be anticipated and put on a regular timetable for completion. Most of these routine tasks are those that contribute to the curb appeal and marketability of the property.

A. Pest Control/Extermination

The Fort Wayne Housing Authority will make all efforts to provide a healthy and pest-free environment for its residents. The Authority will determine which, if any, pests infest its properties and will then provide the best possible treatment for the eradication of those pests.

The Director of Maintenance will determine the most cost-effective way of delivering the treatments -- whether by contractor or licensed Authority personnel.

The extermination plan will begin with an analysis of the current condition at each property. The Director of Maintenance shall make sure that an adequate schedule for treatment is developed to address any existing infestation. Special attention shall be paid to cockroaches. The schedule will include frequency and locations of treatment. Different schedules may be required for each property.

Resident cooperation with the extermination plan is essential. All apartments in a building must be treated for the plan to be effective. Residents will be given information about the extermination program at the time of move-in. All residents will be informed at least one week and again twenty-four hours before treatment. The notification will be in writing and will include instructions that describe how to prepare the unit for treatment. If necessary, the instructions shall be bi-lingual to properly notify the resident population.

**B. Landscaping and Grounds**

The Fort Wayne Housing Authority will prepare a routine maintenance schedule for the maintenance of the landscaping and grounds of its properties that will ensure their continuing attractiveness and marketability.

Routine grounds maintenance includes numerous activities:

1. Litter control
2. Lawn care
3. Maintenance of driveways, sidewalks and parking lots
4. Care of flower and shrubbery beds and trees
5. Maintenance of playgrounds, benches and fences
6. Snow removal (when required by climate)

The Director of Maintenance shall be responsible for the development of a routine maintenance schedule that shall include the following:

1. A clearly articulated standard of appearance for the grounds that acknowledges but is not limited to HUD and local code standards;
2. A list of tasks that are required to maintain that standard and the frequency with which the tasks must be performed;

3. The equipment, materials, and supplies required to perform the tasks and a schedule for their procurement; and
4. A separate snow removal plan including a schedule for preparing equipment for the season and the procurement of other necessary materials and supplies.

C. Building Exteriors and Interior Common Areas

The appearance of the outside of Authority buildings as well as their interior common areas is important to their marketability. Therefore, the Fort Wayne Housing Authority has established a routine maintenance schedule to ensure that they are always maintained in good condition. The components to be maintained include:

1. Lobbies
2. Hallways and stairwells
3. Elevators
4. Public restrooms
5. Lighting fixtures
6. Common rooms and community spaces
7. Exterior porches and railings
8. Building walls
9. Windows

The Director of Maintenance is responsible for the development of a routine maintenance schedule for building exterior and interior common areas. The schedule shall be based on the following:

1. A clearly articulated standard of appearance for the building
2. A list of tasks required to maintain that standard
3. The frequency with which the tasks must be performed
4. A list of materials, equipment and supplies required to perform the tasks.

#### D. Interior Painting

The appearance and condition of the paint within each unit is important to unit condition and resident satisfaction. Accordingly, the Fort Wayne Housing Authority will develop a plan to ensure that interior paint in resident dwelling units is satisfactorily maintained.

As part of this plan painting standards will be developed that include:

1. Surface preparation
2. Protection of non-painted surfaces
3. Color and finish
4. Paint quality
5. Methods of application approved
6. Lead paint testing and abatement if required

The plan will set out the conditions for the consideration of a painting request. These standards include the period of time that has elapsed since the last time the unit was painted. Alternatives for performance of the work will be included including the conditions under which a resident will be allowed to paint his or her own unit.

#### **2.6 RESIDENT ON-DEMAND SERVICE**

This category of work refers to all resident generated work requests that fall into no other category. These are non-emergency calls made by residents seeking maintenance service. These requests for service cannot be planned in advance or responded to before the resident calls.

It is the policy of the Fort Wayne Housing Authority to complete these work requests within seven (7) days. However, unless the request is an emergency or entails work that compromises the habitability of the unit, these requests will not be given a priority above scheduled routine and preventive maintenance. By following this procedure, the Fort Wayne Housing Authority believes it can achieve both good resident service and a maintenance system that completes the most important work first and in the most cost effective manner.

#### **3.0 CONTRACTING FOR SERVICES**

The Fort Wayne Housing Authority will contract for maintenance services when it is in the best interests of the Authority to do so. When the employees of the Authority have the time and skills to perform the work at hand, they will be the first choice to perform a given task. When the employees of the Authority have the skills to do the work required, but there is more work than there is time available to complete it, the Housing Authority will determine whether it is more cost effective to use a contractor to complete the work. If the Authority staff does not have the skills to complete the work, a contractor will be chosen. In the last instance, the Authority will decide whether it will be cost effective to train a staff member to complete the work.

Once the decision has been made to hire a contractor, the process set out in the Fort Wayne Housing Authority Procurement Policy will be used. These procedures vary depending on the expected dollar amount of the contract. The Director of Maintenance will work with the Procurement Department to facilitate the contract award. The Director will be responsible for the contribution of the Maintenance Department to this process. The most important aspect of the bid documents will be the specifications or statement of work. The clearer the specifications the easier it will be for the Authority to get the work product it requires.

**Attachment F**

**FSS Action Plan**

DRAFT

**PURPOSE AND OBJECTIVES:**

*The purpose of the Family Self-Sufficiency (FSS) Program is to match Housing Choice Voucher and Public Housing families with the public and private resources, which will best meet their needs for self-sufficiency. The FSS Program focuses on increasing opportunities for furthering education and job training, identifying and linking participants with social service assistance and/or supportive counseling programs as needed. While receiving housing assistance and with the assistance of an FSS Coordinator, participants set goals and objectives to decrease their reliance on public funds and increase their self-sufficiency. Since housing assistance relieves one burden placed on our families, they can focus on pursuing and obtaining employment, increasing their educational attainment level, increasing business skills, and improving social skills. Concentrating solely on these skills helps our participants more rapidly achieve economic self-sufficiency.*

**FAMILY DEMOGRAPHIC & ESTIMATE OF PARTICIPATING FAMILIES:**

The FSS Program expects to assist an estimated three hundred (300) Housing Choice Voucher families and an estimated twenty-five (25) Public Housing families.

Characteristics of available families are:

Section 8		Public Housing	
African-American	70%	African-American	40%
Caucasian	29%	Caucasian	57%
Hispanic	1%	Hispanic	1%
Asian	0%	Asian	2%

**ELIGIBLE FAMILIES FROM OTHER SELF-SUFFICIENCY PROGRAMS:**

*The Fort Wayne Housing Authority (FWHA) currently has an agreement to supply five (5) vouchers for Supplemental Assistance to Facilities Assisting the Homeless (SAFAH), a local non-profit supported Self-Sufficiency service provider. SAFAH is an intensive aid program designed to assist homeless people to make the transition from homelessness to fully employed and adequately housed. Participants in similar programs, such as Project Self-Sufficiency, Operation Bootstrap and IMPACT Job Training, are also encouraged to apply to the Fort Wayne Housing Authority FSS program.*

**FSS FAMILY SELECTION PROCEDURES:**

Public Housing FSS program will select participants from the current residents of all public housing sites. The Housing Choice Voucher FSS program will select participants from currently leased-up voucher holders that have submitted a pre-enrollment application, attended the mandatory FSS orientation and are consider in good standings with FWHA. FWHA does not select FSS participants directly from either the Public Housing or Housing Choice Voucher waiting lists. Pre-enrollment applications will be dated stamped and processed on a "first come, first served" basis.

Participation in the FSS program is voluntary. FWHA will accept a participant who successfully completes a pre-enrollment application; attend a mandatory FSS orientation into the FSS program regardless of race, color, religion, sex, handicap, familial status or national origin. Only families who enter into an FSS contract of participation will be classified as enrolled into the FSS program. Former FSS participants will be eligible to re-enroll in the FSS program, as long as they are in good standings with FWHA.

## **INCENTIVES TO ENCOURAGE PARTICIPATION:**

*The FWHA has established and is currently administrating separate Housing Choice Voucher and Public Housing – Escrow Accounts in full accordance with HUD regulations. FWHA will work with the local community agencies, organizations, and businesses to offer incentives to encourage participation in the FSS program.*

### **OUTREACH EFFORTS:**

- A. An FSS informational flier will be mailed to all current participants of the Public Housing and Housing Choice Voucher programs, informing them of the availability of the FSS program and its potential benefits for their family;
- B. The Housing Choice Voucher FSS Coordinators will make presentations to residents attending Briefings and Transfer meetings at the Housing Authority and at IMPACT orientations. Presentations will also be provided to various other local social service providers upon request;
- C. The Public Housing FSS Coordinator will make presentations to residents attending orientation briefings;
- D. Brochures about the Public Housing FSS program will be placed in informational folders and given to newly leased participants and at annual re-certifications, the Site Managers will present each resident with a new brochure;
- E. The Public Housing FSS Coordinator will make semi-annual presentations at each Public Housing site for current residents and will meet, when possible, with applicants as they move through the application process;
- F. Articles in local newspapers, including ethnic newspapers, about success stories will be solicited in addition to appearing on local community affairs radio shows, and;
- G. Local television stations and the Public-Access Television station will be utilized to market FSS for resident recruitment and Community Involvement by local service providers, business organizations, employers, local government, and others whom may assist residents to achieve self-sufficiency by becoming economically independent.

### **FSS ACTIVITIES AND SUPPORTIVE SERVICES:**

1. **Job Placement and Career Counseling opportunities include:**  
Job Works, Employment and Training Service; Private Industry Council; Fort Wayne Urban League, Express Personnel, Staff Mark, and Goodwill Industries;
2. **Education and Training opportunities include:**  
GED, 1 year certificate, 2 year Associate, 4 year Bachelor, specialized technical classes and various job training opportunities through Fort Wayne Community Schools Adult Continuing Education Department, Three Rivers Literacy Alliance, Indiana-Purdue University, Taylor University, Ivy Tech State College, and other area educational institutions;
3. **Child Care opportunities include:**

Childcare voucher through C.A.N.I., Paths to Quality through Early Childhood Alliance, and private sector day-care facilities will be targeted as primary providers. Other individual sources will be utilized as necessary;

4. **Transportation opportunities include:**

Assistance may be provided via bus vouchers issued by IMPACT, and FWHA staff for service programs in which the family is participating;

5. **Employment opportunities include:**

Local community employers' will be targeted as primary resources, and potential partnerships;

6. **Housing opportunities include:**

All participants will continue to receive housing assistance through the Fort Wayne Housing Authority Public Housing or Housing Choice Voucher programs, as long as participants meet all HUD regulations.

7. **Homeownership Training opportunities include:**

Training will be provided by the FWHA through its Housing Counseling Office, Neighbor Works, or a source selected by the participants, as long as the organization meets HUD approval.

8. **Home Skills Counseling opportunities include:**

Quarterly workshops will be formulated by PCC members and/or FSS staff, and other outside agencies to cover the following subjects:

- Budgeting, Money Management & Credit Repair;
- Household Maintenance;
- Parenting Skills;
- Dressing for Success;
- Domestic Violence – The YWCA and the Center for Non-Violence have support groups for single parents on a variety of topics. FSS participants will be encouraged to participate when it is appropriate;
- Preventive Healthcare (medical & dental) – Nutrition will be available through Mathew 25 on a sliding fee scale. Medicaid will be available to the majority of participants, which will allow the participants to select their service providers; and
- Mentoring Support will be encouraged. Volunteers will be solicited from local churches and the community.

**PROGRAM COORDINATING COMMITTEE (PCC):**

*The Program Coordinating Committee (PCC) is comprised of community leaders from the public and private sector, Fort Wayne Housing Authority personnel, Public Housing residents, Housing Choice Voucher participants, and others in the community. The PCC plays an integral part of the program, and their responsibilities will include the following:*

- Assisting in the development and expansion of FSS services and training as defined in each Individual Training and Service Plan;
- Advisory group for the FSS program;
- Assisting in expanding and coordinating agreements between the PHA and potential service providers;
- Recommending improvements and provisions for delivery of services;
  
- Marketing the FSS program to others in the community and providing additional incentives for participation;

- Holding regular meetings to review and update its goals;
- Participating in the determination of program extensions of participating families;
- Assisting in the annual updates to the FSS Action Plan, and
- Reviewing and approving escrow account disbursements and successful completion of the FSS families obligations;

**METHOD FOR IDENTIFICATION OF FAMILY SUPPORT NEEDS:**

- A. The FSS Coordinator will hold FSS orientation to explain the program and its benefits;
- B. Each family's head of household that has submitted a pre-enrollment application, attended the mandatory FSS orientation and has been determined to be in good standings, will meet with an FSS Coordinator for preliminary planning and a needs assessment.
- C. The FSS Coordinator and the head of household will discuss the family's needs and program goals. The Coordinator will describe the services available.
- D. The FSS Coordinator and the head of household will formulate a mutually agreed upon Individual Training and Services Plan (ITSP), that will identify final goals and all interim goals needed to successfully complete the program.
- E. Services will be matched with the agencies, businesses, and organizations listed under "FSS Activities and Supportive Services". Other community businesses, agencies and organizations will be engaged as they become available and are needed.
- F. The FSS Coordinator will issue service referrals to each FSS family member with an ITSP.

**PROGRAM TERMINATION:**

*A sub-committee comprised of a PCC member and FWHA FSS staff will review cases and conduct interviews with the FSS family prior to terminating a family's contract of participation. A written decision will be sent to the FSS family within seven (7) days of the decision. FSS families may appeal a decision, in writing, addressed to the FSS Program Supervisor within thirty-days (30) of receiving notification. FSS families are eligible to re-apply to the FSS program if the initial termination was for "unsuccessful completion of their contract". Terminated FSS families will not be eligible to re-apply if the initial termination was due to a family's failure to comply with the conditions and terms of their rental agreement or any HUD regulations.*

The five (5) most common reasons for termination from the FSS program are as follows:

- 1) Mutual consent of the parties;
- 2) Failure to fulfill obligations outlined in the Contract of Participation;
- 3) Failure to adhere to Housing Program rules (HCVP or Public Housing);
- 4) Family withdraws from the FSS program; and
- 5) An operation of law;

*Terminating families from the FSS program will not in any way affect a family's right to occupancy (unless the termination is because of a failure to adhere to HUD regulations).*

**WITHHOLDING OF SERVICES:**

*Consequences of non-compliance with the contract of participation shall specify that if the FSS family fails to comply, without good cause, with the terms and conditions of the contract of participation, which*

*includes compliance with the Public Housing lease or the Section 8 – assisted lease, the Fort Wayne Housing Authority may:*

- Withhold the supportive services; and
- Terminate the family's participation in the FSS program;

**GRIEVANCE PROCEDURES:**

Housing Choice Voucher Program:

*Informal hearing procedures will be available to all participating HCVP FSS families, in accordance to Chapter 19, Section D, of the Section 8 Administrative Plan, April 2005.*

Public Housing Program:

*Grievance procedures will be available to all participating Public Housing FSS families, in accordance with "Complaints, Grievances and Appeals" of the FWHA Public Housing Occupancy and Admissions Policy, April 2005.*

**ASSURANCE OF NON-INTERFERENCE WITH RIGHTS OF NON-PARTICIPATING FAMILIES:**

Family Self-Sufficiency is currently a volunteer program. While we do advocate participation, FWHA assures that a family's decision to **NOT** participate in the FSS program will not affect the family's participation in the Housing Choice Voucher program or their Public Housing occupancy in accordance with its lease.

**CERTIFICATION OF COORDINATION:**

*The FWHA certifies that the development of the services and activities under the FSS program have been coordinated with Job Opportunities and Basic Skills Training Program under Part F and Title IV of the Social Security Act, Project Impact, and other relevant programs.*

Attachment G

**Replacement Housing Factor Plan**

DRAFT

**Replacement Housing Factor  
(RHF) Funding Plan**  
First 5 Year Increment  
**FY 2002 through FY 2006**

**The Housing Authority of the City of Fort Wayne  
PO Box 13489 Fort Wayne, Indiana  
46803-13489**

## Brief Description of Project:

The Housing Authority of the City of Fort Wayne's Miami Village Apartments was originally developed in 1953 as a seventy-five (75) Low Rent Housing unit family site, Project number: IN003-03.

In the summer of 2002, The Housing Authority of the City of Fort Wayne (FWHA) completed demolition of the entire complex. This project was funded by a federal HOPE VI grant from HUD. As a result of this action, the FWHA became eligible for RHF funding in FY 2002. The FWHA submitted a request to the local HUD office asking for permission to accumulate the first five year increment of an estimated six hundred and seventy-five thousand dollars (\$675,000). The HUD office approved and the FWHA began placing RHF funds in the reserve/development account.

Scope of project: Subject to HUD approval the FWHA intends to build for rental as Public Housing ten (10) one bedroom and ten (10) two bedroom apartments. They will be constructed as two, one-story, 10 unit buildings facing each other with a shared common parking lot. The units will be approximately 650-900 square feet, dependent on bedroom count. The development will be located on land the FWHA already owns thereby requiring no "Site Acquisition Plan" be submitted for approval. Development tentatively named "**The Village at Brooklyn Pointe**". The total development cost for project: **\$921,000**. Total development cost for each unit: **\$46,000**.

**Replacement Housing Factor  
(RHF) Plan Proposal  
Second Increment**

**FY 2007 through FY 2011**

**The Housing Authority of the City of Fort Wayne  
PO Box 13489 Fort Wayne, Indiana  
46803-13489**

**DRAFT**

## Brief Description of Project:

The goal of the Housing Authority of the City of Fort Wayne's Development Plan for the Second Increment of RHF funding is the new construction of **twelve (12) two (2) bedroom and twelve (12) one (1) bedroom Public Housing, single story, walkup units**. The units will be in the formation of two rows of attached twelve (12) unit buildings that share a common parking lot. Four of the units will be built fully accessible and compliant to all ADA standards.

In FY 2002, the Housing Authority of the City of Fort Wayne (FWHA) began receiving Replacement Housing Factor funds. The FWHA is currently in the process of development for fifteen single family homeownership homes at the former Miami Village project (IN003-03). Miami Village was demolished under the FWHA's HOPE VI plan and the loss of those units made the FWHA eligible for RHF funds. The agency will receive its final year of RHF funding under the first increment in FY 2006. The agency has requested the Second Increment of funding for its new development is tentatively named **Whispering Oaks** on a property the agency has acquired that is adjacent to another Public Housing Hi-Rise building. This project Tall Oaks IN003-10 is occupied by both senior and disabled tenants. RHF funds were not used in the acquisition of the development property.

Scope of project: The FWHA intends to build for Public Housing, up to **twenty-four (24)**, attached, one and two bedroom single story apartments, on the site. Development tentatively is named "**Whispering Oaks**". The total development cost for project: **\$1,200,000**. Total development cost for each unit: **\$50,000**.

**Attachment H**

**Announcement of the Membership of the  
Resident Advisory Board**

**FWHA Resident Advisory Board Members  
2007/2008**

Laura Bice	North Highlands
Karel Dailey	North Highlands
Beverle Schneider	North Highlands
Anna Pape	North Highlands
Jim Cassell	North Highlands
Desira Kearnes	Tall Oaks
Rory Hill	Tall Oaks
Marsha Gholson	Tall Oaks
Robbie Bauer	Tall Oaks
Deloris Madison	Tall Oaks
Constance Causey	Scattered Sites
Chandreka Scott	Scattered Sites
Quatesha Golden	River Cove Apartments
Tracey Scott-Starks	Housing Choice Voucher
Carla Thompson	Housing Choice Voucher

**Attachment I**

**Resident Advisory Board Recommendations**

DRAFT

**Fort Wayne Housing Authority  
Resident Advisory Board Minutes  
December 7, 2007**

RAB Members Present:

Desira Kearnes  
Chandreka Scott  
Carla Thompson

Quatesha Golden  
Tracey Scott-Starks

Others Present:

Bing Bowley  
Paula Garretson  
Betty Anderson

Carolyn Nichter  
Maynard Scales

Mr. Scales, Executive Director opened the meeting at 9:00 a.m. Mr. Scales gave the Resident Advisory Board background information on how the PHA planning process works.

The FWHA is planning on selling off our scattered sites. As part of the homeownership program the agency will sell off approximately five houses per year.

The Fort Wayne Housing Authority is in compliance with the City's Consolidated Plan.

The housing authority is interested in participating in using project based vouchers to assist low-income residents with their housing.

The FWHA has decided to leave our position as property manager for McMillen Park Apartments.

Carolyn Nichter, Fiscal Services Director, discussed changes in operations including going to ACH deposits for landlord HAP payments and EBT payments for participants who receive utility payments. The board discussed the utility reimbursements and having them paid directly to the utilities. Rent statements were also discussed. Ms. Kearnes did not believe that rent statements were necessary if there are no changes in the rent amount due by the resident. A Risk Control Policy has been developed by the Risk Control Committee. Establishing this policy will reduce our insurance premiums.

Betty Anderson, Housing Choice Voucher Program Director, discussed with the board issues facing the HCV department. Expanding housing opportunities to participants outside the low-income areas is a priority. Participants are encouraged to look for housing in areas where jobs, schools, shopping, and other services are available to them. The HCVP is currently underutilized and is attempting to lease up over 500 vouchers. When the waiting list opens up next year no preferences will be in affect. A lottery system will be used to randomly order those who apply for the HCV waiting list.

Bing Bowley, Public Housing Administrator, reviewed upcoming projects and capital fund utilization with the board. Replacement Housing Factor Fund #1, Village at Brooklyn Pointe has approval from HUD. The project will have 20 senior only flats containing one and two bedroom apartments. The project is budgeted at \$675,000 and is scheduled for completion by the end of 2008.

Replacement Housing Factor Fund #2, Whispering Oaks, will be located next to Tall Oaks. The project will have 24 senior only units. Completion for this project is approximately two years down the road.

The agency is investigating designated housing for one or two of the hi-rise buildings making them senior only buildings.

For residents who are violating the Community Service requirements the housing authority will begin evictions in 2008.

Capital Fund projects for 2008: All parking lots at River Cove Apartments will be repaved. All the furnaces and air conditioners at Miami Homes will be replaced.

Respectfully Submitted by:

\_\_\_\_\_  
Paula Garretson, Administrative Assistant

**Attachment J**

**Resident Membership of the PHA Governing Board**

Name: Constance Causey

Method of Selection: Appointed by Mayor to a four year term with carry-over at expiration of term until such time as a replacement is named (per by-laws)

Term: expires March 30, 2009

DRAFT

# Attachment K

## Certification of Drug Free Workplace

### Certification for a Drug-Free Workplace

U.S. Department of Housing and Urban Development

Housing Authority of the City of Fort Wayne, Indiana  
Federal Housing Council, Grant # 1000

Being in full compliance with the provisions of the Federal Acquisition Regulation (FAR) regarding the certification and assessment of the Department of Housing and Urban Development (HUD) regarding the following:

I, the undersigned, hereby certify that the following information is true and correct:

1. Publishing a statement notifying employees that any individual who is a distributor, transporter, producer, or manufacturer of controlled substances prohibited in the applicant's contract and specifying the actions that will be taken against employees for violations of such prohibition.

2. Establishing an ongoing drug-free workplace program in accordance with:

(1) The drug-free workplace policy;

(2) The applicant's policy of maintaining a drug-free workplace;

(3) Any available drug counseling, rehabilitation, and employee assistance programs;

(4) The policies that may be necessary to ensure the effectiveness of drug-free workplace program;

(5) Making a statement that the contractor is to be managed in its performance of the program in accordance with the requirements of the FAR;

(6) Notifying the employee in the contract required by the FAR that the contractor is responsible for the program and the contractor will

(1) Advise the contractor of the contract and

(2) Notify the contractor of the contract and the contractor's obligations under the contract to maintain a drug-free workplace in accordance with the contract and the FAR.

(3) Notifying the contractor of the contract and the contractor's obligations under the contract to maintain a drug-free workplace in accordance with the contract and the FAR. The contractor shall advise the contractor of the contract and the contractor's obligations under the contract to maintain a drug-free workplace in accordance with the contract and the FAR. The contractor shall advise the contractor of the contract and the contractor's obligations under the contract to maintain a drug-free workplace in accordance with the contract and the FAR.

(4) Taking the following actions within 30 days of the date of the contract award:

(1) Publishing a statement notifying employees that any individual who is a distributor, transporter, producer, or manufacturer of controlled substances prohibited in the applicant's contract and specifying the actions that will be taken against employees for violations of such prohibition.

(2) Establishing an ongoing drug-free workplace program in accordance with:

(1) The drug-free workplace policy;

(2) The applicant's policy of maintaining a drug-free workplace;

(3) Any available drug counseling, rehabilitation, and employee assistance programs;

(4) The policies that may be necessary to ensure the effectiveness of drug-free workplace program;

(5) Making a statement that the contractor is to be managed in its performance of the program in accordance with the requirements of the FAR;

(6) Notifying the employee in the contract required by the FAR that the contractor is responsible for the program and the contractor will

2. Sign the Work Performance Evaluation Report (WPER) for the contractor's performance on the contract. The contractor shall be held responsible for the program and the contractor will

Check box:  I am a contractor and I am the contractor of the contractor.  
I hereby certify that the information provided on this form is true and correct. I understand that I am responsible for the program and the contractor will  
Warranty:  I am a contractor and I am the contractor of the contractor.  
Date: 03/01/2008  
Signature: [Handwritten Signature]  
X [Handwritten Signature]









# **Attachment O**

## **Fort Wayne Housing Authority**

### **DISPOSITION POLICY**

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Personal property belonging to the Fort Wayne Housing Authority shall not be sold or exchanged for less than fair value. Any personal property belonging to the Housing Authority that is no longer needed for Housing Authority operations shall be declared excess. Any such excess property valued at Five Hundred Dollars (\$500.00) or more, which is not being sold to a public body for a public use or to a non-profit organization for low-income housing related purposes (e.g. a resident organization), shall be sold at a public sale.

Sales of excess personal property shall be conducted in the following manner:

- A. The Executive Director shall declare personal property that is worn out, obsolete or surplus to the needs of the Housing Authority excess. All such declarations shall be documented in writing. A survey to identify such property shall be conducted at least once a year following the annual inventory conducted in June of each year.
- B. If the estimated market value of the personal property offered for sale is less than Five Hundred Dollars (\$500.00), the Executive Director may negotiate a sale in the open market after such informal inquiry as he or she considers necessary to ensure a fair return to the Housing Authority. The sale shall be documented by an appropriate bill of sale.
- C. For sales of excess property valued between Five Hundred Dollars (\$500.00) and Five Thousand Dollars (\$5,000.00), the Executive Director shall solicit informal bids orally, by telephone, or in writing from all known prospective purchasers and a tabulation of all such bids received shall be prepared and retained as part of the permanent record. The sale shall be documented by an appropriate bill of sale.
- D. For sales of excess property valued at more than Five Thousand Dollars (\$5,000.00), a contract of sale shall be awarded only after advertising for formal bids. The advertisement shall be posted at least fifteen (15) days prior to award of the sale contract and shall be published in newspapers or circular letters to all prospective purchasers. In addition, notices shall be posted in public places. Bids shall be opened publicly at the time and place specified in the advertisement. A tabulation of all bids received shall be prepared and filed with the contract as part of the permanent record. The award shall be made to the highest bidder as to price value, subject to approval by the Board of Commissioners.
- E. Notwithstanding the above, the sale or donation of personal property, valued at more than Five Thousand Dollars (\$5,000.00), to a public body for public use or a non-profit organization for low-income housing related purposes may be negotiated at its fair value subject to approval by the Board of Commissioners. For values less than \$5,000, the Executive Director shall negotiate a fair value with the public body or the non-profit organization for low-income housing related purposes. The transfer shall be documented by an appropriate bill of sale.

As outlined above, personal property shall not be destroyed, abandoned, or donated without the prior approval of the Board of Commissioners. The Executive Director shall make every effort to dispose of excess personal property as outlined above. However, if the property has no scrap or salvage value and a purchaser cannot be found, the Executive Director shall prepare a statement stating that all efforts were

futile, together with recommendations as to the manner of disposition. This statement together with the complete documentation in support of the destruction, abandonment, or donation, shall be retained as a part of the permanent records.

DRAFT

## Attachment P

### 2008 HUD Income Limits

(Median Income = 59,100 for a family of four)

% Of Median Income	Limit per Number of Persons in Household							
	1	2	3	4	5	6	7	8
30%	\$12,900	\$14,700	\$16,550	\$18,400	\$19,850	\$21,350	\$22,800	\$24,300
50%	\$21,450	\$24,500	\$27,600	\$30,650	\$33,100	\$35,550	\$38,000	\$40,450
60%	\$25,740	\$29,400	\$33,120	\$36,780	\$39,720	\$42,660	\$45,600	\$48,540
80%	\$34,350	\$39,250	\$44,150	\$49,050	\$52,950	\$56,900	\$60,800	\$64,750

#### Number of Persons in Family and Percentage Adjustments

<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>
70%	80%	90%	Base	108%	116%	124%	132%

Fair Market Rent

(Includes all eligible utilities)  
2008

#### Final FY 2008 FMRs By Unit Bedrooms

	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
<b>Fair Market Rent</b>	<b>\$479</b>	<b>\$509</b>	<b>\$636</b>	<b>\$793</b>	<b>\$815</b>

## AttachmentQ

### **Fort Wayne Housing Authority Capacity Statement - Section 8 Homeownership Program**

Fort Wayne Housing Authority (FWHA) possesses the **capacity**, experience and expertise to successfully formulate and it has implemented a Section 8 **Homeownership** Program to enable Section 8 participants to purchase a home. FWHA's Section 8 **Homeownership** Program was approved by the Board of Commissioners (BOC) on January 9, 2001 and is currently being administered by our Housing Counseling Division. At the end of fiscal year 2006, **49** families had been referred to the HUD- Approved Housing Counseling Program, of that number **3** required one-on-one , counseling, **5** families have completed Homeownership Counseling and received a certificate and **2** were considered "mortgage ready." Fifteen (15) families have closed on their purchase of a home through March, 2007.

FWHA has operated Section 8 housing for Fort Wayne jurisdiction since 2001, as the first PHA in Indiana to close a homeownership loan using the Section 8 program.

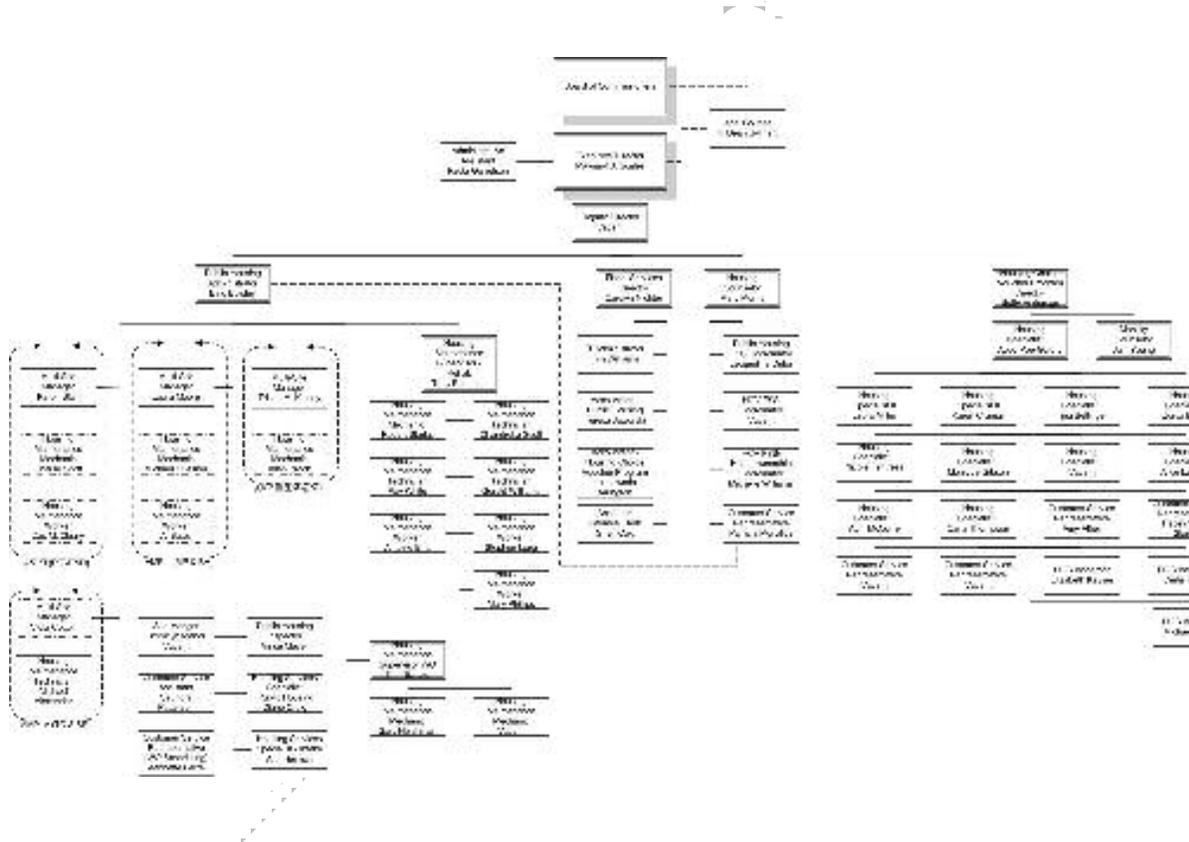
The Section 8 program is comprised of approximately 2,870 Housing Choice Vouchers. Additionally, FWHA administers programs targeted for populations with special needs. The agency administers 50 Scattered Site units that are planned for inclusion in the homeownership program on a phased-in basis.

FWHA has provided over \$750,000.00 for the purchase of affordable housing units in the Fort Wayne area. Funding is available through locally funded sources, and with state and federal funding from HOME Investments Partnership (HOME) and the Community Development Block Grant (CDBG) Programs. Services afforded to Fort Wayne residents include home ownership readiness assistance which makes them eligible for a below market interest rate second mortgage; down payment assistance, including partial down payment and closing costs to qualified families and individuals; homebuyer counseling, consisting of technical services, such as credit counseling or legal services to assist in the purchase of maintenance skills and responsibilities, fair housing issues, smart realtor selection guidance and financing of a single family home, Construction and rehabilitation assistance is available through our CHDO, Housing Opportunities Program, Inc. (HOP) to assist qualified low income families that would otherwise be difficult to finance at market rates.

Finally, the FWHA Homeownership program was recently reorganized to link the HCVP, FSS and Homeownership programs in continuum to add long stability to low income families' ability to sustain homeownership and to remain more resilient during economic downturns.

# Attachment R

## Fort Wayne Housing Authority Organizational Chart



## **Attachment S**

### **VAWA Policy Statement**

#### **Violence Against Women Act Policy**

##### **Purpose**

The purpose of this Policy is to reduce domestic violence, dating violence, and stalking and to prevent homelessness by:

- a) protecting the safety of victims;
- b) creating long-term housing solutions for victims;
- c) building collaborations among victim service providers; and
- d) assisting FWHA to respond appropriately to the violence while maintaining a safe environment for FWHA, employees, tenants, applicants, Section 8 participants, program participants and others.

The Policy will assist the Fort Wayne Housing Authority (FWHA) in providing rights under the Violence Against Women Act to its applicants, public housing residents, Section 8 participants and other program participants.

##### **2.0 Mission Statement**

FWHA's policy is to comply with the 2005 VAWA Pub. L. 109-162; Stat.2960 signed into law on January 5, 2006 and codified at 42 U.S.C. § 1437d (1) and 1437f (d), (o) & 1 and (u). FWHA shall not discriminate against an applicant, public housing resident, Section 8 program participant or other program participant on the basis of the rights or privileges provided under the VAWA.

This Policy is incorporated into FWHA's "Statement Of Policies Governing Admission to Continuing Occupancy of Low Rent Housing" and "Section 8 Program Administrative Plan" and applies to all FWHA housing programs including the Family Self Sufficiency Program and Housing Counseling Programs.

##### **Definitions**

The definitions in this Section apply only to this Policy.

- 3.1 Confidentiality:** Means that FWHA will not enter information provided to FWHA under 4.2 and 4.3 into a shared database or provide this information to any related entity except as stated in 4.4.
- 3.2 Dating Violence:** Violence committed by a person (a) who is or has been in a social relationship of a romantic or intimate nature with the victim; and (b) where the existence of such a relationship shall be determined based on a consideration of the following factors: (i) the length of the relationship; (ii) the type of relationship; (iii) the frequency of interaction between the persons involved in the relationship. 42 U.S.C. § 1437d (u) (3) (A).
- 3.3 Domestic Violence:** Felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, committed by a person with whom the victim shares a child in common, committed by a person who is cohabitating with or has cohabitated with the victim as a spouse, committed by a person similarly situated to a spouse of the victim under the domestic or family violence laws of Indiana, or committed by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of Indiana.
- 3.4 Homeless, Homeless Individual, and Homeless Person:** A person who lacks a fixed, regular and adequate nighttime residence. Also includes: a) a person who is sharing the housing of other persons due to loss of housing, economic hardship or a similar reason; b) a person living in a motel, hotel, trailer park, or campground due to lack of alternative adequate accommodations; c) a person living in emergency or transitional shelter; d) a person abandoned in a hospital; e) a person awaiting foster care placement; or f) a person who has a primary nighttime resident that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings. VAWA of 2005 § 41403.
- 3.5 Involuntary Displacement:** Occurs when a victim has vacated or will have to vacate their housing unit because of domestic violence, dating domestic violence or stalking against the victim.
- 3.6 Immediate Family Member:** A spouse, parent, brother or sister, or child of a victim or an individual to whom the victim stands in *loco parentis*; or any other person living in the household of the victim and related to the victim by blood and marriage. 42 U.S.C. § 1437d (u) (3) (D)

- 3.7 Long-term Housing:** Is housing that is sustainable, accessible, affordable and safe for the foreseeable future which: a) the person rents or owns; b) is subsidized by a voucher or other program as long as the person meets the eligibility requirements of the program; c) directly provided by FWHA, is not time limited and the person meets the eligibility requirements of the program.
- 3.8 Perpetrator:** A person who commits an act of domestic violence, dating domestic violence or stalking against a victim.
- 3.9 Stalking:** (a) to follow, pursue or repeatedly commit acts with the intent to kill, injure, harass or intimidate the victim; (b) to place under surveillance with the intent to kill, injure, harass or intimidate the victim; (c) in the course of, or as a result of such following, pursuit, surveillance, or repeatedly committed acts, to place the victim in reasonable fear of the death of, or serious bodily injury to the victim; or (d) to cause substantial emotional harm to the victim, a member of the immediate family of the victim or the spouse or intimate partner of the victim. 42 U.S.C. § 1437d (u)(3)(C).
- 3.10 Victim:** Is a person who is the victim of domestic violence, dating violence, or stalking under this Policy and who has timely and completely completed the certification under 4.2 and 4.3 or as requested by FWHA.

#### **4.0 Certification and Confidentiality**

##### **4.1 Failure to Provide Certification Under 4.2 and 4.3**

The person shall provide complete and accurate certifications to FWHA, owner or manager within 14 business days after the party requests in writing that the person completes the certifications. If the person does not provide a complete and accurate certification within the 14 business days, FWHA, the owner or manager may take action to deny or terminate participation or tenancy under: 42 U. S. C. § 1437 1(5) & (6); 42 U. S. C. § 1437 (d) (c) (3); 42 U. S. C. § 1437f (c)(9); 42 U. S. C. § 1437f (d)(1)(B)(ii) & (iii); 42 U. S. C. § 1437f (o)(7)(C) &(D); or 42 U. S. C. § 1437f (o)(20) or for other good cause.

##### **4.2 HUD Approved Certification**

For each incident that a person is claiming is abuse, the person shall certify to FWHA, owner or manager their victim status by completing a HUD approved certification form. The person shall certify the date, time and description of the incidents, that the incidents are bona fide incidents of actual or threatened abuses and meet the requirements of VAWA and this Policy. The person shall provide information to identify the perpetrator including but not limited to the name and, if known, all alias names, date of birth, address, contact information such as

postal, e-mail or internet address, telephone or facsimile number or other information.

#### **4.3 Other Certification**

A person who is claiming victim status shall provide to FWHA, an owner or manager: a) documentation signed by the victim and an employee, agent, or volunteer of a victim service provider, an attorney, or a medical professional from whom the victim has sought assistance in addressing domestic violence, dating violence or stalking or the effects of the abuse, in which the professional attests under penalty of perjury (28 U.S.C. § 1746) to the professional's belief that the incident(s) in question are bona fide incidents of abuse; or b) a federal, state tribal, territorial, local police or court record.

#### **4.4 Confidentiality**

FWHA, the owner and manager shall keep all information provided to FWHA under this Section confidential. FWHA, owner and manager shall not enter the information into a shared database or provide to any related entity except to the extent that:

- (a) the victim requests or consents to the disclosure in writing;
- (b) the disclosure is required for:
  - (i) eviction from public housing under 42 U. S. C. § 1437 1(5) & (6) (See Section 5 in this Policy);
  - (ii) termination of Section 8 assistance under 42 U. S. C. § 1437f (c)(9); 42 U. S. C. § 1437f (d)(1)(B)(ii) & (iii); 42 U. S. C. § 1437f (o)(7)(C) & (D); or 42 U. S. C. § 1437f (o)(20) (See Section 5 in this Policy); or
- (c) the disclosure is required by applicable law.

#### **4.5 Compliance Not Sufficient to Constitute Evidence of Unreasonable Act**

The FWHA, owner or manager compliance with Sections 4.1, 4.2 and 4.3 shall alone not be sufficient to show evidence of an unreasonable act or omission by them.

#### **5.0 Appropriate Basis for Denial of Admission, Assistance or Tenancy.**

**5.1** FWHA shall not deny participation or admission to a program on the basis of a person's victim status, if the person otherwise qualifies for admission of assistance.

**5.2** An incident or incidents of actual or threatened domestic violence, dating violence, or stalking will not be a serious or repeated violation of the lease by

victim and shall not be good cause for denying to a victim admission to a program, terminating Section 8 assistance or occupancy rights, or evicting a tenant.

- 5.3** Criminal activity directly related to domestic violence, dating violence, or stalking engaged in by a member of a tenant's household or any guest or other person under the tenant's control shall not be cause for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenant's family is the victim of that domestic violence, dating violence or stalking.
- 5.4** Notwithstanding Sections 5.1, 5.2 and 5.3 FWHA, an owner or manager may bifurcate a lease to evict, remove or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others without evicting, removing, terminating assistance to or otherwise penalizing the victim of the violence who is also a tenant or lawful occupant. 42 U.S.C. §1437d(1)(6)(B).
- 5.5** Nothing in Sections 5.1, 5.2 and 5.3 shall limit the authority of FWHA, an owner or manager, when notified, to honor court orders addressing rights of access to or control of the property, including civil protection orders issued to protect the victim and issued to address the distribution or possession of property among the household members when the family breaks up.
- 5.6** Nothing in Sections 5.1, 5.2 and 5.3 limits FWHA, an owner or manager's authority to evict or terminate assistance to any tenant for any violation of lease not premised on the act or acts of violence against the tenant or a member of the tenant's household. However FWHA, owner or manager may not hold a victim to a more demanding standard.
- 5.7** Nothing in Sections 5.1, 5.2 and 5.3 limits FWHA, an owner or manager's authority to evict or terminate assistance, or deny admission to a program if the FWHA, owner or manager can show an actual and imminent threat to other tenants, neighbors, guests, their employees, persons providing service to the property or others if the tenant family is not evicted or terminated from assistance or denied admission.
- 5.8** Nothing in Sections 5.1, 5.2 or 5.3 limits FWHA, an owner or manager's authority to deny admission, terminate assistance or evict a person who engages in criminal acts including but not limited to acts of physical violence or stalking against family members or others.

**5.9** A Section 8 recipient who moves out of a assisted dwelling unit to protect their health or safety and who: a) is a victim under this Policy; b) reasonably believes he or she was imminently threatened by harm from further violence if he or she remains in the unit; and c) has complied with all other obligations of the Section 8 program may receive a voucher and move to another Section 8 jurisdiction

**5.10** A public housing tenant who wants a transfer to protect their health or safety and who: a) is victim under this Policy; b) reasonably believes he or she was imminently threatened by harm from further violence if he or she remains in the unit; and 3) has complied with all other obligations of the public housing income program may transfer to another FWHA unit, receive a Section 8 voucher and stay in Fort Wayne or move to another Section 8 jurisdiction.

**6.0 Actions Against a Perpetrator**

FWHA may evict, terminate assistance, deny admission to a program or trespass a perpetrator from its property under this Policy. The victim shall take action to control or prevent the domestic violence, dating violence, or stalking. The action may include but is not limited to: a) obtaining and enforcing a restraining or no contact order or order for protection against the perpetrator; b) obtaining and enforcing a trespass against the perpetrator; c) enforcing FWHA or law enforcement's trespass of the perpetrator; d) preventing the delivery of the perpetrator's mail to the victim's unit; e) providing identifying information listed in 4.2; and f) other reasonable measures.

**7.0 Notice to Applicants, Participants, Tenants and Section 8 Managers and Owners.**

FWHA shall provide notice to applicants, participants, tenants, managers and owners of their rights and obligations under Section 4.4 Confidentiality and Section 5.0 Appropriate Basis for Denial of Admission, Assistance or Tenancy.

**8.0 Preferences**

Families who are victims under VAWA will receive a preference in FWHA's public housing and housing assistance programs. Families who have been victims of domestic violence, dating violence or stalking shall provide: a) documentation signed by the victim and an employee, agent, or volunteer of a victim service provider, an attorney, or a medical professional from whom the victim has sought assistance in addressing domestic violence, dating violence or stalking or the effects of the abuse, in which the professional attests under

penalty of perjury (28 U.S.C. § 1746) to the professional's belief that the incident(s) in question are bona fide incidents of abuse; or b) a federal, state, tribal, territorial or local police or court record to establish their victim status under this policy.

#### **9.0 Reporting Requirements**

FWHA shall include in its 5 year plan a statement of goals, objectives, policies or programs that will serve the needs of victims. FWHA shall also include a description of activities, services or programs provided or offered either directly or in partnership with other service providers to victims, to help victims obtain or maintain housing or to prevent the abuse or to enhance the safety of victims.

#### **10.0 Conflict and Scope**

This Policy does not enlarge FWHA's duty under any law, regulation or ordinance. If this Policy conflicts with the applicable law, regulation or ordinance, the law, regulation or ordinance shall control. If this Policy conflicts with another FWHA policy such as its Statement of Policies or Section 8 Administration Plan, this Policy will control.

#### **11.0 Amendment**

The Executive Director may amend this policy when it is reasonably necessary to effectuate the Policy's intent, purpose or interpretation. The proposed amendment along with the rationale for the amendment shall be submitted to the Executive Director for consideration. Where reasonably necessary, the Executive Director may approve the amendment. The amendment shall be effective and incorporated on the date that the Executive Director signs the amendment.

**Attachment T**

**Housing Counseling Plan Update**

DRAFT

## **HOUSING COUNSELING PLAN UPDATE**

The Comprehensive Housing Counseling Plan currently being administered by the Fort Wayne Housing Authority has been in existence since 1975.

The original Housing Counseling plan established by the City of Fort Wayne was to assist citizens in the improvement of their housing security and conditions; to increase home-ownership within the city among low-income groups; to increase housing alternatives and to provide information to citizens on housing options and programs available for assistance. During this time, the agency was motivated to assist people in maintaining their homes and provided information on housing programs.

To carry out this mission, the City of Fort Wayne became involved in improving the housing stock in Fort Wayne and established a home-ownership program for the emerging poor. The Fort Wayne Housing Authority and City of Fort Wayne established the Homestead Program and the Home Improvement Loan Program. Both, provide an avenue for low and moderate individuals and families to experience home-ownership. The Homestead Program was discontinued in 1985. The city's rehabilitation program is still in existence with revised modification and added the Homeownership Down-Payment Assistance program for first time homebuyers.

Today, the housing needs have changed somewhat. There are now rehabilitation programs that are targeted to specific neighborhoods designed to curb blight, non-profits, some CDC's, neighborhood based organizations, churches and lenders to assist low and moderate income families/individuals in the rehabilitation of their home or in purchasing new or existing ones. Since HUD, Fannie Mae, lenders and mortgage companies are stressing homeownership education, the City of Fort Wayne (through a non-profit), Consumer Credit Counseling and Fort Wayne Housing Authority are offering homeownership education classes to assist individuals and families in becoming more informed about the home-buying process. Hopefully, this will reduce the foreclosure and vacancy rate that currently exist in our city.

Fort Wayne is the largest city in Allen County and the second largest city in Indiana with a population of 220,468 as reported by the 2000 U.S. Census Bureau. Fort Wayne encompasses 16% of the total county area and has a growth rate of 10.3%. With the recent annexation that took effect in 2007, the population has expanded to 254,062. Of this total, the minority residents within the city make up approximately 20 percent of the population.

Along with this increase comes the redistricting process of the City Council districts that will take affect in 2008. While the city is still expanding due to new housing additions and economic development projects, Allen County still remains a primarily rural county with a population in 2005 to be estimated at over 344,006. Due to the recent annexation, the county population will grow in 2007 to an estimated 347,364. The aggressive annexation process brings suburban areas of unincorporated Allen County into the City. Most annexations have been primarily wealthy, Caucasian neighborhoods with incomes

exceeding Fort Wayne's AMI of \$60,600. Conversely, the urban core consists primarily of very-low and low-moderate income households and a disproportionately high amount of racial minorities.

In 2003, the U.S. Supreme Court ruled that Indiana's property tax assessment method was wrong; and Indiana had to retool its method for assessing residential properties. Since the state has moved to a market-based property valuation assessment system, this has caused a ripple effect in older neighborhoods where property values are still being appealed and challenged. The result of the new assessment system has the effect of producing property values that are higher in older, low-income neighborhoods and somewhat lower in suburbs and new housing additions. According to the Allen County Assessor, Allen County retail property values on an average increased 17% followed closely by 16.7% for residential. State officials expect a 24% average statewide increase in property tax bills in 2007 because of trending, which is based on sales. Since many homeowners are still not educated on how property values are determined, most did not file appeals or property tax exemptions. Most property owners went along with the new trending values causing higher taxes to be paid, causing an increase in mortgage defaults on elderly homeowners and others living on fixed or lower wages.

Under the new market based assessment model, homes over 60 years old were assessed at higher values than new homes, increasing property taxes to over \$500 per year. Many elderly on fixed income, which represent 11.4% of the county's population, lived in these homes and did not expect a 60% or more increase in their property taxes. Some homeowners filed for the exemption, others did not fully understand the process and were left with higher taxes. Many homeowners, including the elderly, are still struggling to pay these taxes in order to remain in their homes. For those living on lower wages, and others on fixed income, this still remains an unbearable burden. This fluctuating increase causes escrow accounts within mortgage companies to face huge shortages.

Therefore, homeowners and the elderly (without additional funds) are still being faced with higher mortgage payments over one or two years, depending on the bill to offset the tax advancement. If owners could not pay the new mortgage amount, they faced foreclosure proceedings. Others, without escrow accounts were faced with forced insurance (higher costs) by mortgage companies to protect their investment. Some have sold or given up their homes because the insurance, maintenance, and tax burden became too large and there were no community resources available to assist homeowners in this area. The need for Comprehensive Housing Counseling services was never more apparent, and the potential for social and economic return on the counseling investment for the community and the government is clear and dramatic by any measure.

According to the **Journal Gazette** (5/3/07) property values used for tax assessment in Allen County have increase an average of 15% because of market trending. They are expected to increase again in 2007-2008 due to schools, the expansion of the downtown main library and the Harrison Square Center, a Redevelopment Project. It appears the only property tax relief given will be for homeowners living in homes exceeding

\$100,000 in value in 2008. The Central city and southeast Fort Wayne sections were hit the hardest, due to older homes and rental properties. Many rental properties will remain vacant because there are no tax exemptions or incentives for landlords. New approaches to assessment could change the value of rental and lease property in the future. Assessors can base the value of the property on income received from renting office space or apartments. Families with lower income cannot afford to purchase, renovate or maintain the existing housing units, thus creating an increase demand for rental units (later, purchased by investors), causing an increase in substandard housing and vacant homes. This is prevalent throughout South Central Fort Wayne.

As a result of vacant homes, many investors are purchasing homes, making cosmetic repairs and are reselling above appraised value, causing mortgage companies to lose dollars and homeowners to be stuck with a property they cannot sell or make payments on due to the types of financing placed on the home.

*Also, another problem that needs to be addressed is an increase in the Hispanic population, currently at 5.8% of the city's population along with a large Burmese migration. The majority of the new Hispanic population is located in South Central Fort Wayne (which includes the Sub Area) due to a favorable shift in property values and rental properties. Many Hispanics are purchasing vacant homes in older neighborhoods and remodeling them. Many are pursuing business opportunities by opening grocery stores, auto garages, and retail shops. The City, FWHA and the United Hispanic Organization together are working to make inroads into this expanded population to educate them about mortgages, homeownership, maintenance, and zoning regulations. According to the Indiana Department of Workforce Development (5/07), Indiana's current unemployment rate stands at 4.8%. The unemployment rate for Fort Wayne stands at 5.2% while our national rate remains at 4.5%. The average worker earns \$13.70, which equates to \$28,500 per year compared to the area median income of \$60,600.*

Fort Wayne traditionally has been a manufacturing city with about one quarter of all jobs and over one third of all personal income coming from manufacturing jobs. These jobs have continued to dwindle in 2007 with two major manufacturing companies, namely Dana and GE Corporation substantially reducing their workforce and relocating elsewhere for cheaper wages. Also, a major mortgage company recently closed its doors to 650 workers. According to the 2006 Indiana Manufacturers Directory, Indiana lost a total of 6,711 manufacturing in 2005 alone. Fort Wayne is home to 621 manufacturers, second only to Indianapolis. The goal of the FW-Allen County Economic Development Alliance is to shift the heavy focus from manufacturing to retail business. The alliance stated more jobs are being created in healthcare, life sciences, logistics, defense and financial services. Other industries left consist of service, retail, high tech, educational, and the health industry. The Health industry in Fort Wayne continues to expand and two hospitals recently indicated an expansion with one moving north (becoming a regional hospital) thus reducing specialized and trauma services to residents on the east and southeast side of the city. The relocation of these services will leave a void in resident

needs that will have to be substituted or somewhat addressed by other medical providers. This will cause residents to travel farther to receive quality health care and to some extent employment opportunities. According to the **Journal Gazette** (2/21/07) health care cost will double by 2016.

Small manufacturing companies outside of the central city that had been creating jobs have been hit with a lagging economy. Many have closed their doors. Correspondingly, many factors, especially childcare, compound the impediments to job retention and homeownership. Weekly childcare costs for children under age 6 years of age ranges from \$85.00 - \$150.00. Moreover, 92.7% of the families in Allen County that are on the State TANF Program are headed by a single parent. Due to State cuts, Community Action of Northeast Indiana had to reduce the number of families it assisted with childcare. Those that remained on the program have very low wages and are attending school. Currently, there are over 550 families on the waiting list for childcare assistance.

As previously mentioned, factors that attributed to rising unemployment rate are businesses leaving Fort Wayne and growth in the immigrant population (United Way Community Assessment 2000). Much of the unemployment rate for the City of Fort Wayne is attributed to high unemployment in the sub area for the low to moderate income. Since new job opportunities are occurring outside of Fort Wayne, many unemployed are concentrated in the central city and have limited transportation. With gas prices soaring and public transportation limited, the high cost of private transportation depress many that seek re-employment opportunities.

A result of the increase in unemployment many homes go into foreclosure. As homeowners struggle with wages, lenders and mortgage companies begin to offer workout options for working homeowners having a decrease in income. According to **Journal Gazette** Editorial (3/26/06), layoffs and bankruptcies are forcing Indiana foreclosure rate to rise to an alarming height. According to Mortgage Bankers Association, Indiana has continued to lead the nation in foreclosure in first and then second position, next to Ohio since 2004. The high foreclosure rate is caused by job loss, personal bankruptcies, stagnant home prices and aggressive lending practices. By having overly aggressive lending and the slow appreciation of home values in Fort Wayne, all are contributing factors. Predatory lending ranks high in the sub area (see attached map) and is caused by homeowners refinancing existing homes to pay off outstanding debt and not being educated of predatory lending pitfalls. State legislative leaders have taken steps to fight predatory lending. In fact, the Indiana Homeowner Protection Act, which took effect in 2005, has the authority to charge unscrupulous lenders and impose fines up to \$10,000 for each violation.

In addition, Fort Wayne's property value appreciation rates are not increasing at a commensurate rate, similar to other size cities. Property values in Allen County only increase 3.5% per year, compared to the national rate of 12.54. When people owe more than the value of their homes, they file for bankruptcy or walk away. With the change in the new bankruptcy law, which took effect in October, 2005 coupled with the changes in interest rate on credit card balances, all of these factors have forced homeowners into re-

evaluating their personal finances. For many of our low and moderate families, housing counseling bridges the gap and provides a “safe harbor” to work out an acceptable plan to save their house from foreclosure.

Since crime has become more visible within the inner city, many families have moved to the suburbs and the rural areas of un-incorporated Allen County for safe havens. The majority of these families have incomes that are 80 percent or more of the median income for Fort Wayne. The families that remain in the central city are generally of lower income, thus reducing the tax base, while increasing the need for social services and housing counseling. As a result of lower wages, these families cannot maintain their homes, which are generally older than suburban units, resulting in an increase of sub-standard units within the central city.

One in every 20 households in Fort Wayne consist of single female headed household with children living below the poverty line, 54.98 percent of all families have children under 18 living with them.

The largest concentration of low-income families/individuals is in the central city. The attached Map shows where 51 percent of the household has an income of 50 percent or less of the median Income, which is now \$49,050 This area has experienced a high degree of dis-investment resulting in increased crime and vacancy rates as well as a decrease in number of housing units and the number of households. This area tends to have a significant number of rental units, frequently owned by absentee landlords.

The Housing Counseling Program was formulated to assist families/individuals in resolving housing problems within this area, which is bounded by Maumee River on the North, Hessen Cassel on the East, Paulding Road on the South, and Broadway on the West.

According to research and referrals from mortgage companies, HUD, local lenders, and social service agencies, this area has the highest mortgage default rate within the City of Fort Wayne. Many families residing in this area are considered low to moderate. These residents have a need for housing counseling, due to low incomes, lack of employment, divorces, illnesses, drug related problems, alcoholism, high teenage drop-out rates, pregnancy, single female-head of households trying to rear families, illiteracy problems, lack of education, and housing in desperate need of repairs. Problems of such magnitude cause many homeowners to lose sight of their largest and one time investment, which they have longed for since childhood. That investment known as “the American dream” is to buy and own their own home.

To address the above needs, the City of Fort Wayne has identified the following strategy goals in the 2006-2010 Consolidated Plan. They are as follow:

- 1) *Preserve Homeownership*
- 2) *Increase Homeownership*
- 3) *Increase the supply of affordable rental housing*

#### 4) Support Special needs housing

*Beginning in 2006, the City of Fort Wayne plans to invest more than \$4,600,000.00 per year in CDBG and Home and ESG funds to meet its strategic goals. The overall objective of the City's New Housing Management policy is to foster the health, vitality, economic diversity and the competitiveness of the city's neighborhoods and housing market. Goals of the Management Policy are to create an environment in Fort Wayne where:*

- *Neighborhoods are stable and attractive places that appeal to new buyers at all income levels;*
- *The physical stock is upgraded and maintained over time;*
- *The supply of decent, safe, and affordable housing meets the needs of even its lowest income residents;*
- *Special needs and elderly households can find appropriate housing with necessary supportive services*

*To meet these goals, the City plans to align community development programs and services to bring about comprehensive revitalization of targeted neighborhoods by basing future allocations of HOME and CDBG funds on policy and program priorities rather than in response to various project proposals.*

*Additionally, the City of Fort Wayne will encourage investments and collaboration that do the following:*

- *Increase homeownership for buyers who earn a range of income*
- *Preserve & improve the home of existing homeowners*
- *Cultivate signature neighborhood Revitalization Projects*
- *Encourage Rental Development for very low-income senior citizens and people with special needs.*

*To support these goals, the city has contracted through a not-for-profit where homebuyer education will be provided with a down payment assistance program. All homebuyers seeking down payments assistance on their first home must attend certified homebuyers classes, prior to owning the home. FWHA will be collaborating with the non-profit to assist Homeownership participants through this process.*

In addition, the City of Fort Wayne has taken on a Synergy Project that is located in an older Southeast neighborhood. It plans to focus its resources within this area to change its appearance and breathe new life back into the neighborhood. The City has requested FWHA to become a partner in this project to provide homeownership education, Family Self-Sufficiency and Post-Purchase Counseling. The core of this area is located within the sub-area.

*In addressing the above needs as identified in the Consolidated Plan and the New Housing Management Policy, FWHA Comprehensive Housing Counseling Program will provide Counseling Services to all eligible housing consumers as set forth in the HUD Handbook 7610.1.*

These services include counseling activities within the following areas to all respective residents of Fort Wayne and Northeast Indiana.

<p>1) <b>Pre-purchase Counseling</b> - This counseling includes general information, advice and assistance to first time home buyers in obtaining and maintaining a house. This counseling will include: affordability, credit, pre-qualification, how to look for a home, money management, fair housing laws, HUD subsidies, and the sharing of information on various housing programs. The Fort Wayne Housing Authority is in its seventh year of operating the Homeownership Voucher Program. Our goal is to continue developing partnerships with non-profits and lenders in the community in providing financing to prospective applicants. Applicants seeking financing for home-ownership must be a current enrollee of the Family Self Sufficient program and participate in a home-ownership education class. The Housing Counseling Specialist (HCS) will continue to work with all clients in establishing individual plans and in resolving credit barriers. Also, HSC will coordinate and work with FSS staff in scheduling monthly homeownership workshops for prospective clients.</p>
<p>2) <b>Rental Education</b> - This counseling provides assistance to renters who are experiencing difficulty in making rental payments. Rental Education includes general advice, workout plans, and assistance regarding leases, utilization of rent subsidies, budgeting, consumer rights, utility issues, eviction procedures, and landlord tenant laws. The Comprehensive Housing Counseling Program expects to continue working with FWHA-PH clients, Vincent House, and referrals from other social service organizations as there is a documented increase in demand for these services.</p>
<p>3) <b>Post Occupancy</b> - This counseling will includes assisting homeowners and renters in stabilizing the management of a home. The Housing Counseling Specialist plans to follow up with all Homeownership Voucher clients who have closed on their loans. This is needed to resolve any future maintenance issues, budgeting, tax issues or credit problems before they escalate, affecting the homeowner.</p>
<p>4) <b>Foreclosure Avoidance /Loss Mitigation tools</b> - This counseling involves working with lenders and mortgagors in retaining home-ownership and avoiding the expense associated with a foreclosure. Foreclosure avoidance tool includes Special Forbearance, Mortgage Modifications, Re-financing, Pre-foreclosure Sale and Deed-in-Lieu of Foreclosure. The Housing Counseling Specialist plans to utilize these tools in seeking repayment plans, restructuring debts and on how to manage household finances.</p>
<p>5) <b>Home Equity Conversion Mortgage</b> - This counseling provides information and assistance to all elderly persons interested in FHA -HECM, Home-Keeper and other elderly Reverse Mortgage programs. The Housing counseling Specialist will continue to assist clients under this program in learning how to turn equity into income for living, home repairs, medical etc.</p>

In administering the program, we have recognized several impediments that hinder fair housing opportunities within Fort Wayne and northeast Indiana. The Analysis of Impediments to Fair Housing Choice (AI) is identified by the City of Fort Wayne in its

report for 2006 -2010. The City has jurisdictional responsibility for preparing the analysis and is further required to affirmatively further Fair Housing in their communities. The purpose of the AI is to provide essential and detail information to policy makers, administrative staff, housing providers, lenders and fair housing advocates. In reviewing the AI, the City of Fort Wayne identified nine impediments to achievement of Fair Housing in section 3 of the report. They are as follows:1) Decent, Safe Affordable Housing 2) Predatory Lending 3) Accessibility Issues 4)Zoning 5) Not in My Back Yard 6) Incentives for Developers 7) Lead Based Paint in Housing Occupied by Protective Class Children 8) Problems in the Maintenance of Housing of Last Resort 9) Insufficiency of Programs to Assure Accessible Housing Choice.

In addressing AI's, FWHA will address six of the nine as it relates to Housing Counseling and the Homeownership Program. They are as followed:1) Decent, Safe Affordable Housing 2) Predatory Lending 3) Accessibility Issues 4) Not in my Back Yard(NIMBY) 5) Lead Based Paint in Housing Occupied by a Protective Class Children and 6) Insufficiency of Programs to Assure Accessible Housing Choice.

In addressing Impediments to Fair Housing Needs as identified, FWHA will continue to refer clients to Metropolitan Human Relations Commission (MHRC) who suspect they have been discriminated against because of race, color, handicap, religion, sex, familial status or national origin.

In implementing affirmative marketing strategies, our office plans to do the following:

1) We plan to educate the public on mortgage delinquency and default resolution, including HUD's Loss Mitigation Tools under FHA, arrange re-payment plans and the restructure of debts.
2) We plan to provide outreach initiatives, including general information about housing opportunities and programs within the community and provide appropriate information to persons with disabilities. Placing brochures in social service agencies, trustees offices, apartment complexes, HUD's subsidized apartment complexes, realty offices, Faith-Based organizations and through the local apartment association can do this.
3) Work with the Not-For-Profits organizations and homeless shelters by providing home ownership and rental counseling.
4) Place brochures for display in FWHA reception area and in Housing Counseling Specialist office to provide Information to the public on the various housing programs, Fair Housing Laws, credit and tips on locating and renting housing.

Lastly, we plan to be proactive in assisting families and individuals in searching for alternative housing within all segments of the community. The Housing Counseling Specialist will continue to work with the City of Fort Wayne and lenders in assisting low to moderate income families in locating housing that is safe, near schools, on bus lines

and free from serious environmental hazards.

To address the needs within this area, the Housing Counseling Program will first concentrate in the Sub Area to provide a full range of Comprehensive Housing Counseling services, which includes: Pre-Purchase, Pre-Rental, Mortgage Default, Post Occupancy, Home-Improvement/Rehabilitation, Money Management/Budget Counseling, Home Management and Housing Consumer Education. The zip codes that service this area are: 46802, 46803, 46806 and 46807.

Also, there will be a Secondary area to serve those that need the services due to mortgage defaults. These individuals and families will be secondary because they do not have a direct impact upon blight and vacant homes within the central city. Many of these individuals/families suffer from illnesses, layoff, divorces, alcoholism and lack of priorities. Many of these homes are usually in good condition and can be resold. Some of these families live within the city limits of Fort Wayne, while others reside within the suburbs. A small percentage lives in small towns outside of the City of Fort Wayne. They utilize this agency because it is the only HUD-Approved Counseling Agency in Northeastern Indiana. In addition, our agency will provide pre-purchase counseling, pre-rental counseling, budgeting, HECM and other areas of counseling as needed to these residents on a case per case basis.

By providing Housing Counseling services to this segment, we would assist in the following:

1. To prevent mortgage defaults and foreclosures in single and multi-family HUD-Insured and HUD assisted housing.
2. To allow homeowners an opportunity to save their home when a circumstance or set of circumstances occurs that is beyond their control.
3. To allow the homeowner to remain in the property utilizing the Loss Mitigation Tools and borrowers assistance measures enacted by HUD.
4. To serve as a vehicle to educate first time home buyers on the rights and responsibilities of home ownership.
5. To provide the necessary foundation to renters and homeowners to enable them to avoid rental delinquencies, mortgage defaults and foreclosures.
6. To allow tenants experiencing housing problems, an opportunity to learn of their rights and what to look for in locating rental housing.
7. To allow potential renters and others who want to buy a house, learn of the local and state programs available within their community.

8. To provide information to residents on all housing assistance programs available at the federal, state, and local level.

As a result of this activity, it would reduce vacant and abandoned houses within the City of Fort Wayne and provide stability within our neighborhoods.

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# **Admissions and Continued Occupancy Policy**

## **Public Housing**

**The Housing Authority of the City of Fort Wayne, Indiana  
Effective: July 1, 2008**

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## Preamble

### ADMISSIONS AND CONTINUED OCCUPANCY POLICY

*This Admissions and Continued Occupancy Policy defines the Housing Authority of the City of Fort Wayne, Indiana hereinafter referred to as FWHA ,policies for the operation for the Public Housing Program, incorporating Federal, State and local law. If there is any conflict between this policy and laws or regulations, the laws and regulations will prevail.*

*On March 29, 2000, in the Federal Register, HUD published the final rule implementing changes to the admission and occupancy requirements for the public housing program made by the Quality Housing and Work Responsibility Act of 1998. These changes concern choice of rent, community service and self-sufficiency, admission preferences and determination of income and rent in the Public Housing and Section 8 housing assistance programs. This final rule follows a proposed rule published on April 30, 1999, and takes into consideration the public comments received on the proposed rule. The effective date of the mandated changes is April 28, 2000.*

*Since the mandated changes of 2000, the Department of Housing & Urban Development has issued periodic revisions and guidance. FWHA makes every attempt to ensure that its current policies reflect all subsequent rule changes. As such, periodic review and revision of the FWHA Admissions and Continued Occupancy Policy is required. The effective date of the current FWHA policy is July 1, 2006.*

## 1.0 FAIR HOUSING

It is the policy of the FWHA to fully comply with all Federal, State and local nondiscrimination laws; the Americans with Disabilities Act; and the U. S. Department of Housing and Urban Development regulations governing Fair Housing and Equal Opportunity. It is the policy of FWHA to administer public housing in accordance with applicable civil rights laws and regulations and to affirmatively further fair housing and to submit applicable equal housing opportunity certifications.

No person shall, on the grounds of race, color, sex, religion, national or ethnic origin, familial status, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under FWHA's programs.

To further its commitment to full compliance with applicable Civil Rights laws, the FWHA will provide Federal/State/local information to applicants/tenants of the Public Housing Program regarding discrimination and any recourse available to them if they believe they may be victims of discrimination. Such information will be made available with the application, and all applicable Fair Housing Information and Discrimination Complaint Forms will be made available at the FWHA office. In addition, all written information and advertisements will contain the appropriate Equal Opportunity language and logo.

FWHA will assist any family that believes they have suffered illegal discrimination by providing them with copies of the appropriate housing discrimination forms. FWHA will also assist them in completing the forms if requested, and will provide them with the address of the nearest HUD office of Fair Housing and Equal Opportunity.

## **2.0 REASONABLE ACCOMMODATION**

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

### **3.0 SERVICES FOR NON-ENGLISH SPEAKING APPLICANTS AND RESIDENTS**

FWHA will strive to provide access to people who speak languages other than English in order to assist non-English speaking families.



## 4.0 FAMILY OUTREACH

FWHA will publicize the availability and nature of the Public Housing Program for extremely low-income, very low and low-income families in a newspaper of general circulation, minority media, FWHA website , and by other suitable means.

To reach people who cannot or do not read the newspapers; FWHA will distribute fact sheets to the broadcasting media and initiate personal contacts with members of the news media and community service personnel. FWHA will also try to utilize public service announcements.

FWHA will communicate the status of housing availability to other service providers in the community and inform them of housing eligibility factors and guidelines so they can make proper referrals for the Public Housing Program.

## 5.0 RIGHT TO PRIVACY

All adult members of both applicant and tenant households are required to sign HUD Form 9886, Authorization for Release of Information and Privacy Act Notice. The Authorization for Release of Information and Privacy Act Notice states how family information will be released and includes the Federal Privacy Act Statement.

Any request for applicant or tenant information will not be released unless there is a signed release of information request from the applicant or tenant. Electronic Income Verification (EIV) for anyone over the age of 18 can not be provided to anyone other than the person whose income was verified. For youth under the age of 18, only the Head of Household on the same FWHA lease as the youth can have access to that youth's EIV information. All EIV information requests must be made in writing.

## 6.0 REQUIRED POSTINGS

In each of its offices, FWHA will post, in a conspicuous place and at a height easily read by all persons including persons with mobility disabilities, the following information:

- A Statement of Policies and Procedures governing Admission and Continued Occupancy or a notice of where the policy is available.
- Notice of the status of the waiting list (opened or closed)
- Tenant Selection Policies (960.204)
- A listing of all the developments by name, address, number of units, units designed with special accommodations, address of all project offices, office hours, telephone numbers, TDD numbers, and Resident Facilities and operation hours
- Income Limits for Admission
- Current Schedule of Maintenance Charges
- Utility Allowance Schedule
- Dwelling Lease
- Grievance Procedure
- Fair Housing Poster
- Equal Opportunity in Employment Poster
- Any current FWHA Notices

## 7.0 TAKING APPLICATIONS

Families wishing to apply for the Public Housing Program will be required to complete an application for housing assistance. An application may be mailed to a potential applicant, however, Applications will only be accepted during regular business hours at: 2013 South Anthony Blvd., Fort Wayne, Indiana

Applications are taken to compile a waiting list. Due to the demand for housing in FWHA jurisdiction, FWHA may take applications on an open enrollment basis, depending on the length of the waiting list.

Completed applications will be accepted for all applicants and FWHA will verify the information.

The completed application will be dated and time stamped upon its return to FWHA.

Persons with disabilities who require a reasonable accommodation in completing an application may call FWHA to make special arrangements. A Telecommunication Device for the Deaf (TDD) is available for the deaf.

The application process will involve two phases. The first phase is the initial application for housing assistance or the pre-application. The pre-application requires the family to provide limited basic information establishing any preferences to which they may be entitled. This first phase results in the family's placement on the waiting list.

Upon receipt of the family's pre-application, FWHA will make a preliminary determination of eligibility. FWHA will notify the family in writing of the date and time of placement on the waiting list, and the approximate wait before housing may be offered. If FWHA determines the family to be ineligible, the notice will state the reasons therefore and will offer the family the opportunity of an informal review of the determination.

The applicant may at any time report changes in their applicant status including changes in family composition, income, or preference factors. FWHA will annotate the applicant's file and will update their place on the waiting list. Confirmation of the changes will be confirmed with the family in writing.

The second phase is the final determination of eligibility, referred to as the full application. The full application takes place when the family nears the top of the waiting list. FWHA will ensure that verification of all preferences, eligibility, suitability and selection factors are current in order to determine the family's final eligibility for admission into the Public Housing Program.

## 8.0 ELIGIBILITY FOR ADMISSION (24 CFR 960.201)

### 8.1 INTRODUCTION

This Chapter defines both HUD's and the FWHA criteria for admission and denial of admission to the program. The policy of this FWHA is to strive for objectivity and consistency in applying these criteria to evaluate the qualifications of families who apply. The FWHA 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 FWHA pertaining to their eligibility.

There are five eligibility requirements for admission to public housing: qualifies as a family, has an income within the income limits, meets citizenship/eligible immigrant criteria, provides documentation of Social Security numbers, and signs consent authorization documents. In addition to the eligibility criteria, families must also meet FWHA screening criteria in order to be admitted to public housing.

### 8.2 ELIGIBILITY CRITERIA

#### A. Family status.

1. A **family with or without children**. Such a family is defined as a group of people related by blood, marriage, adoption or affinity that live together in a stable family relationship.
  - a. Children temporarily absent from the home due to placement in foster care are considered family members.
  - b. Unborn children and children in the process of being adopted are considered family members for the purpose of determining bedroom size but are not considered family members for determining income limit.
2. An **elderly family**, which is:
  - a. A family whose head, spouse, or sole member is a person who is at least 62 years of age;
  - b. Two or more persons who are at least 62 years of age living together; or

- c. One or more persons who are at least 62 years of age living with one or more live-in aides.
3. A **near-elderly family**, which is:
- a. 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;
  - b. Two or more persons, who are at least 50 years of age but below the age of 62, living together; or
  - c. 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.
4. A **disabled family**, which is:
- a. A family whose head, spouse, or sole member is a person with disabilities;
  - b. Two or more persons with disabilities living together; or
  - c. One or more persons with disabilities living with one or more live-in aides.
- A person with disabilities:**
- 1. Means a person who:
    - i) Has a disability, as defined in 42 U. S. C. 423
    - ii) Is determined, under HUD regulations, to have a physical, mental, or emotional impairment that:
      - (a) Is expected to be of long-continued and indefinite duration
      - (b) Substantially impedes the ability to live independently, and
      - (c) Is of such a nature that the ability to live independently could be improved by more suitable housing conditions; or
    - iii) Has a developmental disability as defined in 42 U.S.C. 6001
  - 2. Does not exclude persons who have AIDS or conditions arising from AIDS
  - 3. Does not include a person whose disability is based solely on any drug or alcohol dependence (for low income housing eligibility purposes)
  - 4. Means "individual with handicaps", as defined in 24 CFR 8.3, for purposes of reasonable accommodation and program accessibility for persons with disabilities
5. A **displaced family**, which is a family in which each member, or whose sole member, has been displaced by governmental action, or whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

6. A **remaining member of a tenant family**.
7. A **single person** who is not an elderly or displaced person, a person with disabilities, or the remaining member of a tenant family.

**B. Income eligibility**

The Quality Work responsibility Act of 1998 authorizes PHAs to admit families whose income does not exceed the low-income (80% of median area income) once the PHA has met the annual 40% targeted income requirement of extremely low-income families (families whose income does not exceed 30% of median area income).

**C. Citizenship/Eligibility Status**

To be eligible each member of the family must be a citizen, national, or a noncitizen who has eligible immigration status under one of the categories set forth in Section 214 of the Housing and Community Development Act of 1980 (see 42 U.S.C. 1436a(a)).

1. Family eligibility for assistance.
  - a. A family shall not be eligible for assistance unless every member of the family residing in the unit is determined to have eligible status, with the exception noted below.
  - b. Despite the ineligibility of one or more family members, a mixed family may be eligible for one of three types of assistance. (See Section 13.6 for calculating rents under the non citizen rule)
  - c. A family without any eligible members and receiving assistance on June 19, 1995 may be eligible for temporary deferral of termination of assistance.

**D. Social Security Number Documentation**

To be eligible, all family members 6 years of age and older must provide a Social Security number or certify that they do not have one.

## **E. Signing Consent Forms**

1. In order to be eligible, each member of the family who is at least 18 years of age, and each family head and spouse regardless of age, shall sign one or more consent forms.
2. The consent form must contain, at a minimum, the following:
  - a. A provision authorizing HUD or FWHA to obtain from State Wage Information Collection Agencies (SWICAs) any information or materials necessary to complete or verify the application for participation or for eligibility for continued occupancy; and
  - b. A provision authorizing HUD or FWHA to verify with previous or current employers income information pertinent to the family's eligibility for or level of assistance;
  - c. A provision authorizing HUD to request income information from the IRS and the SSA for the sole purpose of verifying income information pertinent to the family's eligibility or level of benefits; and
  - d. A statement that the authorization to release the information requested by the consent form expires 15 months after the date the consent form is signed.

## **8.3 SUITABILITY**

- A. Applicant families will be evaluated to determine whether, based on their recent behavior, such behavior could reasonably be expected to result in noncompliance with the public housing lease. FWHA will look at past conduct as an indicator of future conduct. Emphasis will be placed on whether a family's admission could reasonably be expected to have a detrimental effect on the development environment, other tenants, FWHA employees, or other people residing in the immediate vicinity of the property. Otherwise eligible families will be denied admission if they fail to meet the suitability criteria.
- B. FWHA will consider objective and reasonable aspects of the family's background, including the following:
  1. History of meeting financial obligations, especially rent;

2. Ability to maintain (or with assistance would have the ability to maintain) their housing in a decent and safe condition based on living or housekeeping habits and whether such habits could adversely affect the health, safety, or welfare of other tenants;
  3. History of criminal activity by any household member involving crimes of physical violence against persons or property and any other criminal activity including drug-related criminal activity that would adversely affect the health, safety, or well being of other tenants or staff or cause damage to the property;
  4. History of disturbing neighbors or destruction of property;
  5. Having committed fraud in connection with any Federal housing assistance program, including the intentional misrepresentation of information related to their housing application or benefits derived there from; and
  6. History of abusing alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment by others.
  7. The FWHA will not deny admission to any applicant on the basis that the applicant is or has been the Victim of domestic violence or stalking if the applicant otherwise qualifies for admission.
- C. FWHA will ask applicants to provide information demonstrating their ability to comply with the essential elements of the lease. FWHA will verify the information provided. Such verification may include but may not be limited to the following:
1. A credit check of the head, spouse and co-head;
  2. A rental history check of all adult family members;
  3. A criminal background check on all adult household members, including live-in aides. This check will be made through State or local law enforcement or court records in those cases where the household member has lived in the local jurisdiction for the last three years. Where the individual has lived outside the local area, FWHA may contact law enforcement agencies where the individual had lived or request a check through the FBI's National Crime Information Center (NCIC);
  4. A home visit. The home visit provides the opportunity for the family to demonstrate their ability to maintain their home in a safe and sanitary manner. This inspection considers cleanliness and care of rooms, appliances, and appurtenances. The inspection may also consider any evidence of criminal activity; and
  5. A check of the State's lifetime sex offender registration program for each adult

household member, including live-in aides. No individual registered with this program will be admitted to public housing.

#### **8.4 GROUNDS FOR DENIAL**

FWHA is not required or obligated to assist applicants who:

- A. Do not meet any one or more of the eligibility criteria;
- B. Do not supply information or documentation required by the application process;
- C. Have failed to respond to a written request for information or a request to declare their continued interest in the program;
- D. Have a history of not meeting financial obligations, especially rent;
- E. Do not have the ability to maintain (with assistance) their housing in a decent and safe condition where such habits could adversely affect the health, safety, or welfare of other tenants;
- F. Have a history of criminal activity by any household member involving crimes of physical violence against persons or property and any other criminal activity including drug-related criminal activity that would adversely affect the health, safety, or well being of other tenants or staff or cause damage to the property;
- G. Have a history of disturbing neighbors or destruction of property;
- H. Currently owes rent or other amounts to any housing authority in connection with their public housing or Section 8 programs;
- I. Have committed fraud, bribery or any other corruption in connection with any Federal housing assistance program, including the intentional misrepresentation of information related to their housing application or benefits derived there from;
- J. Were evicted from assisted housing within three years of the projected date of admission because of drug-related criminal activity involving the personal use or possession for personal use;
- K. Were evicted from assisted housing within five years of the projected date of admission because of drug-related criminal activity involving the illegal manufacture, sale, distribution, or possession with the intent to manufacture, sell, distribute a controlled substance as defined in Section 102 of the Controlled Substances Act, 21 U.S.C. 802;
- L. Are illegally using a controlled substance or are abusing alcohol in a way that may

interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. FWHA may waive this requirement if:

1. The person demonstrates to FWHA's satisfaction that the person is no longer engaging in drug-related criminal activity or abuse of alcohol;
  2. Has successfully completed a supervised drug or alcohol rehabilitation program;
  3. Has otherwise been rehabilitated successfully; or
  4. Is participating in a supervised drug or alcohol rehabilitation program.
- M. Have engaged in or threatened abusive or violent behavior towards any FWHA staff or residents;
- N. Have a household member who has ever been evicted from public housing;
- O. Have a family household member who has been terminated under the certificate or voucher program;
- P. **Denied for Life:** If any family member has been convicted of manufacturing or producing methamphetamine (speed) in a public housing development or in a Section 8 assisted property;
- Q. **Denied for Life:** Has a lifetime registration under a State sex offender registration program.

### ***8.5 INFORMAL REVIEW***

- A. If FWHA determines that an applicant does not meet the criteria for receiving public housing assistance, FWHA will promptly provide the applicant with written notice of the determination. The notice must contain a brief statement of the reason(s) for the decision and state that the applicant may request an informal review of the decision within 10 business days of the denial. FWHA will describe how to obtain the informal review.

The informal review may be conducted by any person designated by FWHA, other than a person who made or approved the decision under review or subordinate of this person. The applicant must be given the opportunity to present written or oral objections to FWHA's decision. FWHA must notify the applicant of the final decision within 14 calendar days after the informal review, including a brief statement of the reasons for the final decision.

DRAFT

*HOUSING AUTHORITY OF THE CITY OF FORT WAYNE, INDIANA  
ADMISSIONS AND OCCUPANCY POLICY  
EFFECTIVE JULY 1, 2008*

## **9.0 MANAGING THE WAITING LIST**

### ***9.1 OPENING AND CLOSING THE WAITING LIST***

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

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

Closing of the waiting list will also be announced with a public notice. The public notice will state the date the waiting list will be closed and for what bedroom sizes. The public notice will be published in a local newspaper of general circulation and minority media, made available to local service providers, and posted on FWHA's website.

### ***9.2 ORGANIZATION OF THE WAITING LIST***

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

- A. The application will be maintained as part of the leasing file;
- B. All applications will be maintained in order of bedroom size, preference, and then in order of date and time of application; and
- C. Any contacts between FWHA and the applicant will be documented in the applicant file.

### ***9.3 FAMILIES NEARING THE TOP OF THE WAITING LIST***

When a family appears to be within three (3) months of being offered a unit, the family will be invited to an interview and the verification process will begin. It is at this point in time that the family's waiting list preference will be verified. If the family no longer qualifies to be near the top of the list, the family's name will be returned to the appropriate spot on the waiting list. FWHA must notify the family in writing of this determination and give the family the opportunity for an informal review.

Once the preference has been verified, the family will complete a full application, present Social Security number information, citizenship/eligible immigrant information, and sign the Consent for Release of Information forms.

## **9.4 PURGING THE WAITING LIST**

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

## **9.5 REMOVAL OF APPLICANTS FROM THE WAITING LIST**

FWHA will not remove an applicant's name from the waiting list unless:

- A. The applicant requests in writing that the name be removed;
- B. The applicant's mail is returned indicating that the applicant has not updated FWHA with the required change of address information;
- C. The applicant fails to respond to a written request for information or a request to declare their continued interest in the program; or
- D. The applicant does not meet either the eligibility or suitability criteria for the program.

## **9.6 MISSED APPOINTMENTS**

All applicants who fail to keep a scheduled appointment with FWHA will be sent a notice of termination of the process for eligibility.

FWHA will allow the family to reschedule for good cause. Generally, no more than one opportunity will be given to reschedule without good cause, and no more than two opportunities will be given for good cause. When good cause exists for missing an appointment, FWHA will work closely with the family to find a more suitable time. Applicants will be offered the right to an informal review before being removed from the waiting list.

## **9.7 NOTIFICATION OF NEGATIVE ACTIONS**

Any applicant whose name is being removed from the waiting list will be notified by FWHA, in writing to the current address that FWHA has on file, that they have ten (10) calendar days from the date of the written correspondence to present mitigating circumstances or request an informal review. The letter will also indicate that their name will be removed from the waiting list if they fail to respond within the timeframe specified. FWHA system of removing applicant names from the waiting list will not violate the rights of persons with disabilities. If an applicant claims that their failure to respond to a request for information or updates was caused by a disability, FWHA will verify that there is in fact a disability and the disability caused the failure to respond, and provide a reasonable accommodation. An example of a reasonable accommodation would be to reinstate the applicant on the waiting list based on the date and time of the original application.

# 10.0 TENANT SELECTION AND ASSIGNMENT PLAN

## 10.1 PREFERENCES

FWHA will select families based on the following preferences within each bedroom size category:

- A. **Residency preference** for families who live or work in the jurisdiction of the Housing Authority of the City of Fort Wayne, Indiana. The Residency Preference will be implemented in accordance with applicable discrimination and equal opportunity requirements listed at Sec. 5.105(a). Use of the residency preference may not have the "purpose or effect" of delaying or otherwise denying admission to a project or unit based on the race, color, ethnic origin, gender, religion, disability or age of any member of an applicant family.
- B. **Mixed income preference** for families with incomes needed to achieve deconcentration of poverty and income-mixing goals.
- C. **Veteran preference**: within the state law definition and veterans or surviving spouses of veterans.
- D. **Working preference (24 CFR 5.415)** for families with at least one adult who is employed and has been employed for 12 consecutive months. This preference is extended equally to an applicant whose head or spouse are age 62 or older or are receiving social security disability, supplemental security income disability benefits, or any other payments based on an individual's inability to work. This includes families who are graduates of or participants in educational and training programs designed to prepare the individual for the job market. The working family preference is not based on the amount of earned income.
- E. **Graduates of transitional housing programs** for homeless/ substance abusers/ victims of domestic abuse
- F. **Singles Preference**: Applicants who are elderly, disabled, or displaced households of no more than two persons will be given a selection priority over all "Other Single" applicants regardless of preference status.

Other Singles denotes a one-person household in which the individual member is either elderly, disabled, or displaced by government action. Such applicants will be placed on the waiting list in accordance with their preferences, but can not be selected for assistance before any *one or two person* elderly, disabled or displaced family regardless of local preferences.

- G. **Involuntary Displacement Preference** Displaced person(s): Individuals or families displaced by government action or whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal Disaster Relief Laws.
- H. **Applicants with an adult family member enrolled in an employment training program** currently working a minimum of twenty-five hours per week or attending school on a full-time basis. This preference is also extended equally to all elderly families and all families whose head or spouse is receiving income based on their inability to work.

- I. **Blood lead level of 45 µg/dL or greater or if their doctor requires chelation therapy due to an elevated blood lead level in children under the age of seven.** These children and their families will be given the maximum number of points possible, thereby moving them to the top of the Fort Wayne Housing Authority Public Housing waiting list. Referral basis from the Allen County Health Department.

Based on the above preferences, all families will receive one point for each preference, except for families with children under the age of seven that have blood lead level of 45 µg/dL or greater or if their doctor requires chelation therapy due to an elevated blood lead, these families will receive 15 points. The date and time of application will be noted and utilized to determine the sequence within the above prescribed preferences. The total number of points for each family will determine the placement of the family on the public housing waiting list.

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

**Buildings Designed for Elderly and Disabled Tenants:** The Tall Oaks Apartments, Beacon Heights, North Highlands, Miami Homes have been designed to help meet the special needs of elderly and disabled tenants. In filling vacancies in these developments, priority will be given on a unit by unit basis based on the unit's special design to serve the tenant's needs and appropriate bedroom size. Families will be selected from the waiting list using the preferences as outlined above.

**Accessible Units:** Accessible units will be first offered to families who may benefit from the accessible features. Applicants for these units will be selected utilizing the same preference system as outlined above. If there are no applicants who would benefit from the accessible features, the units will be offered to other applicants in the order that their names come to the top of the waiting list. Such applicants, however, must sign a release form stating they will accept a transfer (at their own expense) if, at a future time, a family requiring an accessible feature applies. Any family required to transfer will be given a 30-day notice.

## ***10.2 ASSIGNMENT OF BEDROOM SIZES***

The following guidelines will determine each family's unit size without overcrowding or over-housing:

Number of	Number of	
	Minimum	Maximum
0	1	1
1	1	2
2	2	4
3	3	6
4	4	8

5	6	10
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These standards are based on the assumption that each bedroom will accommodate no more than two (2) persons. Zero bedroom units will only be assigned to one-person families. Two adults will share a bedroom unless related by blood.

In determining bedroom size, FWHA will include the presence of children to be born to a pregnant woman, children who are in the process of being adopted, children whose custody is being obtained, children who are temporarily away at school, or children who are temporarily in foster-care.

In addition, the following considerations may be taken in determining bedroom size:

- A. Children of the opposite sex, both under the age of **three** will share a bedroom.
- B. Adults and children will not be required to share a bedroom with the exception of a child under the age of one with a single parent.
- C. Foster – adults and/or foster - children will not be required to share a bedroom with family members.
- D. Live-in aides will get a separate bedroom.

Exceptions to normal bedroom size standards include the following:

- A. Units smaller than assigned through the above guidelines – A family may request a smaller unit size than the guidelines allow. FWHA will allow the smaller size unit so long as generally no more than two (2) people per bedroom are assigned. In such situations, the family will sign a certification stating they understand they will be ineligible for a larger size unit for three years or until the family size changes, whichever may occur first.
- B. Units larger than assigned through the above guidelines – A family may request a larger unit size than the guidelines allow. FWHA will allow the larger size unit if the family provides a verified medical need that the family be housed in a larger unit.
- C. If there are no families on the waiting list for a larger size, smaller families may be housed if they sign a release form stating they will transfer (at the family's own expense) to the appropriate size unit when an eligible family needing the larger unit applies. The family transferring will be given a 30-day notice before being required to move.
- D. Larger units may be offered in order to improve the marketing of a development suffering a high vacancy rate.
- E. Larger and/or smaller units may be offered to promote FWHA's deconcentration efforts.

### **10.3 SELECTION FROM THE WAITING LIST**

FWHA shall follow the statutory requirement that at least 40% of newly admitted families in any fiscal year be families whose annual income is at or below 30% of the area median income. To

insure this requirement is met we shall perform quarterly quality assurance monitoring of the incomes of newly admitted families and the incomes of the families on the waiting list. If it appears that the requirement to house extremely low-income families will not be met, we will skip higher income families on the waiting list to reach extremely low-income families.

If there are not enough extremely low-income families on the waiting list we will conduct outreach on a non-discriminatory basis to attract extremely low-income families to reach the statutory requirement.

#### ***10.4 DECONCENTRATION POLICY***

It is FWHA's policy to provide for deconcentration of poverty and encourage income mixing by bringing higher income families into lower income developments and lower income families into higher income developments. Toward this end, we will skip families on the waiting list to reach other families with a lower or higher income. We will accomplish this in a uniform and non-discriminating manner.

FWHA will affirmatively market our housing to all eligible income groups. Lower income residents will not be steered toward lower income developments and higher income people will not be steered toward higher income developments.

Prior to the beginning of each fiscal year, we will analyze the income levels of families residing in each of our developments, the income levels of census tracts in which our developments are located, and the income levels of the families on the waiting list. Based on this analysis, we will determine the level of marketing strategies and deconcentration incentives to implement.

#### ***10.5 DECONCENTRATION INCENTIVES***

FWHA may offer one or more incentives to encourage applicant families whose income classification would help to meet the deconcentration goals of a particular development.

Various incentives may be used at different times, or under different conditions, but will always be provided in a consistent and nondiscriminatory manner.

#### ***10.6 OFFER OF A UNIT***

When FWHA discovers that a unit will become available, we will contact the first family on the waiting list who has the highest priority for this type of unit or development and whose income category would help to meet the deconcentration goal and/or the income targeting goal.

FWHA will contact the family first by telephone to make the unit offer. If the family cannot be reached by telephone, the family will be notified of a unit offer via first class mail. The family will be given five (5) business days from the date the letter was mailed to contact FWHA regarding the offer.

The family will be offered the opportunity to view the unit. After the opportunity to view the unit, the family will have two (2) business days to accept or reject the unit. This verbal offer and the family's

decision must be documented in the tenant file. If the family rejects the offer of the unit, FWHA will send the family a letter documenting the offer and the rejection.

### ***10.7 REJECTION OF UNIT***

If in making the offer to the family FWHA skipped over other families on the waiting list in order to meet their deconcentration goal or offered the family any other deconcentration incentive and the family rejects the unit, the family will not lose their place on the waiting list and will not be otherwise penalized.

If FWHA did not skip over other families on the waiting list to reach this family, did not offer any other deconcentration incentive, and the family rejects the unit without good cause, the family will forfeit their application's date and time. The family will keep their preferences, but the date and time of application will be changed to the date and time the unit was rejected.

If the family rejects with good cause any unit offered, they will not lose their place on the waiting list. Good cause includes reasons related to health, proximity to work, school, and childcare (for those working or going to school). The family will be offered the right to an informal review of the decision to alter their application status.

### ***10.8 ACCEPTANCE OF UNIT***

The family will be required to sign a lease that will become effective no later than three (3) business days after the date of acceptance or the business day after the day the unit becomes available, whichever is later.

Prior to signing the lease all families (head of household) and other adult family members will be required to attend the Lease and Occupancy Orientation when they are initially accepted for occupancy. The family will not be housed if they have not attended the orientation. Applicants who provide prior notice of an inability to attend the orientation will be rescheduled. Failure of an applicant to attend the orientation, without good cause, may result in the cancellation of the occupancy process.

The applicant will be provided a copy of the lease, the grievance procedure, utility allowances, utility charges, the current schedule of routine maintenance charges, and a request for reasonable accommodation form. These documents will be explained in detail. The applicant will sign a certification that they have received these documents and that they have reviewed them with Housing Authority personnel. The certification will be filed in the tenant's file.

The signing of the lease and the review of financial information are to be privately handled. The head of household and all adult family members will be required to execute the lease prior to admission. One executed copy of the lease will be furnished to the head of household and FWHA will retain the original executed lease in the tenant's file. A copy of the grievance procedure will be attached to the resident's copy of the lease.

The family will pay a security deposit at the time of lease signing. The security deposit will be equal to The Total Tenant Payment or \$100.00 whichever is greater or

In exceptional situations, FWHA reserves the right to allow a new resident to pay their security deposit in up to three (3) payments. One third shall be paid in advance, one third with their second rent payment, and one third with their third rent payment. This shall be at the sole discretion of the Housing Authority.

In the case of a move within public housing, the security deposit for the first unit will be transferred to the second unit. Additionally, if the security deposit for the second unit is greater than that for the first, the difference will be collected from the family. Conversely, if the security deposit is less, the difference will be refunded to the family.

In the event there are costs attributable to the family for bringing the first unit into condition for re-renting, the family shall be billed for these charges.

## 11.0 INCOME, EXCLUSIONS FROM INCOME, AND DEDUCTIONS FROM INCOME

To determine annual income, FWHA counts the income of all family members, excluding the types and sources of income that are specifically excluded. Once the annual income is determined, FWHA subtracts all allowable deductions (allowances) to determine the Total Tenant Payment.

### 11.1 INCOME

Annual income means all amounts, monetary or not, that:

- A. Go to (or on behalf of) the family head or spouse (even if temporarily absent) or to any other family member; or
- B. Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
- C. Are not specifically excluded from annual income.

**Annual income includes, but is not limited to:**

- A. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services.
- B. The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness are not used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession is included in income, except to the extent the withdrawal is a reimbursement of cash or assets invested in the operation by the family.
- C. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness are not used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from an investment is included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income includes the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD.
- D. The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount. (However, deferred periodic amounts from supplemental security income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts are excluded.)

- E. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay. (However, lump sum additions such as insurance payments from worker's compensation are excluded.)
- F. Welfare assistance.
  - 1. If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income consists of:
    - a. The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus
    - b. The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this requirement is the amount resulting from one application of the percentage.
  - 2. If the amount of welfare is reduced due to an act of fraud by a family member or because of any family member's failure to comply with requirements to participate in an economic self-sufficiency program or work activity, the amount of rent required to be paid by the family will not be decreased. In such cases, the amount of income attributable to the family will include what the family would have received had they complied with the welfare requirements and/or had not committed an act of fraud.
  - 3. If the amount of welfare assistance is reduced as a result of a lifetime time limit, the reduced amount is the amount that shall be counted as income.
- G. Periodic and determinable allowances, such as alimony, child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling.
- H. All regular pay, special pay, and allowances of a member of the Armed Forces. (Special pay to a member exposed to hostile fire is excluded.)

## **11.2 ANNUAL INCOME**

### **Annual income does not include the following:**

- A. Income from employment of children (including foster children) under the age of 18 years;
- B. Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);
- C. 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;

- D. Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
- E. Income of a live-in aide;
- F. The full amount of student financial assistance paid directly to the student or to the educational institution;
- G. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- H. The amounts received from the following programs:
  - 1. Amounts received under training programs funded by HUD;
  - 2. 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);
  - 3. Amounts received by a participant in other publicly assisted programs that are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and that are made solely to allow participation in a specific program;
  - 4. Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the Housing Authority or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, and resident initiatives coordination. No resident may receive more than one such stipend during the same period of time;
  - 5. 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 a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives and are excluded only for the period during which the family member participates in the employment training program;
  - 6. Temporary, nonrecurring or sporadic income (including gifts);
  - 7. 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;
  - 8. Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);
  - 9. Adoption assistance payments in excess of \$480 per adopted child;
  - 10. For family members who enrolled in certain training programs prior to 10/1/99, the

earnings and benefits resulting from the participation if the program provides employment training and supportive services in accordance with the Family Support Act of 1988, Section 22 of the 1937 Act (42 U.S.C. 1437t), or any comparable Federal, State, or local law during the exclusion period. For purposes of this exclusion the following definitions apply:

- a. Comparable Federal, State or local law means a program providing employment training and supportive services that:
    - i. Is authorized by a Federal, State or local law;
    - ii. Is funded by the Federal, State or local government;
    - iii. Is operated or administered by a public agency; and
    - iv. Has as its objective to assist participants in acquiring employment skills.
  - b. Exclusion period means the period during which the family member participates in a program described in this section, plus 18 months from the date the family member begins the first job acquired by the family member after completion of such program that is not funded by public housing assistance under the 1937 Act. If the family member is terminated from employment with good cause, the exclusion period shall end.
  - c. Earnings and benefits mean the incremental earnings and benefits resulting from a qualifying employment training program or subsequent job.
11. The incremental earnings due to employment during the 12-month period following date of hire shall be excluded. This exclusion (paragraph 11) will not apply for any family who concurrently is eligible for exclusion #10. Additionally, this exclusion is only available to the following families:
- a. Families whose income increases as a result of employment of a family member who was previously unemployed for one or more years.
  - b. Families whose income increases during the participation of a family member in any family self-sufficiency program.
  - c. Families who are or were, within 6 months, assisted under a State TANF program.

(While HUD regulations allow for the housing authority to offer an escrow account in lieu of having a portion of their income excluded under this paragraph, it is the policy of this housing authority to provide the exclusion in all cases.)

12. Deferred periodic amounts from supplemental security income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts;
13. 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;
14. 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; or

15. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits. These exclusions include:

- a. The value of the allotment of food stamps
- b. Payments to volunteers under the Domestic Volunteer Services Act of 1973
- c. Payments received under the Alaska Native Claims Settlement Act
- d. Income from submarginal land of the U.S. that is held in trust for certain Indian tribes
- e. Payments made under HHS's Low-Income Energy Assistance Program
- f. Payments received under the Job Training Partnership Act
- g. Income from the disposition of funds of the Grand River Band of Ottawa Indians
- h. The first \$2000 per capita received from judgment funds awarded for certain Indian claims
- i. Amount of scholarships awarded under Title IV including Work Study
- j. Payments received under the Older Americans Act of 1965
- k. Payments from Agent Orange Settlement
- l. Payments received under the Maine Indian Claims Act
- m. The value of child care under the Child Care and Development Block Grant Act of 1990
- n. Earned income tax credit refund payments
- o. Payments for living expenses under the Americorps Program
- p. Additional income exclusions provided by and funded by FWHA
- q. Amount received as a stipend by a resident who serves on the PHA governing board.
- r. Income received by residents who are census takers.

FWHA will not provide exclusions from income in addition to those already provided for by HUD.

### **11.3 DEDUCTIONS FROM ANNUAL INCOME**

The following deductions will be made from annual income:

- A. \$480 for each dependent;
- B. \$400 for any elderly family or disabled family;
- C. For any family that is not an elderly or disabled family but has a member (other than the head or spouse) who is a person with a disability, disability assistance expenses in excess of 3% of annual income. This allowance may not exceed the employment income received by family member(s) who are 18 years of age or older and are able to remain employed as a result of the assistance to the person with disabilities.
- D. For any elderly or disabled family:
  1. That has no disability assistance expenses, an allowance for medical expenses equal to the amount by which the medical expenses exceed 3% that of annual income;
  2. That has disability expenses greater than or equal to 3% of annual income, an allowance for disability assistance expenses computed in accordance with paragraph C, plus an allowance for medical expenses that equal the family's medical expenses;
  3. That has disability assistance expenses that are less than 3% of annual income, an allowance for combined disability assistance expenses and medical expenses that are equal to the total of these expenses less 3% of annual income.
- E. Child care expenses not otherwise reimbursed and to an amount not greater than the employment income received by the family member(s) who are 18 years of age or older and are able to remain employed as a result of the child care.

### **11.4 FAMILY DISCLOSURE OF HUD NOTICE CONCERNING FAMILY INCOME**

Family must promptly furnish to the FWHA any letter from HUD concerning the amount or verification of family income. This applies to a family that resides in a dwelling unit with assistance in the public housing program, the Section 8 tenant-based programs, and the project-based Section 8, Section 202, and Section 811 programs

FWHA must:

- Verify the information received from the family;
- Make appropriate adjustments in the amount of income, TTP and tenant rent;

- Terminate, reduce, or suspend assistance, if appropriate;
- Follow program termination procedures; and,
- Provide the family with an opportunity for hearing prior to termination effective date.

With respect to families no longer in occupancy, the PHA should pursue abuses regarding excess rental assistance, such as:

- Reporting the deficiency of payments to credit bureaus, if it is practical to do so, and
- Recovery of such amounts, if they have the resources to do so.

## **12.0 VERIFICATION**

FWHA will verify information related to waiting list preferences, eligibility, admission, and level of benefits prior to admission. Periodically during occupancy, items related to eligibility and rent determination shall also be reviewed and verified. Income, assets, and expenses will be verified, as well as disability status, need for a live-in aide and other reasonable accommodations; full time student status of family members 18 years of age and older; Social Security numbers; and citizenship/eligible noncitizen status. Age and relationship will only be verified in those instances where needed to make a determination of level of assistance.

### **12.1 ACCEPTABLE METHODS OF VERIFICATION**

Age, relationship, U.S. citizenship, and Social Security numbers will generally be verified with documentation provided by the family. For citizenship, the family's certification will be accepted. (Or for citizenship documentation such as listed below will be required.) Verification of these items will include photocopies of the Social Security cards, birth certificates, photo ids and other documents presented by the family, the INS SAVE approval code, and forms signed by the family.

Income information for Public Housing residents will first be verified using HUD's Electronic Verification (EIV) system. If there is a discrepancy between the tenant's reported income and the EIV information then third party verification will be conducted to insure the accuracy of the EIV income data. If there is no discrepancy, then no further verification need be conducted. EIV can not verify child support payments. Child support income will be verified via the third party process.

Other information will be verified by third party verification. This type of verification includes written documentation with forms sent directly to and received directly by a source, not passed through the hands of the family. This verification may also be direct contact with the source, in person or by telephone. It may also be a report generated by a request from FWHA or automatically by another government agency, i.e. the Social Security Administration. Verification forms and reports received will be contained in the applicant/tenant file. Oral third party documentation will include the same information as if the documentation had been written, i.e. name date of contact, amount received, etc.

When third party verification cannot be obtained, FWHA will accept documentation received from the applicant/tenant. Hand-carried documentation will be accepted if FWHA has been unable to obtain third party verification in a 4-week period of time. Photocopies of the documents provided by the family will be maintained in the file.

When neither third party verification nor hand-carried verification can be obtained, FWHA will accept a notarized statement signed by the head, spouse or co-head. Such documents will be maintained in the file.

### **12.2 TYPES OF VERIFICATION**

The chart below outlines the factors that may be verified and gives common examples of the verification that will be sought. To obtain written third party verification, FWHA will send a request form to the source along with a release form signed by the applicant/tenant via first class mail.

<b>Verification Requirements for Individual Items</b>			
<b>Item to Be Verified</b>	<b>EIV</b>	<b>3<sup>rd</sup> party verification</b>	<b>Hand-carried verification</b>
<b>General Eligibility Items</b>			
Social Security Number	N/A	Letter from Social Security, electronic reports	Social Security card
Citizenship	N/A	N/A	Signed certification, voter's registration card, birth etc.
Eligible immigration status	N/A	INS SAVE confirmation #	INS card
Disability	N/A	Letter from medical professional, SSI, etc	Proof of SSI or Social Security disability payment
Full time student status (if >18)	N/A	Letter from school	For high school students, any document evidencing
Need for a live-in aide	N/A	Letter from doctor or other professional knowledgeable of condition	N/A
Child care costs	N/A	Letter from care provider	Bills and receipts
Disability assistance expenses	N/A	Letters from suppliers, care givers, etc.	Bills and records of payment
Medical expenses	N/A	Letters from providers, prescription record from pharmacy, medical professional's letter stating assistance or a companion animal is needed	Bills, receipts, records of payment, dates of trips, receipts for fares and tolls
<b>Value of and Income from Assets</b>			
Savings, checking accounts	N/A	Letter from institution	Passbook, most current statements
CDS, bonds, etc.	N/A	Letter from institution	Tax return, information brochure from institution, bond

Stocks	N/A	Letter from broker or holding company	Stock or most current statement, price in newspaper or Internet
Real property	N/A	Letter from tax office, assessment, etc.	Property tax statement (for current value), assessment or income and expenses, tax return
Personal property	N/A	Assessment, bluebook, etc	Receipt for purchase, other evidence of worth
Cash value of life insurance policies	N/A	Letter from insurance company	Current statement
Assets disposed of for less than fair market value	NA	N/A	Original receipt and receipt at disposition, other evidence of worth
<b>Income</b>			
Earned income	EIV 1 <sup>st</sup> Source	Letter from employer	Multiple pay stubs
Self-employed	N/A	N/A	Tax return from prior year, books of accounts
Regular gifts and contributions	N/A	Letter from source, letter from organization receiving gift (i.e., if grandmother pays day care provider, the day care provider could so state)	Bank deposits, other similar evidence
Alimony/child support	N/A	Court order, letter from source, letter from Human Services	Record of deposits, divorce decree
Periodic payments (i.e., social security, welfare, pensions, workers compensation, unemployment)	EIV 1 <sup>st</sup> Source	Letter or electronic reports from the source	Award letter, letter announcing change in amount of payments



If no family member is determined to be eligible under this section, the family's eligibility will be denied.

The family's assistance will not be denied, delayed, reduced, or terminated because of a delay in the process of determining eligible status under this section, except to the extent that the delay is caused by the family.

If FWHA determines that a family member has knowingly permitted an ineligible noncitizen (other than any ineligible noncitizens listed on the lease) to permanently reside in their public housing unit, the family will be evicted. Such family will not be eligible to be readmitted to public housing for a period of 24 months from the date of eviction or termination.

## **12.4 VERIFICATION OF SOCIAL SECURITY NUMBERS**

Prior to admission, each family member who has a Social Security number and who is at least 6 years of age must provide verification of their Social Security number. New family members at least 6 years of age must provide this verification prior to being added to the lease. Children in assisted households must provide this verification at the first regular reexamination after turning six.

The best verification of the Social Security number is the original Social Security card. If the card is not available, FWHA will accept letters from the Social Security Agency that establishes and states the number. Documentation from other governmental agencies will also be accepted that establishes and states the number. Driver's licenses, military IDs, passports, or other official documents that establish and state the number are also acceptable.

If an individual states that they do not have a Social Security number, they will be required to sign a statement to this effect. FWHA will not require any individual who does not have a Social Security number to obtain a Social Security number, however FWHA is required to apply for an alternate tenant identification number assigned by HUD.

If a member of an applicant family indicates they have a Social Security number, but cannot readily verify it, the family cannot be housed until verification is provided.

If a member of a tenant family indicates they have a Social Security number, but cannot readily verify it, they shall be asked to certify to this fact and shall have up to sixty (60) days to provide the verification. If the individual is at least 62 years of age, they will be given one hundred and twenty (120) days to provide the verification. If the individual fails to provide the verification within the time allowed, the family will be evicted.

## **12.5 TIMING OF VERIFICATION**

Third party verification information must be dated within ninety (90) days of certification or reexamination. If the verification is older than this, the source will be contacted and asked to provide information regarding any changes.

When an interim reexamination is conducted, the Housing Authority will verify and update all

information related to family circumstances and level of assistance.

## ***12.6 FREQUENCY OF OBTAINING VERIFICATION***

For each family member, citizenship/eligible noncitizen status will be verified only once. This verification will be obtained prior to admission. If the status of any family member was not determined prior to admission, verification of their status will be obtained at the next regular reexamination. Prior to a new member joining the family, their citizenship/eligible noncitizen status will be verified.

For each family member age 6 and above, verification of Social Security number will be obtained only once. This verification will be accomplished prior to admission. When a family member who did not have a Social Security number at admission receives a Social Security number, that number will be verified at the next regular reexamination. Likewise, when a child turns six, their verification will be obtained at the next regular reexamination.

Income and/or asset information will be verified at least annually. Except for tenants that opt for flat rent who will have their income and assets verified every three years.

## **13.0 DETERMINATION OF TOTAL TENANT PAYMENT AND TENANT RENT**

### ***13.1 FAMILY CHOICE***

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

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

### ***13.2 THE FORMULA METHOD***

The total tenant payment is equal to the highest of:

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

The family will pay the greater of the total tenant payment or the minimum rent of ~~\$(zero)~~ not more than \$50, but never more than the ceiling rent.

In the case of a family who has qualified for the income exclusion at Section 11.2(H)(11), upon the expiration of the 12-month period described in that section, an additional rent benefit accrues to the family. If the family member's employment continues, then for the 12-month period following the 12-month period of disallowance, the resulting rent increase will be capped at 50 percent of the rent increase the family would have otherwise received.

### ***13.3 MINIMUM RENT***

FWHA has set the minimum rent at not more than \$50. However if the family requests a hardship

exemption, FWHA will immediately suspend the minimum rent for the family until the Housing Authority can determine whether the hardship exists and whether the hardship is of a temporary or long-term nature.

- A. A hardship exists in the following circumstances:
  - 1. When the family has lost eligibility for or is waiting an eligibility determination for a Federal, State, or local assistance program;
  - 2. When the family would be evicted as a result of the imposition of the minimum rent requirement;
  - 3. When the income of the family has decreased because of changed circumstances, including loss of employment;
  - 4. When the family has an increase in expenses because of changed circumstances, for medical costs, childcare, transportation, education, or similar items;
  - 5. When a death has occurred in the family.
- B. **No hardship.** If the Housing Authority determines there is no qualifying hardship, the minimum rent will be reinstated, including requiring back payment of minimum rent for the time of suspension.
- C. **Temporary hardship.** If the Housing Authority reasonably determines that there is a qualifying hardship but that it is of a temporary nature, the minimum rent will be not be imposed for a period of 90 days from the date of the family's request. At the end of the 90-day period, the minimum rent will be imposed retroactively to the time of suspension. The Housing Authority will offer a repayment agreement in accordance with the Section 19 of this policy for any rent not paid during the period of suspension. During the suspension period the Housing Authority will not evict the family for nonpayment of the amount of tenant rent owed for the suspension period.
- D. **Long-term hardship.** If the Housing Authority determines there is a long-term hardship, the family will be exempt from the minimum rent requirement until the hardship no longer exists.
- E. **Appeals.** The family may use the grievance procedure to appeal the Housing Authority's determination regarding the hardship. No escrow deposit will be required in order to access the grievance procedure.

### ***13.4 THE FLAT RENT***

FWHA has set a flat rent for each public housing unit. In doing so, it considered the size and type of the unit, as well as its condition, amenities, services, and neighborhood. FWHA determined the market value of the unit and set the rent at the market value. The amount of the flat rent will be reevaluated annually and adjustments applied. Affected families will be given a 30-day notice of any rent change. Adjustments are applied on the anniversary date for each affected family (for more

information on flat rents, see Section 15.3).

FWHA will post the flat rents at each of the developments and at the central office and are incorporated in this policy upon approval by the Board of Commissioners.

### **13.5 CEILING RENT**

FWHA has set a ceiling rent for each public housing unit since September 30, 2002, ceiling rents have been adjusted to mirror the Flat Rent concept. The amount of the ceiling rent will be reevaluated annually and the adjustments applied. Affected families will be given a 30-day notice of any rent change. Adjustments are applied on the anniversary date for each affected family.

FWHA will post the ceiling rents at each of the developments and at the central office and are incorporated in this policy upon approval by the Board of Commissioners.

### **13.6 RENT FOR FAMILIES UNDER THE NONCITIZEN RULE**

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

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

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

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

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

- A. Determine the 95<sup>th</sup> percentile of gross rents (tenant rent plus utility allowance) for FWHA. The 95<sup>th</sup> percentile is called the maximum rent.

- B. Subtract the family's total tenant payment from the maximum rent. The resulting number is called the maximum subsidy.
- C. Divide the maximum subsidy by the number of family members and multiply the result times the number of eligible family members. This yields the prorated subsidy.
- D. Subtract the prorated subsidy from the maximum rent to find the prorated total tenant payment. From this amount subtract the full utility allowance to obtain the prorated tenant rent.

### **13.7 UTILITY ALLOWANCE**

FWHA shall establish a utility allowance for all check-metered utilities and for all tenant-paid utilities. The allowance will be based on a reasonable consumption of utilities by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful environment. In setting the allowance, FWHA will review the actual consumption of tenant families as well as changes made or anticipated due to modernization (weatherization efforts, installation of energy-efficient appliances, etc). Allowances will be evaluated at least annually as well as any time utility rate changes by 10% or more since the last revision to the allowances.

The utility allowance will be subtracted from the family's formula rent to determine the amount of the Tenant Rent. The Tenant Rent is the amount the family owes each month to FWHA. The amount of the utility allowance is then still available to the family to pay the cost of their utilities. Any utility cost above the allowance is the responsibility of the tenant. Any savings resulting from utility costs below the amount of the allowance belongs to the tenant. Families that have elected to receive the Flat or Ceiling rent do not receive the utility allowance reimbursement.

Utility allowance revisions based on rate changes shall be effective retroactively to the first day of the month following the month in which the last rate change took place. Revisions based on changes in consumption or other reasons shall become effective at each family's next annual reexamination.

Families with high utility costs are encouraged to contact FWHA for an energy analysis. The analysis may identify problems with the dwelling unit that once corrected will reduce energy costs. The analysis can also assist the family in identifying ways they can reduce their costs.

Requests for relief from surcharges for excess consumption of FWHA purchased utilities or from payment of utility supplier billings in excess of the utility allowance for tenant-paid utility costs may be granted by FWHA on reasonable grounds. Requests shall be granted to families that include an elderly member or a member with disabilities. Requests by the family shall be submitted under the Reasonable Accommodation Policy. Families shall be advised of their right to individual relief at admission to public housing and at time of utility allowance changes.

### **13.8 PAYING RENT**

Rent and other charges are due and payable on the first day of the month. Rents may be paid at the administrative office, 2013 South Anthony Blvd., Fort Wayne, Indiana or mailed to designated P.O. Box. Reasonable accommodations for this requirement will be made for persons with disabilities. As

a safety measure, no cash shall be accepted as a rent payment

If the rent is not paid by the fifth of the month, a \$10 late fee will be assessed and a \$15 additional fee will be assessed on the 15<sup>th</sup> if the account remains unpaid. A 14 day Notice to Vacate detailing current assessed charges will be issued to the tenant. If rent is paid by a personal check and the check is returned for insufficient funds, this shall be considered a non-payment of rent and will incur the late charge plus an additional charge of \$25 for processing costs.



## **14.0 CONTINUED OCCUPANCY AND COMMUNITY SERVICE**

### **14.1 GENERAL**

In order to be eligible for continued occupancy, each adult family member must either (1) contribute eight hours per month of community service (not including political activities) within the community in which the public housing development is located, or (2) participate in an economic self-sufficiency program unless they are exempt from the Community Service. An overview of the Community Service requirement is listed below and the complete FWHA Community Service Policy is found in Appendix B.

### **14.2 EXEMPTIONS**

The following adult family members of tenant families are exempt from this requirement. The Fort Wayne Housing Authority will claim all claims for exemptions from this requirement. Exempt status will be reviewed at least annually, or upon request from resident.

- A. Family members who are 62 or older
- B. Family members who are blind or disabled
- C. Family members who are the primary care giver for someone who is blind or disabled
- D. Family members engaged in work activity
- E. Family members receiving assistance under a State program funded under Part A, title IV of the Social Security Act or under any other State welfare program, including welfare-to-work and who are in compliance with that program

### **14.3 NOTIFICATION OF THE REQUIREMENT**

FWHA shall identify all adult family members who are apparently not exempt from the community service requirement.

FWHA shall notify all such family members of the community service requirement and of the categories of individuals who are exempt from the requirement. The notification will provide the opportunity for family members to claim and explain an exempt status. FWHA shall verify such claims.

The notification will advise families that their community service obligation will begin upon the effective date of their first annual reexamination on or after 10/1/99. For family's paying a flat rent, the obligation begins on the date their annual reexamination would have been effective had an annual reexamination taken place. It will also advise them that failure to comply with the community service requirement will result in ineligibility for continued occupancy at the time of any subsequent annual reexamination.

## **14.4 VOLUNTEER OPPORTUNITIES**

Community service includes performing work or duties in the public benefit that serve to improve the quality of life and/or enhance resident self-sufficiency, and/or increase the self-responsibility of the resident within the community.

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

FWHA will coordinate with social service agencies, local schools, and the Human Resources Office in identifying a list of volunteer community service positions.

## **14.5 THE PROCESS**

At the first annual reexamination on or after October 1, 1999, and each annual reexamination thereafter, FWHA will do the following:

- A. Provide a listing of sample volunteer opportunities to the family members.
- B. Provide information about obtaining suitable volunteer positions.
- C. Provide a volunteer time sheet to the family member. Instructions for the time sheet require the individual to complete the form and have a supervisor date and sign for each period of work.

## **14.6 NOTIFICATION OF NON-COMPLIANCE WITH COMMUNITY SERVICE REQUIREMENT**

FWHA will provide written notice of non-compliance to the family. Any family found to be in noncompliance will be informed of the following:

- A. The family member(s) has been determined to be in noncompliance;
- B. Reason that the family member(s) is/are believed to be in non-compliance.
- C. That the determination is subject to the grievance procedure; and
- D. That, unless the family member(s) enter into a written agreement to comply, which can only be done for the first year that Community Service is Required, the lease will not be renewed or will be terminated; or
- E. The non-compliance member(s) no longer resides in the unit.

## ***14.7 OPPORTUNITY FOR CURE***

FWHA will offer the family member(s) the opportunity to enter into an Agreement to Cure prior to the anniversary of the lease. The agreement shall state that the family member(s) agrees to enter into an economic self-sufficiency program or agrees to contribute to community service for as many hours as needed to comply with the requirement over the past 12-month period. The cure shall occur over the 12-month period beginning with the date of the agreement and the resident shall at the same time stay current with that year's community service requirement. The first hours a resident earns goes toward the current commitment until the current year's commitment is made.

If any applicable family member does not accept the terms of the agreement, does not fulfill their obligation to participate in an economic self-sufficiency program, or falls behind in their obligation under the agreement to perform community service FWHA shall take action to terminate the lease.

## **15.0 RECERTIFICATIONS**

At least annually, FWHA will conduct a reexamination of family income and circumstances. The results of the reexamination determine (1) the rent the family will pay, and (2) whether the family is housed in the correct unit size.

### ***15.1 GENERAL***

FWHA will send a notification letter to the family letting them know that it is time for their annual reexamination, giving them the option of selecting either the flat rent or formula method, and scheduling an appointment if they are currently paying a formula rent. If the family thinks they may want to switch from a flat rent to a formula rent, they should request an appointment. At the appointment, the family can make their final decision regarding which rent method they will choose. The letter also includes, for those families paying the formula method, forms for the family to complete in preparation for the interview. The letter includes instructions permitting the family to reschedule the interview if necessary. The letter tells families who may need to make alternate arrangements due to a disability that they may contact staff to request an accommodation of their needs.

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

### ***15.2 MISSED APPOINTMENTS***

If the family fails to respond to the letter and fails to attend the interview, a second letter will be mailed. The second letter will advise of a new time and date for the interview, allowing for the same considerations for rescheduling and accommodation as above. The letter will also advise that failure by the family to attend the second scheduled interview will result in FWHA taking eviction actions against the family.

### **15.3 FLAT RENTS**

The annual letter to flat rent payers regarding the reexamination process will state the following:

- A. Each year at the time of the annual reexamination, the family has the option of selecting a flat rent amount in lieu of completing the reexamination process and having their rent based on the formula amount.
- B. The amount of the flat rent
- C. A fact sheet about formula rents that explains the types of income counted, the most common types of income excluded, and the categories allowances that can be deducted from income.
- D. Families who opt for the flat rent will be required to go through the income reexamination process every three years, rather than the annual review they otherwise would undergo.
- E. Families that opt for the Flat rent are required to pay for all utilities without an adjustment against the rent calculation.
- F. Families who opt for the flat rent may request to have a reexamination and return to the formula-based method at any time for any of the following reasons:
  1. The family's income has decreased.
  2. The family's circumstances have changed increasing their expenses for child care, medical care, etc.
  3. Other circumstances creating a hardship on the family such that the formula method would be more financially feasible for the family.
- G. The dates upon which FWHA expects to review the amount of the flat rent, the approximate rent increase the family could expect, and the approximate date upon which a future rent increase could become effective.
- H. The name and phone number of an individual to call to get additional information or counseling concerning flat rents.
- I. A certification for the family to sign accepting or declining the flat rent.

Each year prior to their anniversary date, FWHA will send a reexamination letter to the family offering the choice between a flat or a formula rent. The opportunity to select the flat rent is available only at this time. At the appointment, FWHA may assist the family in identifying the rent method that would be most advantageous for the family. If the family wishes to select the flat rent method without meeting with FWHA representative, they may make the selection on the form and return the form to FWHA. In such case, FWHA will cancel the appointment.

## **15.4 THE FORMULA METHOD**

During the interview, the family will provide all information regarding income, assets, expenses, and other information necessary to determine the family's share of rent. The family will sign the HUD consent form and other consent forms that later will be mailed to the sources that will verify the family circumstances.

Upon receipt of verification, FWHA will determine the family's annual income and will calculate their rent as follows.

The total tenant payment is equal to the **highest of:**

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

The family will pay the greater of the total tenant payment or the minimum rent of \$ Zero but never more than the ceiling rent.

## **15.5 EFFECTIVE DATE OF RENT CHANGES FOR ANNUAL REEXAMINATIONS**

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

If the rent determination is delayed due to a reason beyond the control of the family, then any rent increase will be effective the first of the month after the month in which the family receives a 30-day notice of the amount. If the new rent is a reduction and the delay is beyond the control of the family, the reduction will be effective as scheduled on the anniversary date.

If the family caused the delay, then any increase will be effective on the anniversary date. Any reduction will be effective the first of the month after the rent amount is determined.

## **15.6 INTERIM REEXAMINATIONS**

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

Families will not be required to report any increase in income or decreases in allowable expenses between annual reexaminations.

Families are required to report the following changes to FWHA between regular reexaminations. If

the family's rent is being determined under the formula method, these changes will trigger an interim reexamination. The family shall report these changes within ten (10) days of their occurrence.

A. A member has been added to the family through birth or adoption or court-awarded custody.

B. A household member is leaving or has left the family unit.

In order to add a household member other than through birth or adoption (including a live-in aide), the family must request that the new member be added to the lease. Before adding the new member to the lease, the individual must complete an application form stating their income, assets, and all other information required of an applicant. The individual must provide their Social Security number if they have one and must verify their citizenship/eligible immigrant status. (Their housing will not be delayed due to delays in verifying eligible immigrant status other than delays caused by the family.) The new family member will go through the screening process similar to the process for applicants. FWHA will determine the eligibility of the individual before adding them to the lease. If the individual is found to be ineligible or does not pass the screening criteria, they will be advised in writing and given the opportunity for an informal review. If they are found to be eligible and do pass the screening criteria, their name will be added to the lease. At the same time, if the family's rent is being determined under the formula method, the family's annual income will be recalculated taking into account the circumstances of the new family member. The effective date of the new rent will be in accordance with paragraph below 15.8.

Families are not required to, but may at any time, request an interim reexamination based on a decrease in income, an increase in allowable expenses, or other changes in family circumstances. Upon such request, FWHA will take timely action to process the interim reexamination and recalculate the tenant's rent.

### ***15.7 SPECIAL REEXAMINATIONS***

If a family's income is too unstable to project for twelve (12) months, including families that temporarily have no income (0 renters) or have a temporary decrease in income, FWHA may schedule special reexaminations every sixty (60) days until the income stabilizes and an annual income can be determined.

### ***15.8 EFFECTIVE DATE OF RENT CHANGES DUE TO INTERIM OR SPECIAL REEXAMINATIONS***

Unless there is a delay in reexamination processing caused by the family, any rent increase will be effective the first of the second month after the month in which the family receives notice of the new rent amount. If the family causes a delay, then the rent increase will be effective on the date it would have been effective had the process not been delayed (even if this means a retroactive increase).

If the new rent is a reduction and any delay is beyond the control of the family, the reduction will be effective the first of the month after the interim reexamination should have been completed.

If the new rent is a reduction and the family caused the delay or did not report the change in a timely manner, the change will be effective the first of the month after the rent amount is determined.

## 16.0 UNIT TRANSFERS

### 16.1 OBJECTIVES OF THE TRANSFER POLICY

The objectives of the Transfer Policy include the following:

- A. To address emergency situations.
- B. To fully utilize available housing resources while avoiding overcrowding by insuring that each family occupies the appropriate size unit.
- C. To facilitate relocation when required for modernization or other management purposes.
- D. To facilitate relocation of families with inadequate housing accommodations.
- E. To provide an incentive for families to assist in meeting FWHA's deconcentration goal.
- F. To eliminate vacancy loss and other expense due to unnecessary transfers.

### 16.2 CATEGORIES OF TRANSFERS

**Category 1: Emergency transfers.** These transfers are necessary when conditions pose an immediate threat to the life, health, or safety of a family or one of its members. Such situations may involve defects of the unit or the building in which it is located, the health condition of a family member, a hate crime, the safety of witnesses to a crime, or a law enforcement matter particular to the neighborhood.

**Category 2: Immediate administrative transfers.** These transfers are necessary in order to permit a family, which needs needing accessible features, to move to a unit with such a feature or to enable modernization work to proceed.

**Category 3: Regular administrative transfers.** These transfers are made to offer incentives to families willing to help meet certain FWHA occupancy goals, to correct occupancy standards where the unit size is inappropriate for the size and composition of the family, to allow for non-emergency but medically advisable transfers, and other transfers approved by FWHA when a transfer is the only or best way of solving a serious problem.

### 16.3 DOCUMENTATION

When the transfer is at the request of the family, the family may be required to provide third party verification of the need for the transfer.

## **16.4 INCENTIVE TRANSFERS**

Transfer requests will be encouraged and approved for families who live in a development where their income category (below or above 30% of area median) predominates and wish to move to a development where their income category does not predominate.

Families living in multifamily developments have the opportunity to transfer to scattered-site housing. Families approved for such transfers will meet the following eligibility criteria:

- A. Have been a tenant for three years;
- B. For a minimum of one year, at least one adult family member is enrolled in an economic self-sufficiency program or is working at least thirty-five (35) hours per week, the adult family members are 62 years of age or older or are disabled or are the primary care givers to others with disabilities;
- C. Adult members who are required to perform community service have been current in these responsibilities since the inception of the requirement or for one year which ever is less;
- D. The family is current in the payment of all charges owed FWHA and has not paid late rent for at least one year;
- E. The family passes a current housekeeping inspection and does not have any record of housekeeping problems during the last year;
- F. The family has not materially violated the lease over the past two years by disturbing the peaceful enjoyment of their neighbors, by engaging in criminal or drug-related activity, or by threatening the health or safety of tenants or Housing Authority staff.
- G. Participates in a series of classes conducted by FWHA on basic home and yard care.

## **16.5 PROCESSING TRANSFERS**

Transfers on the waiting list will be sorted by the above categories and within each category by date and time.

Transfers in category A and B will be housed ahead of any other families, including those on the applicant waiting list. Transfers in category A will be housed ahead of transfers in category B.

Transfers in category C will be housed along with applicants for admission at a ratio of one transfer for every seven admissions.

Upon offer and acceptance of a unit, the family will execute all lease up documents and pay any rent and/or security deposit within two (2) days of being informed the unit is ready to rent. The family will be allowed seven (7) days to complete a transfer. The family will be responsible for paying rent at the old unit as well as the new unit for any period of time they have possession of both. The prorated rent and other charges (key deposit and any additional security deposit owing) must be paid at the

time of lease execution.

The following is the policy for the rejection of an offer to transfer:

- A. If the family rejects with good cause any unit offered, they will not lose their place on the transfer waiting list.
- B. If the transfer is being made at the request of FWHA and the family rejects two offers without good cause, FWHA will take action to terminate their tenancy. If the reason for the transfer is that the current unit is too small to meet FWHA's optimum occupancy standards, the family may request in writing to stay in the unit without being transferred so long as their occupancy will not exceed two people per living/sleeping room.
- C. If the transfer is being made at the family's request and the rejected offer provides deconcentration incentives, the family will maintain their place on the transfer list and will not otherwise be penalized.
- D. If the transfer is being made at the family's request, the family may, without good cause and without penalty, turn down one offer that does not include deconcentration incentives. After turning down a second such offer without good cause, the family's name will be removed from the transfer list.

## ***16.6 COST OF THE FAMILY'S MOVE***

The cost of the transfer generally will be borne by the family in the following circumstances:

- A. When the transfer is made at the request of the family or by others on behalf of the family (i.e. by the police);
- B. When the transfer is needed to move the family to an appropriately sized unit, either larger or smaller;
- C. When the transfer is necessitated because a family with disabilities needs the accessible unit into which the transferring family moved (The family without disabilities signed a statement to this effect prior to accepting the accessible unit); or
- D. When the transfer is needed because action or inaction by the family caused the unit to be unsafe or uninhabitable.

The cost of the transfer will be borne by FWHA in the following circumstances:

- A. When the transfer is needed in order to carry out rehabilitation activities; or
- B. When action or inaction by FWHA has caused the unit to be unsafe or inhabitable.

The responsibility for moving costs in other circumstances will be determined on a case by case

basis.

## ***16.7 TENANTS IN GOOD STANDING***

When the transfer is at the request of the family, it will not be approved unless the family is in good standing with FWHA. This means the family must be in compliance with their lease, current in all payments to the Housing Authority, and must pass a housekeeping inspection.

## ***16.8 TRANSFER REQUESTS***

A tenant may request a transfer at any time by completing a transfer request form. In considering the request, FWHA may request a meeting with the tenant to better understand the need for transfer and to explore possible alternatives. FWHA will review the request in a timely manner and if a meeting is desired, it shall contact the tenant within ten (10) business days of receipt of the request to schedule a meeting.

FWHA will grant or deny the transfer request in writing within ten (10) business days of receiving the request or holding the meeting, whichever is later.

If the transfer is approved, the family's name will be added to the transfer waiting list.

If the transfer is denied, the denial letter will advise the family of their right to utilize the grievance procedure.

## ***16.9 RIGHT OF FWHA IN TRANSFER POLICY***

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

## **17.0 INSPECTIONS**

An authorized representative of FWHA and an adult family member will inspect the premises prior to commencement of occupancy. A written statement of the condition of the premises will be made, all equipment will be provided, and the statement will be signed by both parties with a copy retained in FWHA file and a copy given to the family member. An authorized FWHA representative will inspect the premises at the time the resident vacates and will furnish a statement of any charges to be made provided the resident turns in the proper notice under State law. The resident's security deposit can be used to offset against any FWHA damages to the unit.

### ***17.1 MOVE-IN INSPECTIONS***

FWHA and an adult member of the family will inspect the unit prior to signing the lease. Both parties will sign a written statement of the condition of the unit. A copy of the signed inspection will be given to the family and the original will be placed in the tenant file.

### ***17.2 ANNUAL INSPECTIONS***

FWHA will inspect each public housing unit annually to ensure that each unit meets FWHA's housing standards. Work orders will be submitted and completed to correct any deficiencies.

### ***17.3 PREVENTATIVE MAINTENANCE INSPECTIONS***

~~This is~~ Preventative maintenance inspections are generally conducted along with the annual inspection. This inspection is intended to keep items in good repair. It checks weatherization; checks the condition of the smoke detectors, water heaters, furnaces, automatic thermostats and water temperatures; checks for leaks; and provides an opportunity to change furnace filters and provide other minor servicing that extends the life of the unit and its equipment.

### ***17.4 SPECIAL INSPECTIONS***

A special inspection may be scheduled to enable HUD or others to inspect a sample of the housing stock maintained by FWHA.

### ***17.5 HOUSEKEEPING INSPECTIONS***

Generally, at the time of annual reexamination, or at other times as necessary, FWHA will conduct a housekeeping inspection to ensure the family is maintaining the unit in a safe and sanitary condition.

### ***17.6 NOTICE OF INSPECTION***

For inspections defined as annual inspections, preventative maintenance inspections, special inspections, and housekeeping inspections FWHA will give the tenant at least two (2) days written notice.

## ***17.7 EMERGENCY INSPECTIONS***

If any employee and/or agent of FWHA has reason to believe that an emergency exists within the housing unit, the unit can be entered without notice. The person(s) that enters the unit will leave a written notice to the resident that indicates the date and time the unit was entered and the reason why it was necessary to enter the unit.

## ***17.8 PRE-MOVE-OUT INSPECTIONS***

When a tenant gives notice that they intend to move, FWHA will offer to schedule a pre-move-out inspection with the family. The inspection allows FWHA to help the family identify any problems which, if left uncorrected, could lead to vacate charges. This inspection is a courtesy to the family and has been found to be helpful both in reducing costs to the family and in enabling FWHA to ready units more quickly for the future occupants. If the family is transferring to another PHA subsidy program (i.e. Section 8 Existing Program), the family must pay **all charges** noted on the pre-move out inspection form before FWHA issues a Certificate/Voucher or other form of assistance. If the family disputes the validity of the pre-move out charges the family has the right to use the grievance procedure or if ~~if~~ the transfer to the other program is denied as a result of outstanding charges (see 16.8), the denial letter will advise the family of their right to use the grievance procedure.

## ***17.9 MOVE-OUT INSPECTIONS***

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

## **18.0 PET POLICY**

### ***18.1 EXCLUSIONS***

This policy does not apply to animals that are used to assist persons with disabilities. Assistive animals are allowed in all public housing facilities with no restrictions other than those imposed on all tenants to maintain their units and associated facilities in a decent, safe, and sanitary manner and to refrain from disturbing their neighbors.

### ***18.2 PETS IN SENIOR DESIGNED BUILDINGS***

FWHA will not allow for pet ownership in projects or buildings designed designated for use by elderly and/or disabled families and in any project or building for which elderly and/or disabled families are given preference.

### ***18.3 APPROVAL***

Residents must have the prior approval of the Housing Authority before moving a pet into their unit. Residents must request approval on the Authorization for Pet Ownership Form that must be fully completed before the Housing Authority will approve the request.

### ***18.4 TYPES AND NUMBER OF PETS***

FWHA will allow only domesticated dogs, cats, birds, and fish in aquariums in units. All dogs and cats must be neutered.

Only one (1) pet per unit allowed with the exclusion of small fish appropriate to the size aquarium and domestic small birds encaged.

Any animal deemed to be potentially harmful to the health or safety of others, including attack or fight trained dogs, will not be allowed.

No dog or cat may exceed twenty-five (25) pounds in weight.

### ***18.5 INOCULATIONS***

In order to be registered, pets must be appropriately inoculated against rabies and other conditions prescribed by local ordinances.

### ***18.6 PET DEPOSIT***

A pet deposit of **\$200** is required at the time of registering a pet. The deposit is refundable when the pet or the family vacates the unit, less any amounts owed due to damage beyond normal wear and tear.

## ***18.7 FINANCIAL OBLIGATION OF RESIDENTS***

Any resident who owns or keeps a pet in their dwelling unit will be required to pay for any damages caused by the pet. Also, any pet-related insect infestation in the pet owner's unit will be the financial responsibility of the pet owner and FWHA reserves the right to exterminate and charge the resident.

## ***18.8 NUISANCE OR THREAT TO HEALTH OR SAFETY***

The pet and its living quarters must be maintained in a manner to prevent odors and any other unsanitary conditions in the owner's unit and surrounding areas.

Repeated substantiated complaints by neighbors or FWHA personnel regarding pets disturbing the peace of neighbors through noise, odor, animal waste, or other nuisance will result in the owner having to remove the pet or move him/herself.

## ***18.9 DESIGNATION OF PET AREAS***

Pets must be kept in the owner's apartment or on a leash at all times when outside (no outdoor cages may be constructed). Pets will be allowed only in designated areas on the grounds of the projects. Pet owners must clean up after their pets and are responsible for disposing of pet waste.

## ***18.10 VISITING PETS***

Pets that meet the size and type criteria outlined above may visit the projects/buildings where pets are allowed for up to two weeks without FWHA approval. Tenants who have visiting pets must abide by the conditions of this policy regarding health, sanitation, nuisances, and peaceful enjoyment of others. If visiting pets violate this policy or cause the tenant to violate the lease, the tenant will be required to remove the visiting pet.

## ***18.11 REMOVAL OF PETS***

FWHA, or an appropriate community authority, shall require the removal of any pet from a project if the pet's conduct or condition is determined to be a nuisance or threat to the health or safety of other occupants of the project or of other persons in the community where the project is located.

## 19.0 REPAYMENT AGREEMENTS

When a resident owes FWHA back charges and is unable to pay the balance by the due date, the resident may request that FWHA allow them to enter into a Repayment Agreement. FWHA has the sole discretion of whether to accept such an agreement. All Repayment Agreements must assure that the full payment is made within a period not to exceed twelve (12) months. All Repayment Agreements must be in writing and signed by both parties. Failure to comply with the Repayment Agreement terms may subject the Resident to eviction procedures. Persons entering into a repayment agreement will be referred to the FWHA Housing Counselor, however it is not a requirement of the Repayment Agreement that the tenant work with the Housing Counselor.

The maximum amount for which the HA will enter into a payment agreement with a family is \$2,500.00

The maximum length of time the HA will enter into a payment agreement with a family is 12 months.

The minimum monthly amount of monthly payment for any payment agreement is 1/12 of the maximum amount owed.

The HA will use a sliding scale system to determine the monthly payment.

### **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 an inaccurate payment of public housing program funds.

Families who owe money to the HA due to program fraud will be required to repay in accordance with the guidelines in the Payment Agreement Section of this Chapter.

If a family owes an amount which equals or exceeds \$10,000.00, as a result of program fraud, the case will be referred to the HUD' legal forces, who will determine whether it is forwarded to the Inspector General. Where appropriate, the HA will refer the case for criminal prosecution.

The procedures for administering the repayment agreements will be consistent with the applicable provisions of the Section 8 Administrative Plan.

## **20.0 TERMINATION**

### ***20.1 TERMINATION BY TENANT***

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

### ***20.2 TERMINATION BY THE HOUSING AUTHORITY***

FWHA after 10/1/2000 will not renew the lease of any family that is not in compliance with the community service requirement or an approved Agreement to Cure. If they do not voluntarily leave the property, eviction proceedings will begin.

FWHA will terminate the lease for serious or repeated violations of material lease terms. Such violations include but are not limited to the following:

- A. Nonpayment of rent or other charges;
- B. A history of late rental payments;
- C. Failure to provide timely and accurate information regarding family composition, income circumstances, or other information related to eligibility or rent;
- D. Failure to allow inspection of the unit;
- E. Failure to maintain the unit in a safe and sanitary manner;
- F. Assignment or subletting of the premises;
- G. Use of the premises for purposes other than as a dwelling unit (other than for housing authority approved resident businesses);
- H. Destruction of property;
- I. Acts of destruction, defacement, or removal of any part of the premises or failure to cause guests to refrain from such acts;
- J. Any criminal activity on the property or drug-related criminal activity on or off the premises. This includes but is not limited to the manufacture of methamphetamine on the premises of FWHA;
- K. Non-compliance with Non-Citizen Rule requirements;
- L. Permitting persons not on the lease to reside in the unit more than fourteen (14) days each year without the prior written approval of the Housing Authority; and
- M. Other good cause.

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

## **20.3 ABANDONMENT**

### **ABANDONMENT AND ABANDONED PROPERTY**

The Fort Wayne Housing Authority will consider a unit to be abandoned if:

- A. The tenant has failed to pay or failed to offer to pay rent due under their rental agreement; and,
- B. If the Resident and all household members are absent from the premises for seven (7) consecutive days during the Lease term or any renewal or extension period; and,
- C. Preliminary, exterior inspection by Management reveals the unit does not appear to be occupied; and,
- D. One or more utilities have been terminated.

After a preliminary determination of abandonment has been made, Management will attach **Notice of Entry** to the door of said apartment. If there is no response to this Notice of Entry, **after forty-eight (48) hours**, Management will enter and inspect the unit. If it is determined that all or most of the Resident's property has been removed, Management will take possession of the apartment, provided that the rent still remains unpaid or utilities have been terminated.

A move-out inspection will be conducted and charges assessed for any rehabilitation costs for items determined to be over and above normal wear and tear.

### **SALE OF PROPERTY**

Any possessions left in tenant's abandoned apartment will be removed and stored by Management, at the expense of the Resident. There shall be no sale or disposition of any of the foregoing property, except as pursuant to state law as follows:

1. Any sale of Resident's abandoned property under shall take place only after a thirty (30) day written notice before the date of the sale is sent first class certified mail and return receipt requested to Resident at Resident's last known address.

Included in the notice:

- a. Date, time, and place of the sale
  - b. Itemized account of the amount owed by the resident to the landlord
  - c. Name, address, and telephone number of the person the resident may contact regarding the sale, the amount owed, and the right of the resident to redeem the property
2. Sale will be public and subject to any recorded chattel mortgage or financing statement.

3. Sale shall be to the highest cash bidder
4. Proceeds shall first be credited to cost of sale and then to indebtedness; and surplus shall be mailed to the Resident at his/her forwarding or last known address not later than the 30th day after the date of the sale. The landlord shall provide the resident with an accounting of all proceeds of the sale not later than the 30th day after the date on which the resident makes a written request for the accounting.
5. The resident may redeem the property at any time before the property is sold by paying to the landlord or the landlord's agent all delinquent rents and, if authorized in the written lease, all reasonable packing, moving, storage, and sale costs.
6. Nothing in this policy shall limit Management office of the landlord/agent/PHA's right to immediately dispose of trash or other property appearing to have no sale value.
7. Pet removal will be pursuant to the Pet Policy.

#### ***20.4 RETURN OF SECURITY DEPOSIT***

After a family moves out, FWHA will return the security deposit within 30 days in accordance with State law or give the family a written statement of why all or part of the security deposit is being kept. The rental unit must be restored to the same conditions as when the family moved in, except for normal wear and tear. Deposits will not be used to cover normal wear and tear or damage that existed when the family moved in.

If State law requires the payment of interest on security deposits, it shall be complied with.

FWHA will be considered in compliance with the above if the required payment, statement, or both, are deposited in the U.S. mail with first class postage paid within 30 days as required by State law) days.

## **21.0 PUBLIC HOUSING ECONOMIC SELF-SUFFICIENCY PROGRAM**

### ***21.1 Definition of economic self-sufficiency program***

An “**economic self-sufficiency program**” is:

- 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
  - mental health treatment

As defined in this rule, “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.
- The requirement for public housing residents to participate in an economic self-sufficiency program or other eligible activities.

### ***21.2 FWHA Economic Self Sufficiency Program Plan***

The program requirements and procedures are detailed in a separate FWHA Economic Self-Sufficiency Action Plan. Currently FWHA has a voluntary Economic Self-Sufficiency Program of 25 program slots.

# GLOSSARY

**50058 Form:** The HUD form that housing authorities are required to complete for each assisted household in public housing to record information used in the certification and re-certification process and, at the option of the housing authority, for interim reexaminations.

**1937 Housing Act:** The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) (24 CFR 5.100)

**Adjusted Annual Income:** The amount of household income, after deductions for specified allowances, on which tenant rent is based. (24 CFR 5.611)

**Adult:** A household member who is 18 years or older or who is the head of the household, or spouse, or co-head.

**Allowances:** Amounts deducted from the household's annual income in determining adjusted annual income (the income amount used in the rent calculation). Allowances are given for elderly families, dependents, medical expenses for elderly families, disability expenses, and child care expenses for children under 13 years of age. Other allowance can be given at the discretion of the housing authority.

**Annual Contributions Contract (ACC):** The written contract between HUD and a housing authority under which HUD agrees to provide funding for a program under the 1937 Act, and the housing authority agrees to comply with HUD requirements for the program. (24 CFR 5.403)

**Annual Income:** All amounts, monetary or not, that:

- A. Go to (or on behalf of) the family head or spouse (even if temporarily absent) or to any other family member; or
- B. Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
- C. Are not specifically excluded from annual income.

Annual Income also includes amounts derived (during the 12-month period) from assets to which any member of the family has access. (1937 Housing Act; 24 CFR 5.609)

**Applicant (applicant family):** A person or family that has applied for admission to a program but is not yet a participant in the program. (24 CFR 5.403)

**As-Paid States:** States where the welfare agency adjusts the shelter and utility component of the welfare grant in accordance with actual housing costs. Currently, the four as-paid States are New Hampshire, New York, Oregon, and Vermont.

**Assets:** The 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 are not counted as assets. (Also see "net family assets.")

**Asset Income:** Income received from assets held by family members. If assets total more than \$5,000, income from the assets is "imputed" and the greater of actual asset income and imputed asset income is counted in annual income. (See "imputed asset income" below.)

**Ceiling Rent:** Maximum rent allowed for some units in public housing projects.

**Certification:** The examination of a household's income, expenses, and family composition to determine the family's eligibility for program participation and to calculate the family's share of rent.

**Child:** For purposes of citizenship regulations, a member of the family other than the family head or spouse who is under 18 years of age. (24 CFR 5.504(b))

**Child Care Expenses:** Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care. In the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income. (24 CFR 5.603(d))

**Citizen:** A citizen or national of the United States. (24 CFR 5.504(b))

**Consent Form:** Any consent form approved by HUD to be signed by assistance applicants and participants for the purpose of obtaining income information from employers and SWICAs, return information from the Social Security Administration, and return information for unearned income from the Internal Revenue Service. The consent forms may authorize the collection of other information from assistance applicants or participant to determine eligibility or level of benefits. (24 CFR 5.214)

**Decent, Safe, and Sanitary:** Housing is decent, safe, and sanitary if it satisfies the applicable housing quality standards.

**Department:** The Department of Housing and Urban Development. (24 CFR 5.100)

**Dependent:** A member of the family (except foster children and foster adults), other than the family head or spouse, who is under 18 years of age or is a person with a disability or is a full-time student. (24 CFR 5.603(d))

**Dependent Allowance:** An amount, equal to \$480 multiplied by the number of dependents, that is deducted from the household's annual income in determining adjusted annual income.

**Disability Assistance Expenses:** Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including the member who is a person with disabilities) to be employed, but this allowance may not exceed the earned income received by family members who are 18 years of age or older who are able to work because of such attendant care or auxiliary apparatus (24 CFR 5.611(a)(3)(ii)).

**Disability Assistance Expense Allowance:** In determining adjusted annual income, the amount of

disability assistance expenses deducted from annual income for families with a disabled household member.

**Disabled Family:** A family whose head, spouse, or sole member is a person with disabilities; two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides. (24 CFR 5.403(b)) (Also see "person with disabilities.")

**Disabled Person:** See "person with disabilities."

**Displaced Family:** A family in which each member, or whose sole member, is a person displaced by governmental action (such as urban renewal), 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. (24 CFR 5.403(b))

**Displaced Person:** 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. *[1937 Act]*

**Drug-Related Criminal Activity:** Drug trafficking or the 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).

**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 family.

**Elderly Family:** A family whose head, spouse, or sole member is a person who is at least 62 years of age; 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. (24 CFR 5.403)

**Elderly Family Allowance:** For elderly families, an allowance of \$400 is deducted from the household's annual income in determining adjusted annual income.

**Elderly Person:** A person who is at least 62 years of age. (1937 Housing Act)

**Extremely low-income families:** Those families whose incomes do not exceed 30% of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families.

**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.). (24 CFR 5.100)

**Family** includes but is not limited to:

- A. A family with or without children;
- B. An elderly family;
- C. A near-elderly family;
- D. A disabled family;

- E. A displaced family;
- F. The remaining member of a tenant family; and
- G. A single person who is not an elderly or displaced person, a person with disabilities, or the remaining member of a tenant family. (24 CFR 5.403)

**Family Members:** All members of the household other than live-in aides, foster children, and foster adults. All family members permanently reside in the unit, though they may be temporarily absent. All family members are listed on the lease.

**Family Self-Sufficiency Program (FSS Program):** The program established by a housing authority to promote self-sufficiency among participating families, including the coordination of supportive services. (24 CFR 984.103(b))

**Flat Rent:** A rent amount the family may choose to pay in lieu of having their rent determined under the formula method. The flat rent is established by the housing authority set at the lesser of the market value for the unit or the cost to operate the unit. Families selecting the flat rent option have their income evaluated once every three years, rather than annually.

**Formula Method:** A means of calculating a family's rent based on 10% of their monthly income, 30% of their adjusted monthly income, the welfare rent, or the minimum rent. Under the formula method, rents may be capped by a ceiling rent. Under this method, the family's income is evaluated at least annually.

**Full-Time Student:** A person who is carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended. An educational institution includes a vocational school with a diploma or certificate program, as well as an institution offering a college degree. (24 CFR 5.603(d))

**Head of Household:** The adult member of the family who is the head of the household for purposes of determining income eligibility and rent. (24 CFR 5.504(b))

**Household Members:** All members of the household including members of the family, live-in aides, foster children, and foster adults. All household members are listed on the lease, and no one other than household members are listed on the lease.

**Housing Assistance Plan:** A housing plan that is submitted by a unit of general local government and approved by HUD as being acceptable under the standards of 24 CFR 570.

**Imputed Income:** For households with net family assets of more than \$5,000, the amount calculated by multiplying net family assets by a HUD-specified percentage. If imputed income is more than actual income from assets, the imputed amount is used as income from assets in determining annual income.

**In-Kind Payments:** Contributions other than cash made to the family or to a family member in exchange for services provided or for the general support of the family (e.g., groceries provided on a weekly basis, baby sitting provided on a regular basis).

**Interim (examination):** A reexamination of a family income, expenses, and household composition conducted between the regular annual recertifications when a change in a household's circumstances warrants such a reexamination.

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

- A. Is determined to be essential to the care and well-being of the persons;
- B. Is not obligated for the support of the persons; and
- C. Would not be living in the unit except to provide the necessary supportive services. (24 CFR 5.403(b))

**Low Income Families:** Those families whose incomes do not exceed 80% of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 80% of the median for the area on the basis of the Secretary's findings that such variations are necessary because of prevailing levels of construction costs or unusually high or low family incomes. (1937Act)

**Medical Expenses:** Medical expenses (of all family members of an elderly or disabled family), including medical insurance premiums, that are anticipated during the period for which annual income is computed and that are not covered by insurance. (24 CFR 5.603(d)). These expenses include, but are not limited to, prescription and non-prescription drugs, costs for doctors, dentists, therapists, medical facilities, care for a service animals, and transportation for medical purposes.

**Mixed Family:** A family whose members include those with citizenship or eligible immigration status and those without citizenship or eligible immigration status. (24 CFR 5.504(b))

**Monthly Adjusted Income:** One twelfth of adjusted income. (24 CFR 5.603(d))

**Monthly Income:** One twelfth of annual income. (24 CFR 5.603(d))

**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. (24 CFR 5.504(b))

**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; 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. (24 CFR 5.403(b))

**Net Family Assets:**

- A. Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.
- B. In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be

considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income.

- C. In determining net family assets, housing authorities or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefore. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms. (24 CFR 5.603(d))

**Non-Citizen:** A person who is neither a citizen nor national of the United States. (24 CFR 5.504(b))

**Occupancy Standards:** The standards that a housing authority establishes for determining the appropriate number of bedrooms needed to house families of different sizes or composition.

**Person with Disabilities:** A person who:

- A. Has a disability as defined in 42 U.S. 423
- B. Is determined, pursuant to regulations issued by the Secretary, to have a physical, mental, or emotional impairment that:
  - 1. Is expected to be of long-continued and indefinite duration;
  - 2. Substantially impedes his or her ability to live independently; and
  - 3. Is of such a nature that such ability could be improved by more suitable housing conditions, or
- C. Has a developmental disability as defined in 42 U.S.C. 6001

This definition does not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome. (1937 Act)

No individual shall be considered to be a person with disabilities for purposes of eligibility solely based on any drug or alcohol dependence.

**Proration of Assistance:** The reduction in a family's housing assistance payment to reflect the proportion of family members in a mixed family who are eligible for assistance. (24 CFR 5.520)

**Public Housing Agency (FWHA):** Any State, county, municipality, or other governmental entity or public body (or agency or instrumentality thereof) which is authorized to engage in or assist in the development or operation of low-income housing under the 1937 Housing Act. (24 CFR 5.100)

**Recertification:** The annual reexamination of a family's income, expenses, and composition to

determine the family's rent.

**Remaining Member of a Tenant Family:** A member of the family listed on the lease who continues to live in the public housing dwelling after all other family members have left. (Handbook 7565.1 REV-2, 3-5b.)

**Self-Declaration:** A type of verification statement by the tenant as to the amount and source of income, expenses, or family composition. Self-declaration is acceptable verification only when third-party verification or documentation cannot be obtained.

**Shelter Allowance:** That portion of a welfare benefit (e.g., TANF) that the welfare agency designates to be used for rent and utilities.

**Single Person:** Someone living alone or intending to live alone who does not qualify as an elderly family, a person with disabilities, a displaced person, or the remaining member of a tenant family. (Public Housing: Handbook 7465.1 REV-2, 3-5)

**State Wage Information Collection Agency (SWICA):** The State agency receiving quarterly wage reports from employers in the State or an alternative system that has been determined by the Secretary of Labor to be as effective and timely in providing employment-related income and eligibility information. (24 CFR 5.214)

**Temporary Assistance to Needy Families (TANF):** The program that replaced the Assistance to Families with Dependent Children (AFDC) that provides financial assistance to needy families who meet program eligibility criteria. Benefits are limited to a specified time period.

**Tenant:** The person or family renting or occupying an assisted dwelling unit. (24 CFR 5.504(b))

**Tenant Rent:** The amount payable monthly by the family as rent to the housing authority. Where all utilities (except telephone) and other essential housing services are supplied by the housing authority or owner, tenant rent equals total tenant payment. Where some or all utilities (except telephone) and other essential housing services are supplied by the housing authority and the cost thereof is not included in the amount paid as rent, tenant rent equals total tenant payment less the utility allowance. (24 CFR 5.603(d))

**Third-Party (verification):** Written or oral confirmation of a family's income, expenses, or household composition provided by a source outside the household.

**Total Tenant Payment (TTP):**

A. Total tenant payment for families whose initial lease is effective on or after August 1, 1982:

1. Total tenant payment is the amount calculated under Section 3(a)(1) of the 1937 Act which is the higher of :
  - a. 30% of the family's monthly adjusted income;
  - b. 10% of the family's monthly income; or
  - c. If the family is receiving payments for welfare assistance from a public agency

and a part of such payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the family's housing costs, the portion of such payments which is so designated.

If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under section 3(a)(1) shall be the amount resulting from one application of the percentage.

2. Total tenant payment for families residing in public housing does not include charges for excess utility consumption or other miscellaneous charges.
  - a. Total tenant payment for families residing in public housing whose initial lease was effective before August 1, 1982: Paragraphs (b) and (c) of 24 CFR 913.107, as it existed immediately before November 18, 1996), will continue to govern the total tenant payment of families, under a public housing program, whose initial lease was effective before August 1, 1982.

**Utility Allowance:** If the cost of utilities (except telephone) and other housing services for an assisted unit is not included in the tenant rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made by a housing authority of the monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment. (24 CFR 5.603)

**Utility Reimbursement:** 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. (24 CFR 5.603)

**Very Low-Income Families:** Low-income families whose incomes do not exceed 50% of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 50% of the median for the areas on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes. Such ceilings shall be established in consultation with the Secretary of Agriculture for any rural area, as defined in Section 520 of the Housing Act of 1949, taking into account the subsidy characteristics and types of programs to which such ceilings apply. (1937 Act)

**Violence Against Women Act (VAWA):** A Public Housing Agency, owner or landlord may not deny admission to an applicant (male or female) who has been a victim of domestic violence or stalking, if the applicant otherwise qualifies for assistance or admission.

**Welfare Assistance:** Welfare or other payments to families or individuals, based on need, that are made under programs funded by Federal, State or local governments. (24 CFR 5.603(d))

**Welfare Rent:** In "as-paid" welfare programs, the amount of the welfare benefit designated for shelter and utilities.

# Acronyms

ACC	Annual Contributions Contract
CFR	Code of Federal Regulations
FSS	Family Self Sufficiency (program)
HCDA	Housing and Community Development Act
HQS	Housing Quality Standards
HUD	Department of Housing and Urban Development
INS	(U.S.) Immigration and Naturalization Service
NAHA	(Cranston-Gonzalez) National Affordable Housing Act
NOFA	Notice of Funding Availability
OMB	(U.S.) Office of Management and Budget
PHA	Public Housing Agency
QHWR	Quality Housing and Work Responsibility Act of 1998
SSA	Social Security Administration
TTP	Total Tenant Payment

**Attachment A**

***FWHA Reasonable Accommodations Policy***



# REASONABLE ACCOMMODATIONS POLICY AND PROCEDURES

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**REASONABLE ACCOMMODATIONS POLICY AND PROCEDURES**

**INTRODUCTION**

This Reasonable Accommodation Policy and Procedures comprised of **Part A and Part B**, sets forth the policy and procedures of the Housing Authority of The City of Fort Wayne (“**FWHA**”) in connection with making reasonable accommodations for qualified applicants, participants or residents with disabilities for participation in FWHA’s public housing programs and activities. A copy of this Reasonable Accommodation Policy and Procedures is posted in the FWHA Administrative Offices, the Housing Choice Voucher Office, Management Office at each public housing development, and on the FWHA website at [www.fwha.org](http://www.fwha.org). Additionally, a copy of this Reasonable Accommodation Policy and Implementation Procedures may be obtained upon request from the FWHA Executive Office, 7315 S. Hanna Street, Fort Wayne, IN 46816 260-449-7811.

## **PART A - POLICY**

### ***SECTION 1 - DEFINITIONS***

- 1.1. The term “**ADA**” shall mean the Americans with Disabilities Act.
- 1.2. The term “**FHA**” shall mean the Fair Housing Act of 1968.
- 1.3. The term “**FWHA**” shall mean the Housing Authority of The City of Fort Wayne.
- 1.4. The phrase “**individual with handicaps**” shall have the same meaning as the term “individual with disabilities” under 24 C.F.R. §8.3, as follows:  

**24 C.F.R. § 8.3. Definitions.....**  
“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.
- 1.5. The term “**Policy**” shall mean Part A of this Reasonable Accommodation Policy and Procedure, as adopted by the FWHA Board of Commissioners, and as may be amended.
- 1.6. The term “**Procedures**” shall mean Part B of this Reasonable Accommodation Policy and Procedure, as may be revised from time to time.
- 1.7. The term “**reasonable accommodation**” means a modification or change in FWHA’s rules, policies, practices, services, or rental units, which will provide the opportunity to participate in FWHA’s programs and services and to meet FWHA’s essential requirements of tenancy to an otherwise eligible individual with a disability.

### ***SECTION 2 - POLICY STATEMENT***

FWHA is committed to ensuring that its policies and practices do not deny individuals with disabilities the opportunity to participate in, benefit from, nor otherwise discriminate against individuals with disabilities in connection with, the operation of FWHA’s housing services or programs, solely on the basis of such disabilities. Therefore, if an individual with a disability requires an accommodation, such as an accessible feature or modification to FWHA policy, FWHA will provide such accommodation, unless doing so would result in a fundamental alteration in the nature of the program or an undue financial or administrative burden. In such a case, FWHA will attempt to make another accommodation that would not result in a financial or administrative burden.

### ***SECTION 3 - PURPOSE***

This Policy is intended to:

- Communicate FWHA’s position regarding reasonable accommodations for persons with disabilities in connection with the agency’s housing programs services, and policies;
- Establish a procedural guide for implementing such Policy; and
- Comply with applicable federal, state and local laws to ensure accessibility for persons with disabilities to housing programs, benefits and services administered by FWHA.

### ***SECTION 4 – AUTHORITY***

The requirements of this Policy are based upon the following statutes or regulations:

*THE HOUSING AUTHORITY OF THE CITY OF FORT WAYNE, INDIANA  
ADMISSIONS AND OCCUPANCY POLICY  
EFFECTIVE JULY 1, 2008*

- Section 504 of the Rehabilitation Act of 1973, as amended (“Section 504”) prohibits discrimination on the basis of disability status and states that:

“No qualified individual with disabilities shall, solely on the basis of handicap be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity that receives Federal financial assistance”;
- The Fair Housing Act (“FHA”) prohibits discrimination in the sale, rental and financing of dwellings. The FHA requires reasonable accommodations in rules, policies, practices, services and reasonable modifications to dwelling units and public common areas;
- Title II of the Americans With Disabilities Act (“ADA”), prohibits discrimination on the basis of disability status by public entities. Except as provided in §35.102 (b), of 28 CFR Part 35, the ADA applies to all services, programs and activities provided or made available by public entities (State and local governments); and
- Part 8, of Code of Federal Regulations, Title 24, Housing and Urban Development, entitled Non-Discrimination Based On Handicap In Federally Assisted Programs and Activities of the Department of Housing and Urban Development applies to recipients of federal funds and implements the requirements of the Rehabilitation Act.

## ***SECTION 5 - MONITORING AND ENFORCEMENT***

The FWHA Executive Office is responsible for monitoring FWHA’s compliance with, and enforcing the requirements under this Policy. Questions regarding this Policy, its interpretation or implementation should be made by contacting the FWHA Executive Office in writing, or in person by appointment, at 7315 S. Hanna Street, Fort Wayne, IN 46816; or by calling the 504 Coordinator at 260-449-7811. The 504 Coordinator may require the submission of data from FWHA public housing developments and field offices in order to evaluate and document FWHA’s compliance with this Policy.

## ***SECTION 6 - GENERAL PRINCIPLES FOR PROVIDING REASONABLE ACCOMMODATIONS***

Listed below are the general principles which provide a foundation for the Policy and which FWHA staff should apply when responding to requests for reasonable accommodations within all FWHA housing programs:

- 6.1 It is presumed that the individual with a disability is usually knowledgeable of the appropriate types of, and methods for providing, reasonable accommodations needed when making a request. However, FWHA reserves the right to investigate and offer equally effective alternatives to the requested accommodation, and/or alternative methods for providing the requested accommodation.
- 6.2. The procedure for evaluation and responding to requests for a reasonable accommodation relies on a cooperative relationship between FWHA and the applicant/resident. The process is **NOT** adversarial.
- 6.3. FWHA shall inform all applicants and residents of alternative forms of communication. The Request Form is designed to assist FWHA and our applicants/residents. If an applicant/ resident does not, or can not use the Request Form, FWHA will still respond to the request for an accommodation. The applicant/resident may also request assistance with the Request Form or such applicant/resident may request that the Request Form be provided in an equally effective format or

means of communication.

**Example(s):** Some examples of alternative equally effective forms of communication are include the following: Qualified interpreters, printed material, telecommunications devices for deaf persons (TDD's), **Indiana Relay System**, or other aurally delivered materials available to persons with hearing impairments. Qualified readers, taped texts audio recordings, Brailled materials, large print materials, or other effective methods of making visually delivered materials available to individuals with visual impairments.

- 6.4. If the accommodation is reasonable (see Procedures 3 below), FWHA will grant it.
- 6.5. In accordance with Procedure 3 (below), , FWHA will grant the request for a reasonable accommodation only to the extent that an undue financial and administrative burden is not created thereby.
- 6.6. All written documents required by or as a result of this Policy must contain plain language and, if requested, be in appropriate alternative formats in order to communicate information and decisions to the person requesting the accommodation.
- 6.7. Any required meetings with a person with a disability will be held in an accessible location.

## ***SECTION 7 - AMENDMENT***

- 7.1. Policy. The Policy may be amended only by resolution of the Board of Commissioners.
- 7.2. Procedures. The Procedures may be amended within the scope of the Policy by the Executive Director of FWHA.
- 7.3. Legal Compliance. Any amendment to the Policy or Procedures shall be consistent with all applicable laws and regulations.

## ***SECTION 8 - STAFF TRAINING***

504 Coordinator will ensure that staff training sessions are held at least annually concerning the Policy and the Procedures and all applicable federal, state and local requirements regarding reasonable accommodations.

# **PART B - PROCEDURES**

## ***PROCEDURE #1 - COMMUNICATION WITH APPLICANTS AND RESIDENTS***

1. At the time of application, any applicant requesting a reasonable accommodation must be provided with the Request for Reasonable Accommodation Form (the "**Request Form**") (copy of which is affixed hereto as **Attachment 1**), or, upon the applicant's request, the Request Form must be provided in an equally effective format.
2. FWHA Residents seeking accommodations may contact the housing management office located within their housing development or the management office for their scattered site residence. Also, residents may contact the Executive office directly to request the accommodation.
3. FWHA is responsible for informing all residents that a request may be submitted for reasonable accommodations for an individual with a disability. All residents will be provided the Request Form when requesting a reasonable

accommodation. However, a resident may submit the request in writing, orally, or use another equally effective means of communication to request the accommodation. If a request is not submitted on a Request Form, the FWHA staff person receiving the request will complete and date a Request Form and forward it to the 504 Coordinator with a copy to the person making the request. Upon receiving the request, housing management and/or the 504 Coordinator will send the requestor an acknowledgement of the request, in writing or requested alternative format, within ten (10) business days<sup>1</sup>. If additional information or documentation is required, a written request should be issued to the resident by using the Request for Information or Verification Form (“**Request for Information**”), a copy of which is affixed hereto as **Attachment 2**. A submission date should be specified in the Request for Information so as not to delay FWHA’s review of the request. FWHA representative will discuss and review potential means of making accommodations before making a decision on implementation.

4. FWHA will consent to or deny the request within twenty (20) business days after receiving all needed information and documentation from the resident or issue an alternate time limit if circumstances require additional time. If an extended time is required, FWHA will update the requestor periodically, but at no time should more than 30 business days lapse between updates, unless agreed upon in writing by both parties.

All decisions to grant or deny reasonable accommodations will be communicated in writing or if required, in an alternative format in order to communicate the decision to the applicant, participant, or resident. Exceptions to the twenty (20) business day period for notification of FWHA’s decision on the request should be provided to the resident in writing setting forth the reasons for the delay. A copy each of the **Letter Denying Request for Reasonable Accommodations** and the **Letter Approving Request for Reasonable Accommodations** are affixed hereto as **Attachment 3** and **Attachment 4**, respectively.

5. FWHA will maintain at its Housing Leasing/Admissions Office; Management Offices; and Administrative Office written materials which summarize this Policy and highlights the procedures for making a request for reasonable accommodations.

## ***PROCEDURE #2 - SEQUENCE FOR MAKING DECISIONS***

1. Is the applicant/resident a qualified “individual with a disability”?
  - (a) If **NO**, we are not obligated to make a reasonable accommodation; therefore, we may deny the request.
  - (b) If **YES**, go to Step 2.
  - (c) If more information is needed, either write for more information using the standard *Request for Information* letter, or request a meeting using the standard *Request for Meeting* letter. (A copy of the Request for Meeting letter is affixed hereto as **Attachment 5**).
2. Is the requested accommodation related to the disability?
  - (a) If **NO**, we are not obligated to make the accommodation; therefore, we may deny the request.
  - (b) If **YES**, go to step 3.
  - (c) If more information is needed, either write for more information using the *Request for Information* Letter, or request a meeting using the *Request for Meeting* Letter.
3. Is the requested accommodation reasonable? This determination will be made by following Procedure #3 - Guidelines for Determining Reasonableness.
  - (a) If **YES**, we will approve the request for reasonable accommodation. A written description of the accommodation will be prepared and included in the Letter Approving *Request for Reasonable Accommodations*.
  - (b) If **NO**, we may deny the request. Submit the denial using the Letter Denying *Request for Reasonable Accommodations*.

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<sup>1</sup> The term “**business days**” shall mean those days of the week, excluding Saturdays, Sundays and holidays observed by FWHA

- (c) If more information is needed, either write for more information using the Letter

Approving *Request for Reasonable Accommodations*, or request a meeting using the *Request for Meeting Letter*.

### ***PROCEDURE #3 - GUIDELINES FOR DETERMINING REASONABLENESS***

1. In accordance with Policy Principle 6.1, FWHA will consider the requested method for providing reasonable accommodations for an individual with a disability. However, FWHA is required to evaluate the requested method and may require the individual with a disability to provide further information to demonstrate the need for the requested accommodation to enable access to and use of the housing program. Additionally, FWHA may offer equally effective alternatives to the requested accommodation, and/or alternative methods for providing the requested accommodation.
2. Requests for reasonable accommodations will be considered on a case-by-case basis. Decisions regarding reasonable accommodations will be made in compliance with all applicable accessibility laws and requirements. Additionally, in those circumstances where FWHA deems that a proposed reasonable accommodation would fundamentally alter the service, program, or activity, or would result in undue financial and administrative burdens, FWHA has the burden of proving such result(s).
3. The responsibility for the decision that a proposed reasonable accommodation would result in such alteration or burdens shall rest with the Executive Director or his/her designee after considering all resources available for use in the funding and operation of the service, program, or activity, and must be accompanied by written statement of the reasons for reaching that conclusion. If an action would result in such an alteration or such burdens, FWHA shall propose any other action that will not result in or require an alteration or burden.
4. Live-in-Aides. In some cases, an individual with a disability may require a live-in-aide. In accordance with the provisions of the FWHA dwelling lease, FWHA may permit a live-in to reside in the dwelling unit to assist an individual with a disability. A live-in-aide means a person (a) determined by FWHA to be essential to the care and well being of a family member with a disability; (b) is not obligated to support the family member; and (c) would not be living in the unit except to provide the supportive services. A live-in-aide would not be required to share a bedroom with another member of the household [see 24 CFR 966.4(d)(3)]. Prior to granting permission, the live-in aide must submit to a criminal background check in accordance with FWHA's ACOP and Administrative Plan policies and procedures. Additionally, medical verification of the need for a live-in aide is required., and the following factors will be considered by FWHA in determining whether to approve a live-in aide:
  - (1) Whether the addition of a new occupant would create a situation of overcrowding in the dwelling unit, thereby requiring a transfer to another dwelling unit;
  - (2) The availability of an appropriate dwelling unit; and/or
  - (3) FWHA's obligation to make reasonable accommodation for persons with disabilities.
5. Verification. FWHA may verify a person's disability only to the extent necessary to ensure that applicants are qualified for the housing for which they are applying; that applicants are qualified for deductions used in determining adjusted income; that applicants are entitled to any preference they may claim; and that applicants who have requested a reasonable accommodation have a need for the requested accommodation. FWHA may not require applicants to provide access to confidential medical records in order to verify a disability nor may FWHA require specific details as to the disability. FWHA may require documentation of the manifestation of the disability that causes a need for a specific accommodation or accessible unit. FWHA may not ask what the specific disability is.

## **ATTACHMENTS TO PROCEDURES**

**ATTACHMENT 1 -REQUEST FOR A REASONABLE ACCOMMODATION**

**ATTACHMENT 2 - REQUEST FOR INFORMATION OR VERIFICATION**

**ATTACHMENT 3 - LETTER DENYING REQUEST FOR REASONABLE ACCOMMODATIONS**

**ATTACHMENT 4 - LETTER APPROVING REQUEST FOR REASONABLE ACCOMMODATIONS**

**ATTACHMENT 5 - REQUEST FOR MEETING**

**ATTACHMENT 6 – JOINT STATEMENT OF THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND THE DEPARTMENT OF JUSTICE REASONABLE MODIFICATIONS UNDER THE FAIR HOUSING ACT**

**Fort Wayne Housing Authority**  
**2025 S. Anthony Boulevard Fort Wayne IN 46803**

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***REQUEST FOR A REASONABLE ACCOMMODATION***

If you need:

- a change in our policies or procedures
- a repair or change in your apartment
- a change to some other part of the property
- a change in the way we communicate with you because of a disability, you may ask for this change, which is called a “reasonable accommodation.”

Requests for reasonable accommodations will be considered on a case-by-case basis. Decisions regarding reasonable accommodations will be made in compliance with all applicable accessibility laws and requirements. Additionally, in those circumstances where FWHA deems that a proposed reasonable accommodation would fundamentally alter the service, program, or activity, or would result in undue financial and administrative burdens, FWHA has the burden of proving such result.

We will make every effort to render a decision within twenty (20) business days. We will let you know if we need more information or verification from you or if we would like to discuss other ways of meeting your needs.

If we turn down your request, we will explain our decision, and you may give us additional information.

Please advise us if you need help in using the form, or if you wish to receive this Request Form in an alternative format to meet your communication needs.

**Fort Wayne Housing Authority**  
**2025 S. Anthony Boulevard Fort Wayne IN 46803**

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***REQUEST FOR A REASONABLE ACCOMMODATION***

The following member of my household has a disability:

Please provide this reasonable accommodation (specify accommodation(s)):

I need this reasonable accommodation because:

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Signed: \_\_\_\_\_

**Fort Wayne Housing Authority**  
**2025 S. Anthony Boulevard Fort Wayne IN 46803**

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***REQUEST FOR INFORMATION OR VERIFICATION***

Date:

To:

Dear Applicant or Program Participant:

We have received your Request for a Reasonable Accommodation. We need to know more about [issue, simply and clearly stated] before we can decide.

We need to know more because [reason, simple and clearly stated].  
You can give us more information by [acceptable methods of verification]. If this is a problem for you, other ways of providing the information may also be acceptable.

We will not make a decision until we have this new information.

If you think that you have given us this information, or if you think that we should not ask for this information, please call us at 260-449-7811. Please call if you have any other questions.

**Fort Wayne Housing Authority**  
**2025 S. Anthony Boulevard Fort Wayne IN 46803**

---

***DENIAL OF REQUEST FOR REASONABLE ACCOMMODATION***

Date:

To:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Dear Applicant or Resident:

You requested the following change or accommodation [describe request]. We have attached a copy of your request form. We have **denied** your request because:

You do not meet the definition of an individual with disabilities and we are not required to provide a reasonable accommodation.

We think the accommodation you requested is not reasonable because we have decided:

You do not need this accommodation in order to enjoy or participate equally in our housing.

It will create undue financial and administrative burdens for us.

It will change the fundamental nature of our program.

We have decided this because [give reasons, in clear and simple language].

We relied on these facts to deny your request [give facts, in clear and simple language].

To make this decision we [tell what documents or records we reviewed, tell which people we spoke with, describe other aspects of our investigation process].

If you disagree with our decision, you may contact the following agency:

U.S. Department of Housing and Urban Development  
Office of Fair Housing & Equal Opportunity  
151 North Delaware Street  
12th Floor Mail Station  
Indianapolis, IN 46204-2526

Phone: 1-800-765-9372  
TTY: 1-800-927-9275

Signature and closing

**Fort Wayne Housing Authority**  
**2025 S. Anthony Boulevard Fort Wayne IN 46803**

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***APPROVAL OF REQUEST FOR A REASONABLE ACCOMMODATION***

Date:

To:

Dear Applicant or Program Participant:

We have approved your request for the following change or reasonable accommodation [description] :

\_\_\_\_\_ We can provide you with this accommodation by [date].

\_\_\_\_\_ To make the change you requested, we must have three bids and then arrange installation. This is why we are not able to provide you with the accommodation immediately.

\_\_\_\_\_ [other reason for delay]. Please call us at [our telephone number] if you have any questions.

If you think this change or reasonable accommodation is not what you requested, if it is not acceptable, or if you object to the amount of time it will take to provide it, you may contact the Executive Office at 260-449-7811

If FWHA fails to provide this account you may contact this agency:

U.S. Department of Housing and Urban Development  
Office of Fair Housing & Equal Opportunity  
151 North Delaware Street  
12th Floor Mail Station  
Indianapolis, IN 46204-2526  
Phone: 1-800-765-9372

TTY: 1-800-927-9275

[signature and closing]

**Fort Wayne Housing Authority**  
**2025 S. Anthony Boulevard Fort Wayne IN 46803**

---

***REQUEST FOR A MEETING***

Date: To:

Dear Applicant or Program Participant:

We have received your request for a reasonable accommodation. It would help us make our decision if we could meet with you. You may bring someone to assist you with the meeting.

We would like to meet on [date, time, place]. If you cannot come at that time or if the meeting location is a problem, please call us at 260-449-7811.

We will talk about [describe issue, simply and clearly] at this meeting.

Please come ready to talk to us about the changes you want. Please bring copies of any information that you would like to give us.

We look forward to meeting with you.

[signature and closing]

**U.S. DEPARTMENT OF JUSTICE  
CIVIL RIGHTS DIVISION**

**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
OFFICE OF FAIR HOUSING AND EQUAL OPPORTUNITY**

*Washington, D.C.  
March 5, 2008*

**JOINT STATEMENT OF THE  
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
AND THE DEPARTMENT OF JUSTICE**

***REASONABLE MODIFICATIONS UNDER THE FAIR HOUSING ACT***

**Introduction**

The Department of Justice (“DOJ”) and the Department of Housing and Urban Development (“HUD”) are jointly responsible for enforcing the federal Fair Housing Act<sup>1</sup> (the “Act”), which prohibits discrimination in housing on the basis of race, color, religion, sex, national origin, familial status, and disability.<sup>2</sup> One type of disability discrimination prohibited by the Act is a refusal to permit, at the expense of the person with a disability, reasonable modifications of existing premises occupied or to be occupied by such person if such modifications may be necessary to afford such person full enjoyment of the premises.<sup>3</sup> HUD and DOJ frequently respond to complaints alleging that housing providers have violated the Act by refusing reasonable modifications to persons with disabilities. This Statement provides technical assistance regarding the rights and obligations of persons with disabilities and housing providers under the Act relating to reasonable modifications.<sup>4</sup>

<sup>1</sup> The Fair Housing Act is codified at 42 U.S.C. §§ 3601-3619.

<sup>2</sup> The Act uses the term “handicap” instead of “disability.” Both terms have the same legal meaning. See *Bragdon v. Abbott*, 524 U.S. 624, 631 (1998) (noting that the definition of “disability” in the Americans with Disabilities Act is drawn almost verbatim “from the definition of ‘handicap’ contained in the Fair Housing Amendments Act of 1988”). This document uses the term “disability,” which is more generally accepted.

<sup>3</sup> 42 U.S.C. § 3604(f)(3)(A).

4

This Statement does not address the principles relating to reasonable accommodations. For further information see the Joint Statement of the Department of Housing and Urban

This Statement is not intended to provide specific guidance regarding the Act's design and construction requirements for multifamily dwellings built for first occupancy after March 13, 1991. Some of the reasonable modifications discussed in this Statement are features of accessible design that are required for covered multifamily dwellings pursuant to the Act's design and construction requirements. As a result, people involved in the design and construction of multifamily dwellings are advised to consult the Act at 42 U.S.C. § 3604(f)(3)(c), the implementing regulations at 24 C.F.R. § 100.205, the Fair Housing Accessibility Guidelines, and the Fair Housing Act Design Manual. All of these are available on HUD's website at [www.hud.gov/offices/fheo/disabilities/index.cfm](http://www.hud.gov/offices/fheo/disabilities/index.cfm). Additional technical guidance on the design and construction requirements can also be found on HUD's website and the Fair Housing Accessibility FIRST website at: <http://www.fairhousingfirst.org>.

## **Questions and Answers**

### **1. What types of discrimination against persons with disabilities does the Act prohibit?**

The Act prohibits housing providers from discriminating against housing applicants or residents because of their disability or the disability of anyone associated with them and from treating persons with disabilities less favorably than others because of their disability. The Act makes it unlawful for any person to refuse "to permit, at the expense of the [disabled] person, reasonable modifications of existing premises occupied or to be occupied by such person if such modifications may be necessary to afford such person full enjoyment of the premises, except that, in the case of a rental, the landlord may where it is reasonable to do so condition permission for a modification on the renter agreeing to restore the interior of the premises to the condition that existed before the modification, reasonable wear and tear excepted."<sup>5</sup> The Act also makes it unlawful for any person to refuse "to make reasonable accommodations in rules, policies, practices, or services, when such accommodations may be necessary to afford ... person(s) [with disabilities] equal opportunity to use and enjoy a dwelling." The Act also prohibits housing providers from refusing residency to persons with disabilities, or, with some narrow exceptions,<sup>6</sup>

Development and the Department of Justice: Reasonable Accommodations Under the Fair Housing Act, dated May 17, 2004. This Joint Statement is available at [www.hud.gov/offices/fheo/disabilities/index.cfm](http://www.hud.gov/offices/fheo/disabilities/index.cfm) and [http://www.usdoj.gov/crt/housing/jointstatement\\_ra.htm](http://www.usdoj.gov/crt/housing/jointstatement_ra.htm). See also 42 U.S.C. § 3604(f)(3)(B).

This Statement also does not discuss in depth the obligations of housing providers who are recipients of federal financial assistance to make and pay for structural changes to units and common and public areas that are needed as a reasonable accommodation for a person's disability. See Question 31.

<sup>5</sup> 42 U.S.C. § 3604(f)(3)(A). HUD regulations pertaining to reasonable modifications may be found at 24 C.F.R. § 100.203.

<sup>6</sup> The Act contemplates certain limits to the receipt of reasonable accommodations or reasonable modifications. For example, a tenant may be required to deposit money into an interest bearing placing conditions on their residency, because those persons may require reasonable modifications or reasonable accommodations.

## **2. What is a reasonable modification under the Fair Housing Act?**

A reasonable modification is a structural change made to existing premises, occupied or to be occupied by a person with a disability, in order to afford such person full enjoyment of the premises. Reasonable modifications can include structural changes to interiors and exteriors of dwellings and to common and public use areas. A request for a reasonable modification may be made at any time during the tenancy. The Act makes it unlawful for a housing provider or homeowners' association to refuse to allow a reasonable modification to the premises when such a modification may be necessary to afford persons with disabilities full enjoyment of the premises.

To show that a requested modification may be necessary, there must be an identifiable relationship, or nexus, between the requested modification and the individual's disability. Further, the modification must be "reasonable." Examples of modifications that typically are reasonable include widening doorways to make rooms more accessible for persons in wheelchairs; installing grab bars in bathrooms; lowering kitchen cabinets to a height suitable for persons in wheelchairs; adding a ramp to make a primary entrance accessible for persons in wheelchairs; or altering a walkway to provide access to a public or common use area. These examples of reasonable modifications are not exhaustive.

## **3. Who is responsible for the expense of making a reasonable modification?**

The Fair Housing Act provides that while the housing provider must permit the modification, the tenant is responsible for paying the cost of the modification.

## **4. Who qualifies as a person with a disability under the Act?**

The Act defines a person with a disability to include (1) individuals with a physical or mental impairment that substantially limits one or more major life activities; (2) individuals who are regarded as having such an impairment; and (3) individuals with a record of such an impairment.

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, Human Immunodeficiency Virus infection, mental retardation, emotional illness, drug addiction (other than addiction caused by current, illegal use of a controlled substance) and alcoholism.

account to ensure that funds are available to restore the interior of a dwelling to its previous state. See, e.g., Question 21 below. A reasonable accommodation can be conditioned on meeting reasonable safety requirements, such as requiring persons who use motorized wheelchairs to operate them in a manner that does not pose a risk to the safety of others or cause damage to other persons’ property. See Joint Statement on Reasonable Accommodations, Question 11.

The term “substantially limits” suggests that the limitation is “significant” or “to a large degree.”

The term “major life activity” means those activities that are of central importance to daily life, such as seeing, hearing, walking, breathing, performing manual tasks, caring for one’s self, learning, and speaking. This list of major life activities is not exhaustive.

## **5. Who is entitled to a reasonable modification under the Fair Housing Act?**

Persons who meet the Fair Housing Act’s definition of “person with a disability” may be entitled to a reasonable modification under the Act. However, there must be an identifiable relationship, or nexus, between the requested modification and the individual’s disability. If no such nexus exists, then the housing provider may refuse to allow the requested modification.

**Example 1:** A tenant, whose arthritis impairs the use of her hands and causes her substantial difficulty in using the doorknobs in her apartment, wishes to replace the doorknobs with levers. Since there is a relationship between the tenant’s disability and the requested modification and the modification is reasonable, the housing provider must allow her to make the modification at the tenant’s expense.

**Example 2:** A homeowner with a mobility disability asks the condo association to permit him to change his roofing from shaker shingles to clay tiles and fiberglass shingles because he alleges that the shingles are less fireproof and put him at greater risk during a fire. There is no evidence that the shingles permitted by the homeowner’s association provide inadequate fire

protection and the person with the disability has not identified a nexus between his disability and the need for clay tiles and fiberglass shingles. The homeowner's association is not required to permit the homeowner's modification because the homeowner's request is not reasonable and there is no nexus between the request and the disability.

**6. If a disability is not obvious, what kinds of information may a housing provider request from the person with a disability in support of a requested reasonable modification?**

A housing provider may not ordinarily inquire as to the nature and severity of an individual's disability. However, in response to a request for a reasonable modification, a housing provider may request reliable disability-related information that (1) is necessary to verify that the person meets the Act's definition of disability (i.e., has a physical or mental impairment that substantially limits one or more major life activities), (2) describes the needed modification, and (3) shows the relationship between the person's disability and the need for the requested modification. Depending on the individual's circumstances, information verifying that the person meets the Act's definition of disability can usually be provided by the individual herself (e.g., proof that an individual under 65 years of age receives Supplemental Security Income or Social Security Disability Insurance benefits or a credible statement by the individual). A doctor or other medical professional, a peer support group, a non-medical service agency, or a reliable third party who is in a position to know about the individual's disability may also provide verification of a disability. In most cases, an individual's medical records or detailed information about the nature of a person's disability is not necessary for this inquiry.

Once a housing provider has established that a person meets the Act's definition of disability, the provider's request for documentation should seek only the information that is necessary to evaluate if the reasonable modification is needed because of a disability. Such information must be kept confidential and must not be shared with other persons unless they need the information to make or assess a decision to grant or deny a reasonable modification request or unless disclosure is required by law (e.g., a court-issued subpoena requiring disclosure).

**7. What kinds of information, if any, may a housing provider request from a person with an obvious or known disability who is requesting a reasonable modification?**

A housing provider is entitled to obtain information that is necessary to evaluate whether a requested reasonable modification may be necessary because of a disability. If a person's disability is obvious, or otherwise known to the housing provider, and if the need for the requested modification is also readily apparent or known, then the provider may not request any additional information about the requester's disability or the disability-related need for the modification.

If the requester's disability is known or readily apparent to the provider, but the need for the modification is not readily apparent or known, the provider may request only information that is necessary to evaluate the disability-related need for the modification.

**Example 1:** An applicant with an obvious mobility impairment who uses a motorized scooter to move around asks the housing provider to permit her to install a ramp at the entrance of the apartment building. Since the physical disability (*i.e.*, difficulty walking) and the disability-related need for the requested modification are both readily apparent, the provider may not require the applicant to provide any additional information about her disability or the need for the requested modification.

<sup>8</sup> Persons who meet the definition of disability for purposes of receiving Supplemental Security Income ("SSI") or Social Security Disability Income ("SSDI") benefits in most cases meet the definition of a disability under the Fair Housing Act, although the converse may not be true. See, e.g., Cleveland v. Policy Management Systems Corp., 526 U.S. 795, 797 (1999) (noting that SSDI provides benefits to a person with a disability so severe that she is unable to do her previous work and cannot engage in any other kind of substantial gainful work whereas a person pursuing an action for disability discrimination under the Americans with Disabilities Act may state a claim that "with a reasonable accommodation" she could perform the essential functions of the job).

**Example 2:** A deaf tenant asks his housing provider to allow him to install extra electrical lines and a cable line so the tenant can use computer equipment that helps him communicate with others. If the tenant's disability is known, the housing provider may not require him to document his disability; however, since the need for the electrical and cable lines may not be apparent, the housing provider may request information that is necessary to support the disability-related need for the requested modification.

## **8. Who must comply with the Fair Housing Act's reasonable modification requirements?**

Any person or entity engaging in prohibited conduct – *i.e.*, refusing to allow an individual to make reasonable modifications when such modifications may be necessary to afford a person with a disability full enjoyment of the premises – may be held liable unless they fall within an exception to the Act's coverage. Courts have applied the Act to individuals, corporations, associations and others involved in the provision of housing and residential lending, including property owners, housing managers, homeowners and condominium associations, lenders, real estate agents, and brokerage services. Courts have also applied the Act to state and local governments, most often in the context of exclusionary zoning or other land-use decisions. See,

e.g., City of Edmonds v. Oxford House, Inc., 514 U.S. 725, 729 (1995); Project Life v. Glendening, 139 F. Supp. 2d 703, 710 (D. Md. 2001), aff'd, 2002 WL 2012545 (4th Cir. 2002).

### **9. What is the difference between a *reasonable accommodation* and a *reasonable modification* under the Fair Housing Act?**

Under the Fair Housing Act, a *reasonable modification* is a structural change made to the premises whereas a *reasonable accommodation* is a change, exception, or adjustment to a rule, policy, practice, or service. A person with a disability may need either a reasonable accommodation or a reasonable modification, or both, in order to have an equal opportunity to use and enjoy a dwelling, including public and common use spaces. Generally, under the Fair Housing Act, the housing provider is responsible for the costs associated with a reasonable accommodation unless it is an undue financial and administrative burden, while the tenant or someone acting on the tenant's behalf, is responsible for costs associated with a reasonable modification. See Reasonable Accommodation Statement, Questions 7 and 8.

**Example 1:** Because of a mobility disability, a tenant wants to install grab bars in the bathroom. This is a reasonable modification and must be permitted at the tenant's expense.

<sup>9</sup> Housing providers that receive federal financial assistance are also subject to the requirements of Section 504 of the Rehabilitation Act of 1973. 29 U.S.C. § 794. Section 504, and its implementing regulations at 24 C.F.R. Part 8, prohibit discrimination based on disability, and obligate housing providers to make and pay for structural changes to facilities, if needed as a reasonable accommodation for applicants and tenants with disabilities, unless doing so poses an undue financial and administrative burden. See Question 31.

**Example 2:** Because of a hearing disability, a tenant wishes to install a peephole in her door so she can see who is at the door before she opens it. This is a reasonable modification and must be permitted at the tenant's expense.

**Example 3:** Because of a mobility disability, a tenant wants to install a ramp outside the building in a common area. This is a reasonable modification and must be permitted at the tenant's expense. See also Questions 19, 20 and 21.

**Example 4:** Because of a vision disability, a tenant requests permission to have a guide dog reside with her in her apartment. The housing provider has a "no-pets" policy. This is a request for a reasonable accommodation, and the housing provider must grant the accommodation.

**10. Are reasonable modifications restricted to the interior of a dwelling?**

No. Reasonable modifications are not limited to the interior of a dwelling. Reasonable modifications may also be made to public and common use areas such as widening entrances to fitness centers or laundry rooms, or for changes to exteriors of dwelling units such as installing a ramp at the entrance to a dwelling.

**11. Is a request for a parking space because of a physical disability a *reasonable accommodation* or a *reasonable modification*?**

Courts have treated requests for parking spaces as requests for a reasonable accommodation and have placed the responsibility for providing the parking space on the housing provider, even if provision of an accessible or assigned parking space results in some cost to the provider. For example, courts have required a housing provider to provide an assigned space even though the housing provider had a policy of not assigning parking spaces or had a waiting list for available parking. However, housing providers may not require persons with disabilities to pay extra fees as a condition of receiving accessible parking spaces.

Providing a parking accommodation could include creating signage, repainting markings, redistributing spaces, or creating curb cuts. This list is not exhaustive.

**12. What if the structural changes being requested by the tenant or applicant are in a building that is subject to the design and construction requirements of the Fair Housing Act and the requested structural changes are a feature of accessible design that should have already existed in the unit or common area, e.g., doorways wide enough to accommodate a wheelchair, or an accessible entryway to a unit.**

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The Fair Housing Act provides that covered multifamily dwellings built for first occupancy after March 13, 1991, shall be designed and constructed to meet certain minimum accessibility and adaptability standards. If any of the structural changes needed by the tenant are ones that should have been included in the unit or public and common use area when constructed then the housing provider may be responsible for providing and paying for those requested structural changes. However, if the requested structural changes are not a feature of accessible design that should have already existed in the building pursuant to the design and construction requirements under the Act, then the tenant is responsible for paying for the cost of the structural changes as a reasonable modification.

Although the design and construction provisions only apply to certain multifamily dwellings built for first occupancy since 1991, a tenant may request reasonable modifications to housing built prior to that date. In such cases, the housing provider must allow the modifications, and the tenant is responsible for paying for the costs under the Fair Housing Act.

For a discussion of the design and construction requirements of the Act, and their applicability, see HUD's website at: [www.hud.gov/offices/fheo/disabilities/index.cfm](http://www.hud.gov/offices/fheo/disabilities/index.cfm) and the Fair Housing Accessibility FIRST website at: <http://www.fairhousingfirst.org>.

**Example 1:** A tenant with a disability who uses a wheelchair resides in a ground floor apartment in a non-elevator building that was built in 1995. Buildings built for first occupancy after March 13, 1991 are covered by the design and construction requirements of the Fair Housing Act. Because the building is a non-elevator building, all ground floor units must meet the minimum accessibility requirements of the Act. The doors in the apartment are not wide enough for passage using a wheelchair in violation of the design and construction requirements but can be made so through retrofitting. Under these circumstances, one federal court has held that the tenant may have a potential claim against the housing provider.

**Example 2:** A tenant with a disability resides in an apartment in a building that was built in 1987. The doors in the unit are not wide enough for passage using a wheelchair but can be made so through retrofitting. If the tenant meets the other requirements for obtaining a modification, the tenant may widen the doorways, at her own expense.

**Example 3:** A tenant with a disability resides in an apartment in a building that was built in 1993 in compliance with the design and construction requirements of the Fair Housing Act. The tenant wants to install grab bars in the bathroom because of her disability. Provided that the tenant meets the other requirements for obtaining a modification, the tenant may install the grab bars at her own expense.

### **13. Who is responsible for expenses associated with a reasonable modification, e.g., for upkeep or maintenance?**

The tenant is responsible for upkeep and maintenance of a modification that is used exclusively by her. If a modification is made to a common area that is normally maintained by the housing provider, then the housing provider is responsible for the upkeep and maintenance of the modification. If a modification is made to a common area that is not normally maintained by the housing provider, then the housing provider has no responsibility under the Fair Housing Act to maintain the modification.

**Example 1:** Because of a mobility disability, a tenant, at her own expense, installs a lift inside her unit to allow her access to a second story. She is required to maintain the lift at her expense because it is not in a common area.

**Example 2:** Because of a mobility disability, a tenant installs a ramp in the lobby of a multifamily building at her own expense. The ramp is used by other tenants and the public as well as the tenant with the disability. The housing provider is responsible for maintaining the ramp.

**Example 3:** A tenant leases a detached, single-family home. Because of a mobility disability, the tenant installs a ramp at the outside entrance to the home. The housing provider provides no snow removal services, and the lease agreement specifically states that snow removal is the responsibility of the individual tenant. Under these circumstances, the housing provider has no responsibility under the Fair Housing Act to remove snow on the tenant's ramp. However, if the housing provider normally provides snow removal for the outside of the building and the common areas, the housing provider is responsible for removing the snow from the ramp as well.

**14. In addition to current residents, are prospective tenants and buyers of housing protected by the reasonable modification provisions of the Fair Housing Act?**

Yes. A person may make a request for a reasonable modification at any time. An individual may request a reasonable modification of the dwelling at the time that the potential tenancy or purchase is discussed. Under the Act, a housing provider cannot deny or restrict access to housing because a request for a reasonable modification is made. Such conduct would constitute discrimination. The modification does not have to be made, however, unless it is reasonable. See Questions 2, 16, 21 and 23.

**15. When and how should an individual request permission to make a modification?**

Under the Act, a resident or an applicant for housing makes a reasonable modification request whenever she makes clear to the housing provider that she is requesting permission to make a structural change to the premises because of her disability. She should explain that she has a disability, if not readily apparent or not known to the housing provider, the type of modification she is requesting, and the relationship between the requested modification and her disability.

An applicant or resident is not entitled to receive a reasonable modification unless she requests one. However, the Fair Housing Act does not require that a request be made in a particular manner or at a particular time. A person with a disability need not personally make the reasonable modification request; the request can be made by a family member or someone else who is acting on her behalf. An individual making a reasonable modification request does not need to mention the Act or use the words "reasonable modification." However, the requester must make the request in a manner that a reasonable person would understand to be a request for permission to make a structural change because of a disability.

Although a reasonable modification request can be made orally or in writing, it is usually helpful for both the resident and the housing provider if the request is made in writing. This will help prevent misunderstandings regarding what is being requested, or whether the request was made. To facilitate the processing and consideration of the request, residents or prospective residents may wish to check with a housing provider in advance to determine if the provider has a preference regarding the manner in which the request is made. However, housing providers must give appropriate consideration to reasonable modification requests even if the requester makes the request orally or does not use the provider's preferred forms or procedures for making such requests.

**16. Does a person with a disability have to have the housing provider's approval before making a reasonable modification to the dwelling?**

Yes. A person with a disability must have the housing provider's approval before making the modification. However, if the person with a disability meets the requirements under the Act for a reasonable modification and provides the relevant documents and assurances, the housing provider cannot deny the request.

**17. What if the housing provider fails to act promptly on a reasonable modification request?**

A provider has an obligation to provide prompt responses to a reasonable modification request. An undue delay in responding to a reasonable modification request may be deemed a failure to permit a reasonable modification.

**18. What if the housing provider proposes that the tenant move to a different unit in lieu of making a proposed modification?**

The housing provider cannot insist that a tenant move to a different unit in lieu of allowing the tenant to make a modification that complies with the requirements for reasonable modifications. See Questions 2, 21 and 23. Housing providers should be aware that persons with disabilities typically have the most accurate knowledge regarding the functional limitations posed by their disability.

**Example:** As a result of a mobility disability, a tenant requests that he be permitted, at his expense, to install a ramp so that he can access his apartment using his motorized wheelchair. The existing entrance to his dwelling is not wheelchair accessible because the route to the front door requires going up a step. The housing provider proposes that in lieu of installing the ramp, the tenant move to a different unit in the building. The tenant is not obligated to accept the alternative proposed by the housing provider, as his request to modify his unit is reasonable and must be approved.

**19. What if the housing provider wants an alternative modification or alternative design for the proposed modification that does not cost more but that the housing provider considers more aesthetically pleasing?**

In general, the housing provider cannot insist on an alternative modification or an alternative design if the tenant complies with the requirements for reasonable modifications. See Questions 2, 21 and 23. If the modification is to the interior of the unit and must be restored to its original condition when the tenant moves out, then the housing provider cannot require that its design be used instead of the tenant's design. However, if the modification is to a common area or an aspect of the interior of the unit that would not have to be restored because it would not be reasonable to do so, and if the housing provider's proposed design imposes no additional costs and still meets the tenant's needs, then the modification should be done in accordance with the housing provider's design. See Question 24 for a discussion of the restoration requirements.

**Example 1:** As a result of a mobility disability, a tenant requests that he be permitted, at his expense, to install a ramp so that he can access his apartment using his motorized wheelchair. The existing entrance to his dwelling is not wheelchair accessible because the route to the front door requires going up a step. The housing provider proposes an alternative design for a ramp but the alternative design costs more and does not meet the tenant's needs. The tenant is not obligated to accept the alternative modification, as his request to modify his unit is reasonable and must be approved.

**Example 2:** As a result of a mobility disability, a tenant requests permission to widen a doorway to allow passage with her wheelchair. All of the doorways in the unit are trimmed with a decorative trim molding that does not cost any more than the standard trim molding. Because in usual circumstances it would not be reasonable to require that the doorway be restored at the end of the tenancy, the tenant should use the decorative trim when he widens the doorway.

**20. What if the housing provider wants a more costly design for the requested modification?**

If the housing provider wishes a modification to be made with more costly materials, in order to satisfy the landlord's aesthetic standards, the tenant must agree only if the housing provider pays those additional costs. Further, as discussed in Questions 21 and 23 below, housing providers may require that the tenant obtain all necessary building permits and may require that the work be performed in a workmanlike manner. If the housing provider requires more costly materials be used to satisfy her workmanship preferences beyond the requirements of the applicable local codes, the tenant must agree only if the housing provider pays for those additional costs as well. In such a case, however, the housing provider's design must still meet the tenant's needs.

**21. What types of documents and assurances may a housing provider require regarding the modification before granting the reasonable modification?**

A housing provider may require that a request for a reasonable modification include a description of the proposed modification both before changes are made to the dwelling and before granting the modification. A description of the modification to be made may be provided to a housing provider either orally or in writing depending on the extent and nature of the proposed modification. A housing provider may also require that the tenant obtain any building permits needed to make the modifications, and that the work be performed in a workmanlike manner.

The regulations implementing the Fair Housing Act state that housing providers generally cannot impose conditions on a proposed reasonable modification. For example, a housing provider cannot require that the tenant obtain additional insurance or increase the security deposit as a condition that must be met before the modification will be allowed. However, the Preamble to the Final Regulations also indicates that there are some conditions that can be placed on a tenant requesting a reasonable modification. For example, in certain limited and narrow circumstances, a housing provider may require that the tenant deposit money into an interest bearing account to ensure that funds are available to restore the interior of a dwelling to its previous state, ordinary wear and tear excepted. Imposing conditions not contemplated by the Fair Housing Act and its implementing regulations may be the same as an illegal refusal to permit the modification.

**22. May a housing provider or homeowner's association condition approval of the requested modification on the requester obtaining special liability insurance?**

No. Imposition of such a requirement would constitute a violation of the Fair Housing Act.

**Example:** Because of a mobility disability, a tenant wants to install a ramp outside his unit. The housing provider informs the tenant that the ramp may be installed, but only after the tenant obtains separate liability insurance for the ramp out of concern for the housing provider's potential liability. The housing provider may not impose a requirement of liability insurance as a condition of approval of the ramp.

**23. Once the housing provider has agreed to a reasonable modification, may she insist that a particular contractor be used to perform the work?**

No. The housing provider cannot insist that a particular contractor do the work. The housing provider may only require that whoever does the work is reasonably able to complete the work in a workmanlike manner and obtain all necessary building permits.

**24. If a person with a disability has made reasonable modifications to the interior of the dwelling, must she restore *all* of them when she moves out?**

The tenant is obligated to restore those portions of the interior of the dwelling to their previous condition only where “it is reasonable to do so” and where the housing provider has requested the restoration. The tenant is not responsible for expenses associated with reasonable wear and tear. In general, if the modifications do not affect the housing provider’s or subsequent tenant’s use or enjoyment of the premises, the tenant cannot be required to restore the modifications to their prior state. A housing provider may choose to keep the modifications in place at the end of the tenancy. See also Question 28.

**Example 1:** Because the tenant uses a wheelchair, she obtained permission from her housing provider to remove the base cabinets and lower the kitchen sink to provide for greater accessibility. It is reasonable for the housing provider to ask the tenant to replace the cabinets and raise the sink back to its original height.

**Example 2:** Because of a mobility disability, a tenant obtained approval from the housing provider to install grab bars in the bathroom. As part of the installation, the contractor had to construct reinforcements on the underside of the wall. These reinforcements are not visible and do not detract from the use of the apartment. It is reasonable for the housing provider to require the tenant to remove the grab bars, but it is not reasonable for the housing provider to require the tenant to remove the reinforcements.

**Example 3:** Because of a mobility disability, a tenant obtained approval from the housing provider to widen doorways to allow him to maneuver in his wheelchair. In usual circumstances, it is not reasonable for the housing provider to require him to restore the doorways to their prior width.

**25. Of the reasonable modifications made to the interior of a dwelling that must be restored, must the person with a disability pay to make those restorations when she moves out?**

Yes. Reasonable restorations of the dwelling required as a result of modifications made to the interior of the dwelling must be paid for by the tenant unless the next occupant of the dwelling wants to retain the reasonable modifications and where it is reasonable to do so, the next occupant is willing to establish a new interest bearing escrow account. The subsequent tenant would have to restore the modifications to the prior condition at the end of his tenancy if it is reasonable to do so and if requested by the housing provider. See also Question 24.

**26. If a person with a disability has made a reasonable modification to the exterior of the dwelling, or a common area, must she restore it to its original condition when she moves out?**

No. The Fair Housing Act expressly provides that housing providers may only require restoration of modifications made to interiors of the dwelling at the end of the tenancy. Reasonable modifications such as ramps to the front door of the dwelling or modifications made to laundry rooms or building entrances are not required to be restored.

**27. May a housing provider increase or require a person with a disability to pay a security deposit if she requests a reasonable modification?**

No. The housing provider may not require an increased security deposit as the result of a request for a reasonable modification, nor may a housing provider require a tenant to pay a security deposit when one is not customarily required. However, a housing provider may be able to take other steps to ensure that money will be available to pay for restoration of the interior of the premises at the end of the tenancy. See Questions 21 and 28.

**28. May a housing provider take other steps to ensure that money will be available to pay for restoration of the interior of the premises at the end of the tenancy?**

Where it is necessary in order to ensure with reasonable certainty that funds will be available to pay for the restorations at the end of the tenancy, the housing provider may negotiate with the tenant as part of a restoration agreement a provision that requires the tenant to make payments into an interest-bearing escrow account. A housing provider may not routinely require that tenants place money in escrow accounts when a modification is sought. Both the amount and the terms of the escrow payment are subject to negotiation between the housing provider and the tenant.

Simply because an individual has a disability does not mean that she is less creditworthy than an individual without a disability. The decision to require that money be placed in an escrow account should be based on the following factors: 1) the extent and nature of the proposed modifications; 2) the expected duration of the lease; 3) the credit and tenancy history of the individual tenant; and 4) other information that may bear on the risk to the housing provider that the premises will not be restored.

If the housing provider decides to require payment into an escrow account, the amount of money to be placed in the account cannot exceed the cost of restoring the modifications, and the period of time during which the tenant makes payment into the escrow account must be reasonable. Although a housing provider may require that funds be placed in escrow, it does not automatically mean that the full amount of money needed to make the future restorations can be required to be paid at the time that the modifications are sought. In addition, it is important to note that interest from the account accrues to the benefit of the tenant. If an escrow account is established, and the housing provider later decides not to have the unit restored, then all funds in the account, including the interest, must be promptly returned to the tenant.

**Example 1:** Because of a mobility disability, a tenant requests a reasonable modification. The modification includes installation of grab bars in the bathroom. The tenant has an excellent credit history and has lived in the apartment for five years before becoming disabled. Under these circumstances, it may not be reasonable to require payment into an escrow account.

**Example 2:** Because of a mobility disability, a new tenant with a poor credit history wants to lower the kitchen cabinets to a more accessible height. It may be reasonable for the housing provider to require payment into an interest bearing escrow account to ensure that funds are available for restoration.

**Example 3:** A housing provider requires all tenants with disabilities to pay a set sum into an interest bearing escrow account before approving any request for a reasonable modification. The amount required by the housing provider has no relationship to the actual cost of the restoration. This type of requirement violates the Fair Housing Act.

**29. What if a person with a disability moves into a rental unit and wants the carpet taken up because her wheelchair does not move easily across carpeting? Is that a reasonable accommodation or modification?**

Depending on the circumstances, removal of carpeting may be either a reasonable accommodation or a reasonable modification.

**Example 1:** If the housing provider has a practice of not permitting a tenant to change flooring in a unit and there is a smooth, finished floor underneath the carpeting, generally, allowing the tenant to remove the carpet would be a reasonable accommodation.

**Example 2:** If there is no finished flooring underneath the carpeting, generally, removing the carpeting and installing a finished floor would be a reasonable modification that would have to be done at the tenant's expense. If the finished floor installed by the tenant does not affect the housing provider's or subsequent tenant's use or enjoyment of the premises, the tenant would not have to restore the carpeting at the conclusion of the tenancy. See Questions 24 and 25.

**Example 3:** If the housing provider has a practice of replacing the carpeting before a new tenant moves in, and there is an existing smooth, finished floor underneath, then it would be a reasonable accommodation of his normal practice of installing new carpeting for the housing provider to just take up the old carpeting and wait until the tenant with a mobility disability moves out to put new carpeting down.

**30. Who is responsible for paying for the costs of structural changes to a dwelling unit that has not yet been constructed if a purchaser with a disability needs different or additional features to make the unit meet her disability-related needs?**

If the dwelling unit is not subject to the design and construction requirements (i.e., a detached single family home or a multi-story townhouse without an elevator), then the purchaser is responsible for the additional costs associated with the structural changes. The purchaser is responsible for any additional cost that the structural changes might create over and above what the original design would have cost.

If the unit being purchased is subject to the design and construction requirements of the Fair Housing Act, then all costs associated with incorporating the features required by the Act are borne by the builder. If a purchaser with a disability needs different or additional features added to a unit under construction or about to be constructed beyond those already required by the Act, and it would cost the builder more to provide the requested features, the structural changes would be considered a reasonable modification and the additional costs would have to be borne by the purchaser. The purchaser is responsible for any additional cost that the structural changes might create over and above what the original design would have cost.

**Example 1:** A buyer with a mobility disability is purchasing a single family dwelling under construction and asks for a bathroom sink with a floorless base cabinet with retractable doors that allows the buyer to position his wheelchair under the sink. If the cabinet costs more than the standard vanity cabinet provided by the builder, the buyer is responsible for the additional cost, not the full cost of the requested cabinet. If, however, the alternative cabinet requested by the buyer costs less than or the same as the one normally provided by the builder, and the installation costs are also the same or less, then the builder should install the requested cabinet without any additional cost to the buyer.

**Example 2:** A buyer with a mobility disability is purchasing a ground floor unit in a detached townhouse that is designed with a concrete step at the front door. The buyer requests that the builder grade the entrance to eliminate the need for the step. If the cost of providing the at-grade entrance is no greater than the cost of building the concrete step, then the builder would have to provide the at-grade entrance without additional charge to the purchaser.

**Example 3:** A buyer with a mobility disability is purchasing a unit that is subject to the design and construction requirements of the Fair Housing Act. The buyer wishes to have grab bars installed in the unit as a reasonable modification to the bathroom. The builder is responsible for installing and paying for the wall reinforcements for the grab bars because these reinforcements are required under the design and construction provisions of the Act. The buyer is responsible for the costs of installing and paying for the grab bars.

**31. Are the rules the same if a person with a disability lives in housing that receives federal financial assistance and the needed structural changes to the unit or common area are the result of the tenant having a disability?**

Housing that receives federal financial assistance is covered by both the Fair Housing Act and Section 504 of the Rehabilitation Act of 1973. Under regulations implementing Section 504, structural changes needed by an applicant or resident with a disability in housing receiving federal financial assistance are considered reasonable accommodations. They must be paid for by the housing provider unless providing them would be an undue financial and administrative burden or a fundamental alteration of the program or unless the housing provider can accommodate the individual's needs through other means. Housing that receives federal financial assistance and that is provided by state or local entities may also be covered by Title II of the Americans with Disabilities Act.

**Example 1:** A tenant who uses a wheelchair and who lives in privately owned housing needs a roll-in shower in order to bathe independently. Under the Fair Housing Act the tenant would be responsible for the costs of installing the roll-in shower as a reasonable modification to his unit.

**Example 2:** A tenant who uses a wheelchair and who lives in housing that receives federal financial assistance needs a roll-in shower in order to bathe independently. Under Section 504 of the Rehabilitation Act of 1973, the housing provider would be obligated to pay for and install the roll-in shower as a reasonable accommodation to the tenant unless doing so was an undue financial and administrative burden or unless the housing provider could meet the tenant's disability-related needs by transferring the tenant to another appropriate unit that contains a roll-in shower.

HUD has provided more detailed information about Section 504's requirements. See [www.hud.gov/offices/fheo/disabilities/sect504.cfm](http://www.hud.gov/offices/fheo/disabilities/sect504.cfm).

**32. If a person believes that she has been unlawfully denied a reasonable modification, what should that person do if she wants to challenge that denial under the Act?**

When a person with a disability believes that she has been subjected to a discriminatory housing practice, including a provider's wrongful denial of a request for a reasonable modification, she may file a complaint with HUD within one year after the alleged denial or may file a lawsuit in federal district court within two years of the alleged denial. If a complaint is filed, HUD will investigate the complaint at no cost to the person with a disability.

There are several ways that a person may file a complaint with HUD:

- By placing a toll-free call to 1-800-669-9777 or TTY 1-800-927-9275;
- By completing the "on-line" complaint form available on the HUD internet site: <http://www.hud.gov>; or
- By mailing a completed complaint form or letter to:

Office of Fair Housing and Equal Opportunity  
Department of Housing & Urban Development  
451 Seventh Street, S.W., Room 5204  
Washington, DC 20410-2000

Upon request, HUD will provide printed materials in alternate formats (large print, audio tapes, or Braille) and provide complainants with assistance in reading and completing forms.

The Civil Rights Division of the Justice Department brings lawsuits in federal courts across the country to end discriminatory practices and to seek monetary and other relief for individuals whose rights under the Fair Housing Act have been violated. The Civil Rights Division initiates lawsuits when it has reason to believe that a person or entity is involved in a “pattern or practice” of discrimination or when there has been a denial of rights to a group of persons that raises an issue of general public importance. The Division also participates as *amicus curiae* in federal court cases that raise important legal questions involving the application and/or interpretation of the Act. To alert the Justice Department to matters involving a pattern or practice of discrimination, matters involving the denial of rights to groups of persons, or lawsuits raising issues that may be appropriate for *amicus* participation, contact:

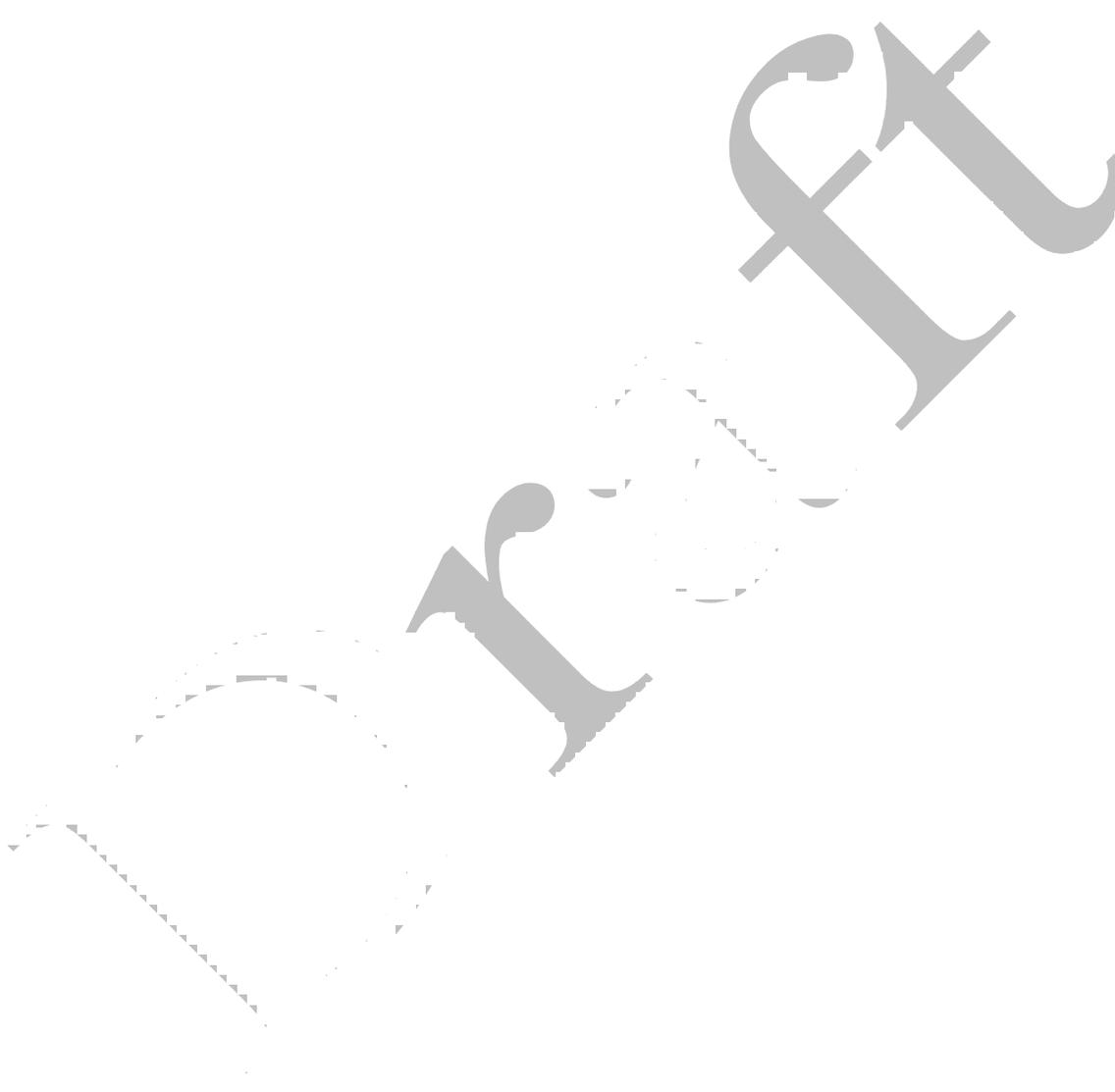
U.S. Department of Justice Civil Rights Division Housing and Civil  
Enforcement Section – G St. 950 Pennsylvania Avenue, N.W.  
Washington, DC 20530

For more information on the types of housing discrimination cases handled by the Civil Rights Division, please refer to the Housing and Civil Enforcement Section’s website at <http://www.usdoj.gov/crt/housing/hcehome.html>.

A HUD or Department of Justice decision not to proceed with a Fair Housing Act matter does not foreclose private plaintiffs from pursuing a private lawsuit. However, litigation can be an expensive, time-consuming, and uncertain process for all parties. HUD and the Department of Justice encourage parties to Fair Housing Act disputes to explore all reasonable alternatives to litigation, including alternative dispute resolution procedures, such as mediation. HUD attempts to conciliate all Fair Housing Act complaints. In addition, it is the Department of Justice’s policy to offer prospective defendants the opportunity to engage in pre-suit settlement negotiations, except in the most unusual circumstances.

**Attachment B**

**FWHA Lease**





## FWHA PUBLIC HOUSING LEASE

1. **PARTIES AND DWELLING UNIT:** The parties to this Lease are The Housing Authority of the City of Fort Wayne Indiana, referred to as Landlord, and, the occupying family, referred to as the Resident. The Landlord leases to the Resident the premises located at The premises leased are for the exclusive use and occupancy of the Resident and the Resident's household consisting of the following named persons who will live in the dwelling unit :

Name	Date of Birth	Social Security Number
------	---------------	------------------------

Any additions to the household members listed above require the advance written approval of the Landlord. This includes Live-in Aides and foster children or adults, but excludes natural births. The Landlord shall approve the additions if they pass the screening and an appropriate size unit is available. Deletions from the household shall be reported to the Landlord within ten (10) days.

2. **LEASE TERM:** This Lease shall begin on \_\_\_\_\_. The term shall be one year and shall renew automatically on an annual basis, unless terminated as provided by this Lease.

3. **RENTAL PAYMENT:** Resident shall pay monthly rent of \$ \_\_\_\_\_. If this Lease begins on a day other than the first day of the month, the first month's rent shall be \$\_\_\_\_\_.

(Check one)

This rent is based on the Authority-determined flat rent for this unit.

This rent is based on the income and other information reported by the Resident.

Families may change rent calculation methods at any recertification. Families who have chosen the flat rent option may request a reexamination and change to the formula-based method at any time if the family's income has decreased, their on-going expenses for such purposes as child care and medical care have changed or any other circumstances that create a hardship for the family that would be alleviated by a change.

The rent and all other invoiced changes are due on the first day of each month at The Housing Authority of the City of Fort Wayne Indiana administrative office or by mail and shall remain in effect until adjusted in accordance with the provisions of this lease. If a reasonable accommodation on where to pay rent is needed, other arrangements can be made. Cash payments are not acceptable.

If Resident fails to make the rent payment by the fifth day of the month, a notice to vacate will be issued to the Resident. If the rent is not paid by the fifth of the month, a \$10 late fee will be assessed and a \$15 additional fee will be assessed on the 15<sup>th</sup> if the account remains unpaid. A 14 day Notice to Vacate detailing current assessed charges will be issued to the tenant. If rent is paid by a personal check and the check is returned for insufficient funds, this shall be considered a non-payment of rent and will incur the late charge plus an additional charge of \$25 for processing costs.

If a family is paying the minimum rent and its circumstances change creating an inability to pay the rent, the family may request suspension of the minimum rent because of a recognized hardship.

In the event legal proceedings are required to recover possession of the premises, the Resident will be charged with the actual cost of such proceedings including reasonable attorney fees.

- 4. SECURITY DEPOSIT:** The Resident has paid the amount of \$ to the Landlord as a Security Deposit.

With the approval of the Landlord, the Security Deposit may be made in three payments -- one third in advance, one third with their second rent payment, and one third with their third rent payment. The Landlord will hold this security deposit for the period the Resident occupies the dwelling unit. The Landlord shall not use the Security Deposit for rent or other charges while the Resident is living in the dwelling unit.

Within 45 days after the Resident has personally moved out of the dwelling unit, the Landlord shall return the Security Deposit after deducting whatever amount is needed to pay the cost of:

- a. unpaid rent;
- b. repair of damages that exceed normal wear and tear as listed on the Move-Out Inspection Report; and
- c. other charges due under the Lease.

The Landlord shall provide the Resident with a written list of any charges made against the Security Deposit. If the Resident disagrees with the amounts deducted, the Landlord will meet with the Resident to discuss the charges.

- 5. OCCUPANCY:** The Resident shall use the premises as a private dwelling for himself or herself and the persons named in of this Lease, with the exception of minor children born into the household during this tenancy, and shall not permit its use for any other purpose without the written permission of the Landlord.

**The Resident shall not:**

- 1) permit any persons other than those listed above and minor children which are born

into the household during this tenancy, to reside in the dwelling unit for more than fourteen (14) days each year without obtaining the prior written approval of the Landlord;

- 2) sublet or assign the unit, or any part of the unit;
- 3) engage in or permit unlawful activities in the unit, in the common areas, or on the property grounds;
- 4) act or allow household members or guests to act in a manner that will disturb the rights or comfort of neighbors;
- 5) permit any member of the household, a guest, or another person under the Resident's control to engage in any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents or Authority employees;
- 6) permit any member of the household, a guest, or another person under the Resident's control to engage in any violent or drug-related criminal activity on or off the premises.
- 7) Resident shall not permit any firearms on the premises without the required federal, state, or local permits.

With the written permission of the Landlord, the Resident can incidentally use the premises for legally permissible income producing purposes so long as the business does not infringe on the rights of other Residents. All such business-related uses of the premises must meet all zoning requirements and the Resident must have the proper business licenses.

The Resident has the right to exclusive use and occupancy of the dwelling unit, which includes reasonable accommodation of the Resident's guests, visitors and, with the consent of the Landlord, foster children and/or adults and the live-in care giver of the Resident's family.

6. **CONDITION OF DWELLING:** By signing this Lease and the Unit Inspection Report, the Resident acknowledges that the dwelling unit is safe, clean and in good condition, and that all appliances and equipment in the dwelling unit are in good working order as described on the Move-in Unit Inspection Report. This report, signed by both the Resident and Landlord, is attached to this Lease.

At the time of move out, the Landlord shall complete another inspection of the dwelling unit. When the Resident notifies the Landlord of his or her intent to vacate, the Landlord shall advise the Resident of their opportunity to participate in the move-out inspection.

7. **UTILITIES:** The Housing Authority of the City of Fort Wayne Indiana shall provide the following utilities as a part of this lease agreement but shall not be liable for the failure to provide service if beyond its control:

The Resident agrees to pay for the following utilities:

The Utility Allowance Schedule for Resident Paid Utilities and the Schedule of Excess Utility Charges are posted in the Landlord's office. The Resident shall pay any excess utilities consumed in their unit over and above that set forth in the Schedule. Utility allowance revisions based on rate changes shall be effective retroactively to the first day of the month following the month in which the last rate change took place. Revisions based on changes in consumption or other reasons shall become effective at each family's next annual reexamination.

- 8. RENT RECERTIFICATIONS:** Each year, by the date specified by the Landlord, Residents who are paying rent based on their income shall provide updated information regarding income, assets, expenses, and family composition. The Landlord shall verify the information supplied by the Resident and use the verified information to establish the amount of the Resident's rent for the next year. At the time of the annual review, the landlord shall advise the Resident of any income that will be excluded from consideration. Increased earnings due to employment shall be excluded during the twelve month period following hire for families whose income has increased because of the employment of a family member who was previously unemployed for one or more years, because of participation in a self-sufficiency program or was assisted by a State TANF program within the last six months.

Income reviews will be held every third year for Residents choosing the flat rent option. Residents who have chosen this option will be notified at the appropriate time for their recertification.

At the time of the review appointment the Resident may elect to change his or her rent choice option.

In cases where annual income cannot be projected for a twelve-month period or the Resident is reporting no income and Resident has chosen the percentage of income rent option, the Landlord will schedule special rent reviews every sixty (60) days. In addition, the Resident may request a change in the rent choice option before the date of the review if the family experiences a decrease in income; their circumstances have changed increasing their expenses for child care, medical, etc.; or other circumstances create a hardship on the family such that the formula method would be more financially feasible for the family.

Residents paying rent based on income may meet with the Landlord to discuss any change in rent resulting from the recertification process; and, if the Resident does not agree with the determination of Resident rent, the Resident may request a hearing in accordance with the landlord's grievance procedures.

- 9. INTERIM RENT ADJUSTMENTS:** Residents must promptly report to the Landlord any of the following changes in household circumstances when they occur between

Annual Rent Recertifications:

A member has been added to the family through birth, adoption, or court-awarded custody.

A household member is leaving or has left the family unit.

In addition, Residents paying rent based on a percentage of income may report the following activities that occur between Annual Rent Recertifications:

A decrease in annual income;

- b. Childcare expenses for children under the age of 13 that are necessary to enable a member of the household to be employed or to go to school;
- c. Handicapped assistance expenses, which enable a family member to work;
- d. Medical expenses of elderly, disabled, or handicapped headed households that are not covered by insurance; or
- e. Other family changes that impact their adjusted income.

Notwithstanding the provisions listed above, a Resident's rent shall not be reduced if the decrease in the family's annual income is caused by a reduction in the welfare or public assistance benefits received by the family that is a result of the Resident's failure to comply with the conditions of the assistance program requiring participation in an economic self-sufficiency program or other work activities. In addition, if the decrease in the family's annual income is caused by a reduction in welfare or public assistance benefits received by the family that is the result of an act of fraud, such decrease in income shall not result in a rent reduction. In such cases, the amount of income to be attributed to the family shall include what the family would have received had they complied with the welfare requirements or had not committed an act of fraud.

For purposes of rent adjustments, the reduction of welfare or public assistance benefits to a family that occurs as a result of the expiration of a time limit for the receipt of assistance will not be considered a failure to comply with program requirements. Accordingly, a Resident's rent will be reduced as a result of such a decrease.

The Landlord shall verify the information provided by the Resident to determine if a decrease in the rent is warranted.

**10. EFFECTIVE DATE OF RENT CHANGE:** The Landlord shall give the Resident written notice of any change in the Resident's rent. The notice shall be signed by the Landlord, state the new amount the Resident is required to pay, and the effective date of the new rental amount.

- a. Rent Decreases: The Landlord shall process rent decreases so that the lowered rent amount becomes effective on the first day of the month after the Resident

reports the change in household circumstances. This rent change may be made retroactive to the appropriate date if less than five (5) working days have been given to the Landlord to process this change.

- b. Rent Increases: The Landlord shall process rent increases so that the Resident is given no less than 30 days advance written notice of the amount due.

Once the rental rate is established, it shall remain in effect until the effective date of the next annual review, unless another interim review and change is warranted or the Resident elects to change to or from flat rent calculation method.

**11. RESIDENT OBLIGATION TO REPAY:** Residents who pay rent based on income shall reimburse the Landlord for the difference between the rent that was paid and the rent that should have been charged if proper notice of income change had been given and if the following circumstances occur:

- a. Resident does not submit rent review information by the date specified in the Landlord's request; or
- b. Resident submits false information at Admission or at annual, special, or interim review.

Resident is not required to reimburse the Landlord for undercharges caused solely by the Landlord's failure to follow U.S. Department of Housing and Urban Development's procedures for computing rent.

**12. MAINTENANCE:**

The Resident Agrees To:

- a. keep the dwelling unit and any other areas assigned for the Resident's use in a clean and safe condition;
- b. use all appliances, fixtures and equipment in a safe manner and only for the purposes for which they are intended;
- c. not litter the grounds or common areas of the property;
- d. not undertake, or permit his or her family or guests to undertake any hazardous acts or do anything that will damage the property;
- e. not destroy, deface, damage or remove any part of the dwelling unit, common areas, or property grounds;
- f. give the Landlord prompt notice of any defects in the plumbing, fixtures, appliances, heating equipment or any other part of the unit or related facilities;
- g. not park unregistered or un-inspected vehicles on the property or park any vehicle in an unauthorized location and Resident must remove inoperable vehicles;
- h. remove garbage and other waste from the dwelling unit in a clean and safe manner; and
- i. pay reasonable charges for the repair of damages other than normal wear and

tear to the premises, development buildings, facilities or common areas caused by the Resident, his or her household or guests, and to do so within 30 days after the receipt of the Landlord's itemized statement of the repair charges. The Damage and Service Charge Schedule is posted in the Landlord's office. If the item is not listed on the Schedule, the Resident shall be charged the actual cost the Landlord incurred.

- j. Report criminal and/or drug related activities
- k. Provide supervision for all minors.

**The Landlord Agrees To:**

- a. maintain the premises and the property in decent and safe condition;
- b. comply with requirements of applicable building codes, housing codes materially affecting health and safety, and U.S. Department of Housing and Urban Development regulations;
- c. make necessary repairs to the premises;
- d. keep property buildings, facilities and common areas, not otherwise assigned to the Resident for maintenance and upkeep, in a clean and safe condition;
- e. maintain in good and safe working order and condition electrical, plumbing, sanitary, heating, ventilating, and other facilities and appliances, including elevators, supplied or required to be supplied by the Landlord;
- f. provide and maintain appropriate receptacles and facilities for the deposit of garbage, rubbish, and other waste removed from the premises by the Resident; and
- g. supply running water and reasonable amounts of hot water and heat at appropriate times of the year (according to local customs and usage) except where heat or hot water is generated by an installation within the exclusive control of the Resident and supplied by a direct utility connection.

If the dwelling unit is rendered uninhabitable, regardless of cause:

- a. The Resident shall immediately notify the Landlord;
- b. The Landlord shall be responsible for repair of the unit within a reasonable time. If the Resident, household members or guests caused the damage, the reasonable cost of the repairs shall be charged to the Resident.
- c. The Landlord shall offer standard alternative accommodations, if available, when necessary repairs cannot be made within a reasonable time.
- d. The Landlord shall make a provision for rent abatement in proportion to the seriousness of the damage and loss in value if repairs are not made within a reasonable time. No abatement of rent shall occur if the Resident rejects the alternative accommodations or if the Resident, Resident's household, or guests caused the damage.

**13. RESTRICTION ON ALTERATIONS:** The Resident shall not do any of the following

without first obtaining the Landlord's written permission:

- a. dismantle, change or remove any part of the appliances, fixtures or equipment in the dwelling unit;
- b. paint or install wallpaper or contact paper in the dwelling unit;
- c. attach awnings or window guards in the dwelling unit;
- d. attach or place any fixtures, signs, or fences on the building(s), the common areas, or the property grounds;
- e. attach any shelves, screen doors, or other permanent improvements in the dwelling unit;
- f. install or alter carpeting, resurface floors or alter woodwork;
- g. install washing machines, dryers, fans, heaters, or air conditioners in an elderly dwelling unit;
- h. place any aerials, antennas or other electrical connections on the dwelling unit;
- i. install additional or different locks or gates on any doors or windows of the dwelling unit; or
- j. operate a business as an incidental use in the dwelling unit.

- 14. ACCESS BY LANDLORD:** The Landlord shall provide two (2) days written advance notice to the Resident of his or her intent to enter the dwelling unit for the purpose of performing routine inspections and preventive maintenance, extermination or to show the dwelling unit for re-renting. The notice shall specify the estimated time, and purpose for the entry. The Resident shall permit the Landlord, his or her agents, or other persons, when accompanied by the Landlord, to enter the dwelling unit for these purposes. In the event that the Resident and all adult members of the household are absent from the dwelling unit at the time of entry, the Landlord shall leave a card stating the date, time and name of the person entering the dwelling unit and the purpose of the visit.

The Landlord may enter the dwelling unit at any time without advance notice when there is reasonable cause to believe an emergency exists.

- 15. SIZE OF DWELLING:** The Resident understands that the Landlord assigns dwelling units according to the Occupancy Standards published in its Admissions and Continued Occupancy Policy (ACOP). The Standards consider the type (such as dwelling units designed for the elderly or handicapped) and size of the dwelling unit required by the number of household members. If the Resident is or becomes eligible for a different type or size dwelling unit and an appropriate dwelling unit under this program and the Landlord's transfer policy becomes available, the Resident shall be given a reasonable period of time to move. This time shall not exceed sixty (60) days unless an unusual hardship condition exists. If the Resident fails to move to the designated dwelling unit within the notice period specified by the Landlord, the Landlord may terminate this lease.

If the Landlord determines that a Resident must transfer to another unit based on

family composition, the Landlord shall notify the Resident. The Resident may ask for an explanation stating the specific grounds of the determination, and if the Resident does not agree with the determination, the Resident may request a hearing in accordance with the Landlord's grievance procedures.

- 16. LEASE TERMINATION BY LANDLORD:** Any termination of this Lease shall be carried out in accordance with U.S. Department of Housing and Urban Development regulations, State and local law, and the terms of this Lease.

The Landlord shall not terminate or refuse to renew the Lease other than for violation of material terms of the Lease, such as, but not limited to, the following:

- a. nonpayment of rent or other charges due under the Lease (i.e. utilities), or repeated chronic late payment of rent (four times in a twelve month period);
- b. failure to provide timely and accurate statements of income, assets, expenses and family composition at Admission, Interim, Special or Annual Rent Recertifications, to attend scheduled reexamination interviews or to cooperate in the verification process if the Resident has chosen to pay rent based on a percentage of income;
- c. furnishing false or misleading information during the application or review process; assignment or subleasing of the premises or providing accommodation for boarders or lodgers;
- d. use of the premises for purposes other than solely as a dwelling unit for the Resident and Resident's household as identified in this Lease, or permitting its use for any other purpose without the written permission of the Landlord;
- e. failure to abide by necessary and reasonable rules made by the Landlord for the benefit and well being of the housing development and the Residents;
- f. failure to abide by applicable building and housing codes materially affecting health or safety;
- g. failure to dispose of garbage, waste and rubbish in a safe and sanitary manner;
- h. failure to use electrical, plumbing, sanitary, heating, ventilating, air conditioning and other equipment, including elevators, in a safe manner;
- i. acts of destruction, defacement or removal of any part of the premises, or failure to cause guests to refrain from such acts;
- j. failure to pay reasonable charges for the repair of damages to the premises, property buildings, facilities or common areas;
- k. any activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other Residents or employees of the Authority;
- l. any violent or drug-related criminal activity on or off the premises, not just on or near the premises;
- m. alcohol abuse that the Landlord determines interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents;
- n. failure to perform required community service or be exempted there from;
- o. failure to allow inspection of the dwelling unit;
- p. determination that a family member has knowingly permitted an ineligible non-

- citizen not listed on the lease to permanently reside in their public housing unit;
- r. determination or discovery that a resident is a registered sex offender; or,
  - s. any other good cause.

**17. NOTICE OF LEASE TERMINATION:** If the Landlord proposes to terminate this Lease, the Resident shall be given written notice of the proposed termination, as listed below:

- a. for failure to pay rent, at least fourteen (14) days;
- b. for creation or maintenance of a threat to health or safety of other Residents or Landlord's employees, a reasonable time based on the urgency of the situation typically (3) days or less;
- c. for failure to maintain utilities in the dwelling unit, (10) day notice for waste;
- d. for all other cases, thirty (30) days, unless State law permits a shorter period.

The Notice to Vacate required by State or local law may be combined with or run concurrently with a Notice of Lease termination required by this lease.

The Notice of Lease Termination from the Landlord shall be either personally delivered to the Resident or to an adult member of the Resident's family residing in the dwelling unit, or sent to the Resident by First Class Mail, properly addressed, postage pre-paid. The notice shall:

- a. specify the date the Lease shall be terminated;
- b. state the grounds for termination with enough detail for the Resident to prepare a defense. The Landlord shall rely solely on the grounds stated in the Notice of Lease Termination in the event eviction action is initiated;
- c. advise the Resident of the right to reply as he or she may wish, to examine the Landlord's documents directly relevant to the termination or eviction, to use the Grievance Policy to contest the termination, and/or to defend the action in court.

**18. LEASE TERMINATION BY RESIDENT:** The Resident shall give the Landlord a written notice (30) days prior to lease expiration indicating the Resident's intent to vacate the unit at end of said lease. If the Resident does not give the full notice, the Resident shall be liable for rent to the end of the lease or to the date the dwelling unit is re-rented, whichever date comes first. In the event of lease termination by tenant as described above, the keys to the dwelling unit must be returned at lease end or rent for the unit will continue to be charged until such time as the courts award a judgment for eviction and possession.

**19. TERMINATION OF LEASE UPON DEATH OR INCAPACITY OF RESIDENT:** Upon the death of the Resident, or if there is more than one Resident, upon the death of all Residents, either the Landlord or the personal representative of the Resident's estate may terminate this Lease upon 30 days written notice, to be effective on the last day of a calendar month. If full notice is not given, the Resident's estate shall be

liable for rent to the end of the notice period or to the date the unit is re-rented, whichever date comes first. The termination of a Lease under this section shall not relieve the Resident's estate from liability either for payment of rent or other amounts owed prior to or during the notice period, or for the payment of amounts necessary to restore the premises to their condition at the beginning of the Resident's occupancy, normal wear and tear excepted.

If during the term of this Lease the Resident, by reason of physical or mental impairment, is no longer able to comply with the material provisions of this Lease and the Landlord cannot make a reasonable accommodation to enable the Resident to comply with the Lease; then action shall be taken. The Landlord will assist the Resident or designated member(s) of the Resident's family to move the Resident to more suitable housing. If there are no family members, the Landlord will work with appropriate agencies to secure suitable housing. This Lease will terminate upon the Resident moving from the unit.

- 20. PROPERTY ABANDONMENT:** If a Resident abandons the dwelling unit, the Landlord shall take possession of the Resident's personal property remaining on the premises, and shall dispose of it in accordance with state law. The landlord will consider the unit to be abandoned when a resident has fallen behind in rent and has clearly indicated by words or actions an intention not to continue living in the unit. The Landlord has a claim against the Resident for reasonable costs and expenses incurred in removing the property, in storing and caring for the property, and in selling the property. The Landlord can collect from the Resident all these costs.

**21. DELIVERY OF NOTICES:**

Notice by Landlord: Any notice from the Landlord shall be in writing and either personally delivered to the Resident or to an adult member of the Resident's family residing in the dwelling unit, or sent by first class mail, return receipt requested, properly addressed, postage pre-paid.

Notice by Resident: Any notice to the Landlord shall be in writing, and either personally delivered to the Landlord at the Landlord's Office, or sent to Landlord by first-class mail, postage pre-paid and addressed to: The Housing Authority of the City of Fort Wayne Indiana.

If the Resident is visually impaired, notices shall be in accessible format.

- 22. GRIEVANCES:** All individual grievances or appeals, with the exception of those cases concerning eviction or termination of tenancy which are based upon a Resident's creation or maintenance of a threat to health or safety of other Residents or Landlord employees, shall be processed under the Grievance Policy. This policy is posted in the Landlord's Office where copies are available upon request.

Before the Landlord shall schedule a Grievance Hearing for any grievance concerning the amount of rent the Landlord claims is due, the Resident must first bring his or her rent account current by paying to the Landlord an amount equal to the amount of rent due and payable as of the first of the month preceding the month in which the act or failure to act took place. After the hearing is scheduled, the Resident shall continue to deposit this same monthly rent amount into the Landlord's escrow account until the complaint is resolved by the decision of the hearing officer or panel.

When the Housing Authority is required to afford the Resident the opportunity for a hearing in accordance with the authority's grievance procedure for a grievance concerning the Lease termination, the tenancy shall not terminate (even if any notice to vacate under State or local law has expired) until the time for the Resident to request a grievance hearing has expired, and (if a hearing was timely requested by the Resident) the grievance process has been completed.

- 23. HOUSE RULES:** The Resident agrees to obey any House Rules, which are reasonably related to the safety, care and cleanliness of the building and the safety, comfort and convenience of the Residents. Such rules may be modified by the Landlord from time to time provided that the Resident receives written notice of the proposed change, reasons for the change and an opportunity to submit written comments during a 30 day comment period at least 30 days before the proposed effective date of the change in the Rule. Existing House Rules, if any, are posted in the property and are attached to this Lease. In emergency situations involving health and/or safety of the residents, the House Rules may be amended by Landlord effective immediately.
- 24. DISCRIMINATION PROHIBITED:** The Landlord shall not discriminate based upon race, color, creed, religion, national origin, sex, marital status, age, handicap or disability, familial status, or recipients of public assistance and shall comply with all nondiscrimination requirements of Federal, State and local law.
- 25. ATTACHMENTS TO THE LEASE:** The Resident certifies that he/she has received a copy of this Lease and the following Attachments to this Lease, and understands that these Attachments are part of this Lease.

This lease shall be construed according to the laws of the State of Indiana.

This lease shall be binding on the parties, heirs and successors.

Should any portion of this lease be found void or unenforceable, the balance of the lease shall remain in full force and effect.

Failure of the Landlord to enforce any provision of this lease shall not be considered a waiver of any different or future breach of the lease.

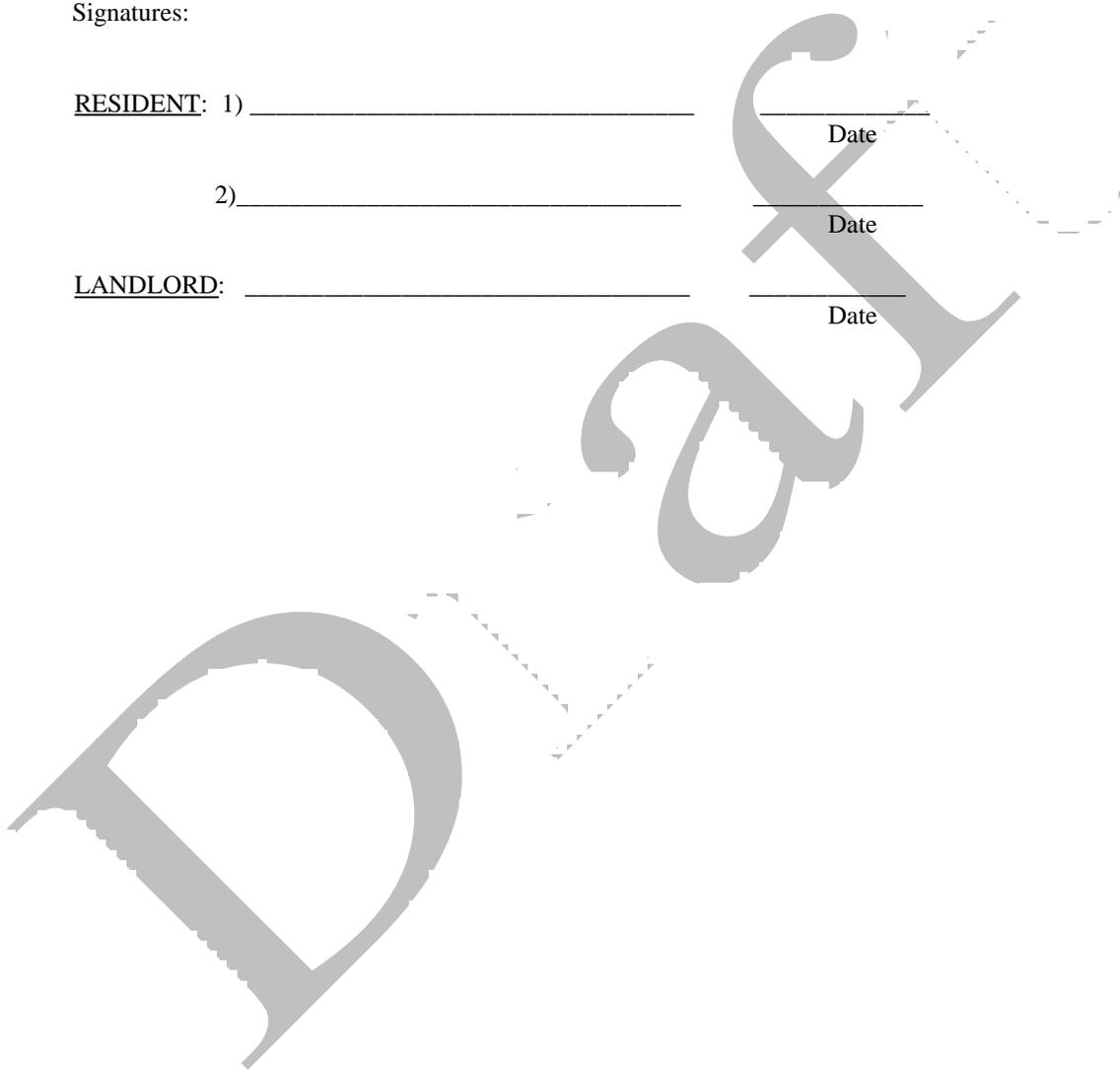
Attachments:

Signatures:

RESIDENT: 1) \_\_\_\_\_ Date

2) \_\_\_\_\_ Date

LANDLORD: \_\_\_\_\_ Date



**Attachment C**

***FWHA Pet Policy***





## **FWHA PET POLICY**

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.

### **ANIMALS THAT ASSIST PERSONS WITH DISABILITIES**

The resident/pet owner will be required to qualify animals (for exclusion from the pet policy) 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 to assist with the specified disability

### **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 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.

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; or,
- 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.

### **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**

The resident/pet owner will be required to qualify animals (for exclusion from the pet policy) 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 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 not permitted to have more than one *type* of pet.**

#### **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 licensed as specified now or in the future by State law and local ordinance

#### **2. Cats**

- ❖ Maximum number (one)
- ❖ Must be spayed or neutered
- ❖ Must have all required inoculations
- ❖ Must be trained to use a litter box or other waste receptacle
- ❖ Must be licensed as specified now or in the future by State law or local ordinance

#### **3. Birds**

- ❖ Maximum number : 2
- ❖ Must be enclosed in a cage at all times

#### **4. Fish**

- ❖ Maximum aquarium size 10 gallons
- ❖ Must be maintained on an approved stand

#### **5. Rodents (Rabbit , guinea pig, hamster, or gerbil ONLY)**

- ❖ Maximum number: 2
- ❖ Must be enclosed in an acceptable cage at all times
- ❖ Must have any or all inoculations as specified now or in the future by State law or local ordinance

## 6. Turtles

- ❖ Maximum number: 2
- ❖ Must be enclosed in an acceptable cage or container at all times.

### **PETS TEMPORARILY ON THE PREMISES**

Pets which 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.

### **ADDITIONAL FEES AND DEPOSITS FOR PETS**

Tenants with animals must pay a pet deposit.

The resident/pet owner shall be required to pay a refundable deposit for the purpose of defraying all reasonable costs directly attributable to the presence of a dog or cat.

An initial payment of \$200.00 on or prior to the date the pet is properly registered and brought into the apartment, this amount may be paid in installments of not less than \$25, however the total \$200 deposit must be paid before the pet can be registered and brought into the unit and;

- ❖ The PHA reserves the right to change or increase the required deposit by amendment to these rules.
- ❖ 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.**

### **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.

### **PET WASTE REMOVAL CHARGE**

Pet owners are expected to provide for the sanitation needs of their pets. It is unacceptable for animal waste to be left on the complex grounds or within the individual apartments. All animal waste must be disposed of by the owner. If, the owner does not remove the pet waste charges will be assessed and a lease violation notice sent.

A separate pet waste removal charge of \$10.00 per occurrence will be assessed against the resident for violations of the pet policy. 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; and
- ❖ 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 which 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.

### **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.

## **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.

## **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.

## **PET CARE**

- ❖ No pet (excluding fish) shall be left unattended in any apartment for a period in excess of 72 hours.
- ❖ 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.

## **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.

### **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 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.

### **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 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) which were violated. The notice will also state:

- ❖ That the resident/pet owner has 3 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.

If the pet owner requests a meeting within the [3] day period, the meeting will be scheduled no later than [3] calendar days before the effective date of service of the notice, unless the pet owner agrees to a later date in writing.

### **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 3 days of the notice and 24 hours for safety and health reasons; and
- ❖ A statement that failure to remove the pet may result in the initiation of termination of tenancy procedures.

### **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.

### **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. Includes pets that are poorly cared for or have been left unattended for over 72 hours.

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.

### **EMERGENCIES**

The PHA will take all necessary steps to insure that pets which 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 HA to place the pet in a shelter facility, the cost will be the responsibility of the tenant/pet owner.**



**Attachment D**

***POLICIES AND PROCEDURES  
FOR FAMILY DESIGNED HOUSING***





# FORT WAYNE HOUSING AUTHORITY

## POLICIES AND PROCEDURES

(RULES AND REGULATIONS)  
FOR FAMILY DESIGNED HOUSING  
1/2000 – Revised 7/1/2005

**THIS DOCUMENT IS PART OF THE LEASE**

### **I. GENERAL GUIDELINES**

#### ***A. Resident Keys***

1. Two keys for each unit will be issued at the time of occupancy. Please report to your manager if you have made any extra keys. There will be a \$10.00 charge if you need your key replace.
2. The responsibility for the apartment key is yours. There will be a service charge for each door unlocked after regular office hours. The charge is \$10.00 and **IDENTIFICATION IS REQUIRED.**
3. If keys are not returned at the time the apartment is vacated you will be charged for lock replacement.
4. Residents living in the family complexes will be issued a key which will unlock the main entry doors to your apartment. This key may not be duplicated without prior authorization from the management.

#### ***B. Pets***

1. See Pet Policy Guidelines and Pet Policy.

#### ***C. Guests and Children***

1. The apartment is leased to you; therefore, you are not permitted to allow other persons to live or visit in your home on a long-term basis. This includes boarders, lodgers and guests.
2. Any resident who has the same guest for longer than a total period of 14 days in any one year will be subject to eviction. Any variation of this rule shall be at the discretion of

the Housing Authority and documented in writing.

3. Children and Guests: You are responsible for the actions of your children and/or guests. You, your family members, or guests will not be permitted to disturb, in any way, other tenants or interfere with the general well-being of the housing complex.

4. You are responsible for the safety of children who are visiting you or are left in your keeping. YOU MAY NOT PROVIDE CHILD CARE SERVICES OR BABY-SITTING FOR CHILDREN ON A REGULAR BASIS IN YOUR UNIT.

#### ***D. Television, Radio, Stereo Equipment, and Musical Instruments***

1. Television, radios, stereos, and musical instruments in apartments must always be kept at a moderate tone. After 10:00 P.M. they must be kept LOW.

2. Musical instruments and electronic equipment cannot be played outside of the apartment or in the windows. You, your family or your guests will not be permitted to disturb, in any way, other tenants.

3. PLEASE BE CONSIDERATE OF YOUR NEIGHBORS.

#### ***E. Fire Prevention***

1. You agree to take the greatest care to prevent fires and not to keep or use on the premises, flammable, such as gasoline, solvents or store combustibles such as newspapers and magazines in or about the apartment and especially not in the furnace or utility rooms. You will not be allowed to use extension cords in order to add extra electrical appliances. This overloads the electrical system thereby causing fires.

2. Housing Authority personnel may enter the premises at any time without advance notice when there is reasonable cause to believe that a fire hazard exists.

3. Smoke detectors are installed in all apartments. **IF YOUR DISCONNECT THESE DETECTORS FOR ANY REASON, YOU WILL BE HELD LIABLE FOR ALL DAMAGES.** You must notify the manager immediately of any defects.

4. It is Indiana Fire Code that no gas or charcoal grills may be used or stored in or with 10 feet of an apartment complex. Anyone that is found to have such a grill shall be subject to eviction and will be responsible for any fines levied by the local Fire Marshall.

5. It is Indiana Fire Code that no live trees can be in apartment. Anyone that is found to have such a tree shall be subject to eviction and will be responsible for any fines levied by the local Fire Marshall.

## **II. SERVICE AREAS**

### ***A. Trash and Garbage Disposal***

1. At Brookmill, McCormick and River Cove where large garbage containers (dumpsters) are available, the emptying of garbage containers **MUST BE THE RESPONSIBILITY OF THE ADULT LESSEE OR OLDER CHILDREN WHO CAN EASILY LIFT THE LID AND REACH HIGH ENOUGH TO PLACE THE GARBAGE INTO THE DUMPSTER. SMALL CHILDREN MUST NOT ATTEMPT TO EMPTY TRASH BECAUSE THEY CANNOT REACH THE CONTAINER. TIED PLASTIC BAGS ARE REQUIRED FOR ALL GARBAGE AND RUBBISH AT THE TENANT'S EXPENSE.** Residents may be charged if our maintenance staff have to pick litter or debris in your yard/porch areas.

3. Garbage must not be stored or kept in our apartment overnight. Emptying garbage daily in the containers provided will help prevent infestation. Where garbage disposals are provided, please use as instructed by the Housing Authority.

### ***B. Interior and Exterior Maintenance***

1. You must keep the area immediately outside your apartment free of litter, trash and debris. You may be charged if maintenance staff has to clear such debris from your yard or porch areas.

#### **2. Snow Removal**

The Housing Authority will exercise reasonable care and diligence in keeping complex streets, parking lots and main sidewalks in reasonably safe condition for travel. Because weather may create slippery and dangerous conditions, tenants must exercise care and be tentative in their movement when there is wet, cold or bad weather. The Housing Authority shall not assume responsibility for injuries caused by defects due to natural accumulations of ice and snow.

#### **3. Housekeeping**

You are required to maintain your apartment in a clean and sanitary condition. If you are unable to do heavy or strenuous work, you must make arrangements with a friend or relative to regularly take care of these chores for you. No furniture in excess of reasonable living requirements may be stored in the apartment.

#### **NO WATER BEDS ARE ALLOWED**

All appliances which have been provided by the Housing Authority may with Housing Authority approval be replaced by your own appliances. However, upon your written request, the Housing Authority appliances will be removed from your apartment for a charge of \$10.00. If Housing Authority appliances are removed at your request, you will be responsible for providing your own appliances for the duration of your residency with the Housing Authority.

#### **4. Kitchen Stove**

Your stove is ready to operate. The oven door should be kept open slightly when broiling keep the burners, trays and oven clean. Do not try to make repairs or adjustments. Please call the maintenance facility at 449-7821 for service repairs.

5. Refrigerator

Your refrigerator is ready to operate. If not a frost-free unit, defrost and clean it regularly so that your food will keep cold, stay fresh and use less electricity. Do not try to make repairs or adjustments. Please call the maintenance facility at 449-7821 for service. Do not use sharp instruments.

6. Freezer

You are permitted to have your own freezer.

7. Contact Paper, wall paper, glue on tiles, adhesive-backed mirrors, bath tub stick-ons, and other similar products shall not be used in the apartment, in cabinets, in drawers, on walls. Stick on picture hangers are not permitted.

8. Hanging Wall Decorations

For hanging pictures and other wall decorations and similar fixtures, contact your manager before installation. Failure to do so may result in damage charges assessed to you.

9. Your apartment may be repainted once every five years subject to the availability of funds. You are required to repaint or make arrangements to repaint your apartment with the paint provided by the Housing Authority. All walls and ceilings are painted white and must remain so.

10. You are encouraged to do your own minor preventative maintenance such as tightening screws on knobs, handles, cabinet doors and drawers. If an item in your apartment breaks, please save or set aside the parts. This will make it easier for the maintenance staff to repair the item in question.

11. Carpeting

Carpets and rugs must meet state and HUD fire requirements PRIOR to installation. Your manager has certification papers for you to take to your carpet dealer before the purchase. Proper certification must be returned to your manager before the carpet or rug is laid. ABSOLUTELY NO GLUING, TACKING, OR NAILING IS ALLOWED IN THE INSTALLATION OF ANY RUG OR CARPET. You are responsible for the cost to repair any damage caused by carpet or rug laying and for the REMOVAL PROCESS

12. Window shades can be purchased from the Housing Authority following move-in. Make your request to purchase the shades from your manager at move-in inspection or call the

maintenance facility at 449-7821 for service. Shades are not furnished, but may be purchased from at cost.

### ***C. Service Requests***

1. All work orders (service requests) for repairs and maintenance must be processed by calling the maintenance facility at 449-7821. If you do not have a phone you may go to the manager's office to phone in the request.
2. All electrical fixtures and appliances that require installation must be approved IN WRITING, IN ADVANCE, BY THE HOUSING AUTHORITY. This includes, but is not limited to air conditioners, dryers and washers. Any gas appliance requiring installation must also be approved in WRITING, IN ADVANCE, BY THE HOUSING AUTHORITY.
3. Maintenance charges are posted in the complex office. These charges are periodically reviewed and/or revised to reflect changing costs.

### ***D. Alcoholic Beverages - Illegal Drugs***

1. You are not permitted to carry or consume any alcoholic beverages on the grounds. Alcohol consumption is limited to the confines of your apartment.
2. **ILLEGAL DRUGS ARE NOT PERMITTED IN ANY DEGREE ON HOUSING AUTHORITY PROPERTY WHICH INCLUDES THE GROUNDS, PARKING LOTS, COMMON AREAS OR IN THE APARTMENTS OR ANY OTHER OF OUR AREAS. Tenants or other individuals shall not engage in the he unlawful manufacture, distribution, dispensing, possession or use of a controlled substance on any property owned or controlled by the Fort Wane Housing Authority. REFER TO THE DRUG FREE POLICY THAT YOU WERE GIVEN, OR TO THE COPY POSTED AT YOUR MANAGER'S OFFICE. Violation of this policy can result in EVICTION.**

## **III. USE OF THE COMMUNITY ROOM**

1. All family housing complexes will have available a community building which may be available for authorized use. There will be a deposit required from you for your use of the facilities.
2. The maximum number of people to utilize the Community Room will depend upon fire regulations as they apply and as are posted.
3. The setting up and cleaning of a Community Room is your responsibility. A deposit of

\$100.00 is to be paid to the Housing Authority at least one week prior to using the room. \$75.00 will be refunded if the room is left clean and orderly. However, should it be necessary for the Housing Authority to perform these cleaning duties, your deposit will not be refunded. Additional charges for cleaning and repairs will be assessed, if necessary.

4. Your activities shall be **CONFINED TO THE COMMUNITY ROOM.**

5. If you wish to service alcoholic beverages, you shall be required to hire a licensed security guard or uniformed police officer to remain in the room for the duration of the activity. You must provide management with a copy of the contract for this service at least 7 days prior to the scheduled activity.

6. Your activities must be over and the building vacated by 11:00 p.m. unless approved by the Housing Authority.

7. When you rent the community room, please advise your guests to park somewhere other than in the complex's parking lot. Otherwise, residents may not have sufficient parking for their own vehicles. Unauthorized vehicles will be towed at the owner's expense.

#### **IV. RENTER'S INSURANCE**

1. You should purchase Renter's insurance to cover your personal property from an insurance company of your choice. The Housing Authority will not be responsible for tenants losses not covered by insurance such as food spoilage if the refrigerator fails, damage to floors and carpets caused by overflowing toilets, tubs, and sinks, fire or thefts. Damages caused by, but not limited to the above-referenced examples, will be charged to you unless covered by and paid for by your renter's insurance.

#### **V. SECURITY DEPOSIT**

1. You are required to pay a Security Deposit. The deposit will be refunded in full within forty-five days from move-out if:

1. You owe no rent.
2. You leave your apartment clean and in good condition.
3. There are no damages to your apartment or appliances.
4. You notify the Housing Authority IN WRITING at least 30 days before moving.
5. You return ALL your keys. If you do not return your keys, you will be charged for the replacement of your locks.

DEPT

**Attachment E**

***POLICIES AND PROCEDURES  
FOR SENIOR & DISABLED DESIGNED SITES***



**FORT WAYNE HOUSING AUTHORITY  
POLICIES AND PROCEDURES  
(RULES AND REGULATIONS)  
FOR SENIOR & DISABLED DESIGNED SITES  
1/2000 – REVISED 7/1/05**

**THIS DOCUMENT IS A PART OF THE LEASE**

**I. GENERAL GUIDELINES FOR ALL COMPLEX LOCATIONS**

***A. Residence Keys***

1. One key for each dwelling unit will be issued for each adult on the lease at the time of occupancy. This key may not be duplicated. **There will be a \$10 fee if you need the key replaced.**
2. Miami Home residents will be issued a key to the laundry room located in the Miami Homes Community Building. Duplication of laundry room keys is not permitted.
3. Residents living in high-rise buildings will be issued one ID card which unlocks the main entrance door to the building. This ID card may not be duplicated.
4. At high-rise buildings, all outside doors will be locked at all times. Residents must enter and exit through the main lobby doors and shall not use service doors, fire or emergency exits except in the case of an emergency.
5. There will be a service charge of \$5.00 for all lockouts occurring after regular business hours.
6. If keys are not returned when you vacate your apartment you will be charged for lock replacement.

***B. Mailbox Keys***

1. Residents in high-rise buildings will be issued a mailbox key, which may not be duplicated.

***C. Pets***

1. See Pet Policy Guidelines and Pet Policy.

## ***D. Guests and Children***

1. The apartment is leased to you; therefore, you may not allow other persons to live or visit in your apartment on a long term or permanent basis. This includes boarders, lodgers or guests.
2. Over night guests are permitted in the apartments, including children who may remain over night or over the weekend. Any resident who has the same guest or guests for longer than a cumulative total of 14 days in any one year period will be subject to lease cancellation. Any variation of this rule shall be approved in writing by the Housing Authority.
3. Residents who have children as guests must keep them from roaming the halls and disturbing other residents. Children may not have access to equipment or recreational facilities.
4. You may not provide child care services or baby-sitting for children on a regular basis in your unit.
5. In high-rise buildings children must be accompanied by an adult at all times when riding elevators and under constant supervision when visiting all facilities.

## ***E. Televisions, Radios, Stereo Equipment and Musical Instruments***

1. The lobby television is for the enjoyment of all residents. The station being shown is determined on a first come basis.
2. Televisions, stereo equipment, musical instruments and radios in apartment must always be kept at a moderate tone. After 11:00 p.m. the volume must be kept low.
3. PLEASE BE CONSIDERATE OF YOUR NEIGHBORS.

## ***F. Fire Related Rules***

### ***1. Fire Doors***

- a. Personnel of the Fire Prevention Bureau have ruled that the fire exit doors in all apartment buildings are to be kept closed and used only in the event of a fire, fire drill, or other fire emergency. Anyone observed entering, exiting, inserting paper or any obstruction in a door to prevent locking shall be subject to eviction.

## **2. Grills**

a. It is Indiana Fire Code that no gas or charcoal grills may be used or stored in or with 10 feet of an apartment complex. Anyone that is found to have such a grill shall be subject to eviction and will be responsible for any fines levied by the local Fire Marshall.

## **3. Live Tree**

a. It is Indiana Fire Code that no live trees can be in apartment. Anyone that is found to have such a tree shall be subject to eviction and will be responsible for any fines levied by the local Fire Marshall.

## **II. SERVICE AREAS**

### **A. Laundry Facilities**

1. In high-rise buildings you will be assigned a specific time to do your washing and drying. There must not be any deviation from this scheduled time without the consent of the Manager. For emergency purposes, an additional assigned time may be allotted to you, if possible. Please observe all rules in the laundry areas. You are required to clean washers and dryer lint catchers and general laundry area after each use.

2. At Maumee Terrace where laundry facilities are in individual apartments, you will be responsible for willful damages, keeping appliances clean and notifying your manager immediately if malfunctions develop.

### **B. Garbage Facilities**

1. Seniors in Miami Homes and Maumee Terrace are required to set your garbage bags out to the curb for pickup at the designated time. Please place all garbage in plastic bags and tie securely.

2. In high-rise buildings, if not equipped with in-sink garbage disposers, we garbage must be placed in plastic bags. This and other rubbish, including bottles must be wrapped, securely tied and put down the garbage chute.

Place recyclable items in designated areas in each building. Please be considerate and do not use the garbage chute early morning or late evening.

### **C. Service Requests**

1. All work orders (service requests) for repairs and maintenance must be phoned into the maintenance facility at 449-7821. You will sign the work order when the work is completed and you will receive a copy of the work order. For tenant caused damages/repairs you will be billed on your monthly rent statement. (This includes repairs/damages caused by guests and visitors).

### **D. Interior and Exterior Maintenance Information**

1. For hanging of pictures and other wall decorations including chain lamps and similar fixtures, please contact the office personnel for instructions BEFORE installation. Failure to do so may result in a damage charge to you.

2. Contact paper, wallpaper, stick on mirrors/tiles, bathtub stickon's and other adhesives are not to be used in any of the apartments whether in the cupboards, drawers or walls. Stick on picture hangers are not permitted.

3. All electrical fixtures and appliances that require installation must be approved in writing by the Housing Authority prior to installation.

4. There will be a service charge for all non-essential items requiring installation or removal. All installation and removals will be by Fort Wayne Housing Authority Maintenance Department or its' designee.

5. All painting for apartments in Housing Authority facilities will be initially provided by the Housing Authority. All walls and ceilings will be painted near white and must remain so.

6. Maintenance charges are posted in the complex office. These charges are periodically revised to reflect changing costs.

7. Snow removal: The Housing Authority will exercise reasonable care and diligence in keeping complex streets, parking lots and main sidewalks in reasonably safe condition for travel. Because weather may create slippery and dangerous conditions, tenants must exercise care and be tentative in movement when there is wet, cold or bad weather. The Housing Authority will not assume responsibility for injuries caused by defects due to natural accumulation of snow and ice.

8. Draperies: At the time the high-rises were built, draperies were provided. As these deteriorate, replacements must be at your expense. Curtains must be white on the side that faces the exterior. For any existing Housing Authority curtains, you are responsible for yearly cleaning.

9. Carpeting: New carpets and rugs must meet state and HUD fire retardant

requirements. Your manager has certification papers for you to take to your carpet dealer before the purchase. Proper certification must be returned to the manager before the carpet or rug is laid. No tacking, nailing or gluing is allowed when installing carpet or rugs. You are responsible for the cost to repair any damage caused by carpet or rug laying and for THE REMOVAL PROCESS at move-out.

10. Your apartment may be repainted once every five years subject to the availability of funds. You are required to repaint or make arrangements to repaint your apartment with the paint provided by the Housing Authority. All walls and ceilings are painted near white and must remain so.

### **III. USE OF THE COMMUNITY ROOM**

- A. The maximum number of people to utilize the community rooms of any of the Housing locations will depend upon fire regulations as applied to the individual community space.
- B. The high-rise residents may utilize any of the community rooms. All senior residents will abide by the following rules;
  - 1. A \$25.00 deposit is required when reserving the room. This deposit will be refunded if the room is cleaned and left as found at the time of reservation.
  - 2. The setting up and cleaning of a community room is to be done by you. However, if it should become necessary for the Housing Authority to perform these duties, there will be a maintenance charge of \$25.00 to the resident who reserved the room.
  - 3. Your activities are to be confined to the community room.
  - 4. Your activities must be over by 1:00 a.m.
  - 5. When you rent the community room, please advise your guests to park somewhere other than the complex's parking lot. Otherwise, residents may not have sufficient parking for their own vehicles. Unauthorized vehicles will be towed at the owner's expense.

### **IV. RENTER'S INSURANCE**

A. You should purchase renter's insurance to cover your personal property from an insurance company of your choice. The Housing Authority will not be responsible for losses not covered by renter's insurance such as food spoilage if the refrigerator fails, damage to floors and carpets caused by overflowing toilets, tubs, sinks, fire or thefts. Damages caused by, but not limited to the above referenced examples will be charged to

you unless covered by and paid for by your renter's insurance policy.

## V. SECURITY DEPOSIT

A. You are required to pay a security deposit. The deposit will be refunded to you in full within 45 days from moving out of the apartment if:

1. You owe no rent.
2. You leave your apartment and appliances clean.
3. There are no damages to your apartment or appliances.
4. You notify the manager **IN WRITING** at least 15 days before moving.
5. You return **ALL YOUR KEYS**. If you do not return your keys you will be charged for the replacement of your locks.

## VI. GUIDELINES FOR MOVING

A. You will be responsible for your own moving. All furniture and large items requiring use of elevator facilities must be moved during regular office hours. Small items may be moved at any time. All unloading of furniture will be done at the rear entrances of high-rise buildings.

1. All large furniture must be loaded into the designated elevator with the padding in place.
2. You must bring your empty boxes to the maintenance room. **DO NOT PUT THE BOXES INTO THE GARBAGE CHUTE.**

## VII. HOUSEKEEPING

A. You must maintain your apartment in a clean and sanitary condition. If you are unable to do heavy or strenuous work, please make arrangements with someone you know or hire help to take care of these chores for you.

B. No furniture in excess of reasonable living requirements may be stored in the apartment. Only stoves and refrigerators provided by the Housing Authority may be used.

C. Kitchen range: Your stove is ready to operate. The oven door should be kept open slightly when broiling. Keep the burners, trays and oven of your stove clean. Call the maintenance facility at 449-7821 for repairs or adjustments. Do not use your stove for the purpose of providing extra heat in your apartment.

D. Refrigerator: Your refrigerator is ready to operate. Defrost and clean regularly so your food will keep cold, fresh and less electricity will be used. Do not use sharp objects to

loosen ice in the freezer. Do not try to make repairs, instead call the maintenance facility at 449-7821 for service. For frost free units, regular cleaning is also required.

E. Residents of high-rise buildings cannot have freezers except for the one in the refrigerator provided by the Housing Authority.

**F. NO WATER BEDS ARE ALLOWED.**

**VIII. ENTERING YOUR APARTMENT DURING TENANCY**

A. The Housing Authority or its Agent will be allowed to enter your dwelling during reasonable hours for the purpose of performing routine inspections, maintenance, repairs or to show premises for releasing.

B. A written statement specifying the purpose of the entry delivered to you at least two working days before such entry will be considered reasonable advance notice.

C. The Housing Authority or its Agent may enter the premises at any time without advance notice when there is reasonable cause to believe that an emergency exists.

D. If you and all adult members of your household are absent from the premises at the time of entry, Housing Authority personnel will leave a written statement specifying the date, time, and purpose of entry prior to leaving the premises.

**IX. ALCOHOLIC BEVERAGES/ILLEGAL DRUGS**

A. You will not be permitted to carry or consume any alcoholic beverages on the grounds or in public areas of the buildings. Alcoholic consumption must be limited to the confines of your apartment. Illegal drugs will not be permitted. Refer to the Drug Free Workplace Policy.

**X. SOCIAL SERVICE**

A. The Housing Authority has a staff of Social Service Professionals available to help you with personal problems. This may include assisting with Financial problems and referrals to other agencies for medical, social or emotional help. Please contact your manager for referral to the Social Service Professionals.

**XI. IF YOU BECOME ILL OR INCAPACITATED**

A. When admitted for Public Housing, you must be able to care for your personal needs.

Also, the routine chores within your apartment. If it is necessary for you to go to a hospital or nursing home, you will need a statement from your doctor BEFORE returning, stating that you are capable of caring for yourself and your apartment. We will hold your apartment for you for a period of 60 days, provided the rent is paid during that time.

## **XII. TENANT RESPONSIBILITY AND ATTITUDE**

A. It is hoped that you will develop pride in the complex and display a general concern for the entire operation. This applies to being concerned about your fellow tenants, too. If at any time you observe that your neighbor is not about his or her usual pattern of activities, please notify the office. Make it a point to notify the office if you are sick and especially if you will be leaving the building for a long period of time or for a stay in the hospital. There is a sign out sheet in each office. The management is concerned about each one of you, but your assistance is needed so that all can be helped in the best way possible. Please make sure you give the manager the name and address/phone of a contact person in case of an emergency. Keep the manager up-to-date if this information changes.

## **XIII. ABUSE OF HOUSING AUTHORITY PERSONNEL**

A. Verbal or physical abuse of Housing Authority personnel will not be permitted or tolerated. Violations of this rule will result with immediate eviction and/or possible prosecution.

## **XIV. VIOLATIONS OF HOUSING AUTHORITY RULES**

A. Willful violations of any terms or conditions of your lease or the Policies and Procedures (Rules and Regulations) as presented herein or as they may be amended at any time in the future shall result in eviction and/or possible prosecution.

## **XV. RENT PAYING PROCEDURES**

A. Three delinquent rent payments in any consecutive twelve-month period will result in eviction.

B. You must pick up the rent statement in the manager's office on the first regular business day of the month. Your rent and any other charge owed to the Housing Authority by you will be itemized on your rent statement.

C. If you prefer to pay by personal check, money order or cashiers check, you may mail your monthly payment along with one copy of your statement to the Fort Wayne Housing

Authority. Write your name and address and account number on the front of your check in case it gets separated from your statement. **CASH NOT ACCEPTED. DO NO SEND CASH.**



**Attachment F**

***ABANDONMENT POLICY***





## ABANDONMENT POLICY

### ABANDONMENT AND ABANDONED PROPERTY

The Fort Wayne Housing Authority will consider a unit to be abandoned if:

- E. The tenant has failed to pay or failed to offer to pay rent due under their rental agreement; and,
- F. If the Resident and all household members are absent from the premises for seven (7) consecutive days during the Lease term or any renewal or extension period; and,
- G. Preliminary, exterior inspection by Management reveals the unit does not appear to be occupied; and,
- H. One or more utilities have been terminated.

After a preliminary determination of abandonment has been made, Management will attach **Notice of Entry** to the door of said apartment. If there is no response to this Notice of Entry, **after forty-eight (48) hours**, Management will enter and inspect the unit. If it is determined that all or most of the Resident's property has been removed, Management will take possession of the apartment, provided that the rent still remains unpaid or utilities have been terminated.

A move-out inspection will be conducted and charges assessed for any rehabilitation costs for items determined to be over and above normal wear and tear.

### SALE OF PROPERTY

Any possessions left in tenant's abandoned apartment will be removed and stored by Management, at the expense of the Resident. There shall be no sale or disposition of any of the foregoing property except pursuant to this Lease as follows:

1. Any sale of Resident's abandoned property under this Lease shall take place only after a thirty (30) day written notice before the date of the sale is sent first class certified mail and return receipt requested to Resident at Resident's last known address.

Included in the notice:

- a. Date, time, and place of the sale
  - b. Itemized account of the amount owed by the resident to the landlord
  - c. Name, address, and telephone number of the person the resident may contact regarding the sale, the amount owed, and the right of the resident to redeem the property
2. Sale will be public and subject to any recorded chattel mortgage or financing statement.
  3. Sale shall be to the highest cash bidder

4. Proceeds shall first be credited to cost of sale and then to indebtedness; and surplus shall be mailed to the Resident at his/her forwarding or last known address not later than the 30th day after the date of the sale. The landlord shall provide the resident with an accounting of all proceeds of the sale not later than the 30th day after the date on which the resident makes a written request for the accounting.
5. The resident may redeem the property at any time before the property is sold by paying to the landlord or the landlord's agent all delinquent rents and, if authorized in the written lease, all reasonable packing, moving, storage, and sale costs.
6. Nothing in this policy shall limit Management office of the landlord/agent/PHA's right to immediately dispose of trash or other property appearing to have no value.
7. Pet removal will be pursuant to the Pet Policy.

## Attachment G

### *Maintenance Charge Items*

# MAINTENANCE CHARGE ITEMS

<b>REPAINTING</b>				
	<b>YEAR 1</b>	<b>YEAR 2</b>	<b>YEAR 3</b>	<b>YEAR 4</b>
1 BEDROOM UNIT	\$ 150.00	\$ 100.00	\$ 50.00	\$0
2 BEDROOM UNIT	\$ 240.00	\$ 160.00	\$ 80.00	\$0
3 BEDROOM UNIT	\$ 375.00	\$ 250.00	\$ 125.00	\$0
4 BEDROOM UNIT	\$ 480.00	\$ 320.00	\$ 160.00	\$0
5 BEDROOM UNIT	\$ 600.00	\$ 400.00	\$ 200.00	\$0
<b>CLEANING OF UNIT</b>				
1 BEDROOM	\$ 50.00			
2 BEDROOM	\$ 75.00			
3 BEDROOM	\$ 100.00			
4 BEDROOM	\$ 125.00			
5 BEDROOM	\$ 150.00			
<b>CLEANING OF APPLIANCES</b>				
REFRIGERATOR	\$ 40.00			
STOVE	\$ 40.00			
RANGE HOOD	\$ 15.00			
<b>CLEANING OF CARPET</b>				
PER ROOM CHARGE	\$ 35.00			

<b>REPLACE CARPET</b>	
LIVING ROOM	\$ 300.00
BEDROOM	\$ 200.00
<b>REPLACE VCT TILE</b>	
PER EACH TILE	\$ 4.00
<b>REPLACE WINDOW ITEMS</b>	
TOTAL SASH REPLACEMENT	\$ 100.00
SASH GLASS REPLACEMENT	\$ 50.00
SCREEN MATERIAL	\$ 15.00
ENTIRE SCREEN	\$ 25.00
STORM WINDOWS	\$ 25.00
FIXED PICTURE WINDOW	\$ 200.00
MINI BLINDS BEDROOM SIZE	\$ 20.00
VERTICAL BLINDS	\$ 65.00
<b>REPLACE DOOR ITEMS</b>	
STORM DOOR	\$ 190.00
ENTRY DOOR STEEL	\$ 290.00
ENTRY DOOR FIRE RATED WOOD	\$ 450.00
INTERIOR DOOR	\$ 90.00
REPAIR HOLE IN DOOR UP TO 2"	\$ 20.00
INTERIOR DOOR HANDLE SET	\$ 45.00
ENTRY DOOR LOCKSET	\$ 75.00
DEAD BOLT	\$ 25.00
REPLACE STORM DOOR KICK PANEL	\$ 40.00
STORM DOOR CLOSER	\$ 25.00
REPLACE WIND CHAIN	\$ 15.00
STORM DOOR HANDLE SET	\$ 25.00
PATIO DOOR	\$ 475.00
PATIO DOOR GLASS	\$ 100.00
PATIO DOOR SCREEN	\$ 50.00
REPLACE GARAGE OVERHEAD DOOR	\$ 400.00
<b>WALL REPAIRS</b>	

HOLE REPAIR UP TO 2"	\$ 15.00
HOLE REPAIR UP TO 6"	\$ 20.00
HOLE REPAIR UP TO 12"	\$ 25.00
HOLE REPAIR UP TO 24"	\$ 35.00
REMOVE PAPER BORDER PER ROOM	\$ 35.00
REMOVE CRAYON/MARKER PER ROOM	\$ 25.00
REMOVE STICKERS/DECALS PER ROOM	\$ 25.00
REPLACE COVE BASE PER FOOT	\$ 2.50
<b>BATHROOM FIXTURES</b>	
REPLACE TOWEL BAR	\$ 15.00
TISSUE ROLL HOLDER	\$ 3.00
REPLACE SHOWER CURTAIN	\$ 15.00
REPLACE SHOWER HEAD	\$ 15.00
REPLACE TISSUE HOLDER	\$ 10.00
REPLACE P-TRAP	\$ 20.00
REPLACE LAVATORY FAUCET	\$ 65.00
REPLACE VANITY SINK BASE	\$ 185.00
REPLACE TOILET NON-ADA	\$ 200.00
REPLACE TOILET ADA	\$ 300.00
REPLACE TOILET PRESSURE ASSISTED	\$ 650.00
REPLACE TOILET TANK/LID	\$ 100.00
REPLACE CERAMIC TILE SOAP DISH	\$ 25.00
REFINISH TUB	\$ 300.00
REPLACE MIRROR ON MEDICINE CABINET	\$ 15.00
REPLACE MEDICINE CABINET	\$ 65.00
REPLACE TUB/SINK STOPPER	\$ 5.00
REPLACE TUB FAUCET	\$ 85.00
REPLACE LIGHT BAR	\$ 45.00
REPLACE LIGHT BULBS EACH	\$ 3.00
<b>KITCHEN FIXTURES</b>	
REPLACE REFRIGERATOR	\$ 350.00
REPLACE STOVE GAS	\$ 325.00
REPLACE STOVE ELECTRIC	\$ 300.00
REPLACE REFRIGERATOR SHELF	\$ 45.00
REPLACE REFRIGERATOR CRISPER	\$ 45.00
REPLACE REFRIGERATOR DOOR BAR	\$ 20.00
REPLACE REFRIGERATOR SEALS	\$ 85.00
REPLACE REFRIGERATOR DOOR HANDLE	\$ 55.00

REPLACE ICE CUBE TRAY	\$ 3.00
REPLACE APPLIANCE BULB	\$ 3.00
REPLACE STOVE GRATE	\$ 10.00
REPLACE BROILER PAN	\$ 35.00
REPLACE OVEN DOOR	\$ 175.00
REPLACE KNOBS EACH	\$ 5.00
REPLACE DISHWASHER	\$ 275.00
REPLACE RANGE HOOD	\$ 65.00
REPLACE RANGE HOOD SCREEN	\$ 10.00
REPLACE RANGE HOOD LIGHT GUARD	\$ 5.00
REPLACE RANGE HOOD LIGHT BULB	\$ 3.00
REPLACE GARBAGE DISPOSAL	\$ 150.00
REPLACE KITCHEN FAUCET	\$ 65.00
REPLACE SINK	\$ 150.00
REPLACE SINK STRAINER	\$ 7.00
REPLACE COUNTERTOP	\$ 300.00
REPLACE CABINET DOOR	\$ 65.00
REPLACE CABINET SHELF	\$ 15.00
REPLACE DRAWER FRONT	\$ 45.00
REPLACE DRAWER	\$ 75.00
REPLACE CABINET UPPER	\$ 200.00
REPLACE CABINET BASE	\$ 300.00
REPLACE COUNTERTOP END CAP	\$ 20.00
REPLACE CABINET HARDWARE	\$ 7.00
<b>ELECTRICAL FIXTURES</b>	
REPLACE GFI OUTLET	\$ 15.00
REPLACE OUTLET	\$ 10.00
REPLACE OUTLET COVER PLATE	\$ 5.00
REPLACE LIGHT SWITCH	\$ 3.00
REPLACE SWITCH PLATE COVER	\$ 5.00
REPLACE PORCH LIGHT	\$ 25.00
REPLACE UNDER CABINET LIGHT	\$ 25.00
REPLACE BEDROOM LIGHT	\$ 25.00
REPLACE HALL LIGHT	\$ 25.00
REPLACE WALL LIGHT	\$ 25.00
REPLACE KITCHEN LIGHT FIXTURE	\$ 25.00
REPLACE SMOKE DETECTOR	\$ 25.00
REPLACE THERMOSTAT	\$ 45.00
<b>MISC HARDWARE</b>	

REPLACE STAIR WAY HANDRAIL	\$ 40.00
REPAIR STAIR WAY HANDRAIL	\$ 20.00
REPLACE STAIR TREAD	\$ 25.00
REPLACE MAILBOX	\$ 45.00
REPLACE CLOSET ROD	\$ 15.00
REPLACE CLOSET SHELF	\$ 25.00
REPLACE DOOR STOP	\$ 5.00
REPLACE TOILET BOLT CAPS	\$ 3.00
REPLACE TOILET SEAT	\$ 15.00
REPLACE SHOWER ROD	\$ 20.00
REPLACE SHOWER CURTAIN	\$ 15.00
REPLACE FURNACE RETURN GRATE	\$ 15.00
REPLACE FLOOR REGISTER	\$ 15.00
REPLACE CEILING REGISTER	\$ 15.00
REPLACE SPLASH BLOCK	\$ 10.00
<b>SERVICE WORK</b>	
LOCK OUT FEE ON CALL STAFF	\$ 40.00
LOCK OUT FEE TURN KEY	\$ 10.00
CHANGE LOCKS HI-RISE	\$ 50.00
CHANGE LOCKS NON HI-RISE	\$ 65.00
CUT ADDITIONAL KEYS EACH	\$ 10.00
REPLACE ID BADGE	\$ 10.00
REPLACE BATTERY SMOKE DETECTOR	\$ 5.00
REHANG SMOKE DETECTOR	\$ 25.00
UNPLUG TOILET	\$ 40.00
UNPLUG BATHTUB	\$ 40.00
UNPLUG SINK	\$ 30.00
DISCONNECT WASHER/DRYER	\$ 15.00
CONNECT WASHER/DRYER	\$ 35.00
REPLACE MAIL BOX	\$ 25.00
REPLACE HOUSE NUMBERS	\$ 12.00
BOARD UP DOOR/WINDOW AFTER HRS	\$ 50.00
BOARD UP DOOR/WINDOW BUSINESS HRS	\$ 25.00
REMOVE JUNK APPLIANCES EACH	\$ 25.00
REMOVE FURNITURE PER PIECE	\$ 20.00
REMOVE TIRES EACH	\$ 10.00
REMOVE ABANDONED VEHICLE	\$ 50.00
REMOVE TRASH/DEBRIS PER ROOM	\$ 20.00
PEST CONTROL DUE TO HOUSEKEEPING	\$ 35.00

FAIL TO RETURN KEYS EACH	\$ 10.00
FALSE CALLS	\$ 40.00
LAWN MOWING SCATTERED SITE	\$ 65.00
WORK BY O.S. CONTRACTOR TOTAL + 15%	

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## Attachment H

### *Fire/Smoke Detector Notice*

# **NOTICE**

## **FORT WAYNE HOUSING AUTHORITY TENANTS**

It is illegal to remove or disable any Fire/Smoke detection device in any dwelling place in the owned or operated by the Fort Wayne Housing Authority.

Any dwelling unit found to have any such device removed or disabled will result in that tenant being subject to the following charges and or penalties:

#### **FIRST OFFENSE:**

1. **\$25.00** CHARGE WILL BE ASSESSED FOR REMOVING OR DISABLING THE DEVICE FOR **ANY** REASON
2. **\$25.00** CHARGE TO REINSTALL THE DEVICE
3. **\$25.00** REPLACEMENT FEE IF BROKEN OR DAMAGED

#### **SECOND OFFENSE:**

1. **\$50.00** CHARGE WILL BE ASSESSED FOR REMOVING OR DISABLING DEVICE FOR **ANY** REASON
2. **\$25.00** CHARGE TO REINSTALL THE DEVICE
3. **\$25.00** REPLACEMENT FEE IF BROKEN OR DAMAGED

#### **THIRD OFFENSE:**

- **EVICTION** FOR ENDANGERING THE HEALTH AND SAFETY OF OTHER RESIDENTS AND/OR PROPERTY OF THE FORT WAYNE HOUSING AUTHORITY

The FWHA is committed to fire safety. Please help us maintain our fire safety systems to help protect you and your family. If you are aware of a problem with your smoke detector, please call our Maintenance department at 449-7821 or 460-4647 after hours for service.

# Attachment I

## ***PUBLIC HOUSING GRIEVANCE PROCEDURE***

### **1.0 RIGHT TO A HEARING**

Upon the filing of a written request as provided in these procedures, a resident shall be entitled to a hearing before a Hearing Officer.

### **2.0 DEFINITIONS**

For the purpose of this Grievance Procedure, the following definitions are applicable:

- A. **"Grievance"** shall mean any dispute which a resident may have with respect to the FORT WAYNE Housing Authority's action or failure to act in accordance with the individual resident's lease or Authority regulations which adversely affect the individual resident's rights, duties, welfare or status. Grievance does not include any dispute a resident may have with the Authority concerning a termination of tenancy or eviction that involves any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the Authority's public housing premises by other residents or employees of the Authority; or any violent or drug-related criminal activity on or near such premises. Nor shall this process apply to disputes between residents not involving the FORT WAYNE Housing Authority or to class grievances.
- B. **"Complainant"** shall mean any resident whose grievance is presented to the FORT WAYNE Housing Authority or at the development management office in accordance with sections 3.0 and 4.0 of this procedure.
- C. **"Elements of Due Process"** shall mean an eviction action or a termination of tenancy in a State or local court in which the following procedural safeguards are required:
  - 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 the

Authority including the right to confront and cross examine witnesses and to present any affirmative legal or equitable defense which the resident may have; and

4. A decision on the merits.
- D. **"Hearing Officer"** shall mean a person selected in accordance with section 4.0 of these procedures to hear grievances and render a decision with respect thereto.
- E. **"Resident"** shall mean the adult person (or persons) other than a live-in aide:
1. Who resides in the unit and who executed the lease with the FORT WAYNE Housing Authority as lessee of the premises, or, if no such person now resides in the premises,
  2. Who resides in the unit and who is the remaining head of household of the resident family residing in the unit.
- F. **"Resident Organization"** includes a resident management corporation.
- G. **"Promptly"** (as used in section 3.0, and 4.0 (D)), shall mean within the time period indicated in a notice from FORT WAYNE Housing Authority of a proposed action which would provide the basis for a grievance if the resident has received a notice of a proposed action from the agency.

### **3.0 PROCEDURES PRIOR TO A HEARING**

Any grievance shall be promptly and personally presented, either orally or in writing, to the FORT WAYNE Housing Authority office or to the office of the development in which the resident resides so that the grievance may be discussed informally and settled without a hearing. A summary of such discussion shall be prepared within fourteen (14) calendar days and one copy shall be given to the resident and one retained in the Authority's resident file. The summary shall specify the names of the participants, dates of the meeting, the nature of the proposed disposition of the complaint and the specific reasons therefor, and shall specify the procedures by which a hearing under these procedures may be obtained if the resident is not satisfied.

### **4.0 PROCEDURES TO OBTAIN A HEARING**

#### **4.1 REQUEST FOR HEARING**

The resident shall submit a written request for a hearing to the Authority or the development office within fourteen (14) calendar days from the date of the mailing of the summary of the discussion pursuant to section 3.0. The written request shall specify:

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

**4.2 SELECTION OF A HEARING OFFICER**

A grievance hearing shall be conducted by an impartial person appointed by the FORT WAYNE Housing Authority other than a person who made or approved the action under review or a subordinate of such person.

The FORT WAYNE Housing Authority shall annually submit a list of prospective hearing officers. This list shall be provided to any existing resident organization(s) for such organization's comments or recommendations. The FORT WAYNE Housing Authority shall consider any comments or recommendations by a resident organization.

From this list, a hearing officer shall be selected.

**4.3 FAILURE TO REQUEST A HEARING**

If the resident does not request a hearing in accordance with this section, then the FORT WAYNE Housing Authority's disposition of the grievance under section 3.0 shall become final. However, failure to request a hearing does not constitute a waiver by the resident of the right thereafter to contest the FORT WAYNE Housing Authority's action in disposing of the complaint in an appropriate judicial proceeding.

**4.4 HEARING PREREQUISITE**

All grievances shall be promptly presented in person, either orally or in writing, pursuant to the informal procedure prescribed in section 3.0 as a condition precedent to a hearing under this Section. However, if the resident can show good cause why there was failure to proceed in accordance with section 3.0 to the Hearing Officer, the provisions of this subsection may be waived by the Hearing Officer.

**4.5 ESCROW DEPOSIT**

Before a hearing is scheduled in any grievance involving the amount of rent as defined in the lease which the FORT WAYNE Housing Authority claims is due, the resident shall pay to the FORT WAYNE Housing Authority an amount equal to the amount of the rent due and payable as of the first of the month preceding the month in which the act or failure to act took place. The resident shall thereafter deposit monthly the same amount of

the monthly rent in an escrow account held by the FORT WAYNE Housing Authority until the complaint is resolved by decision of the Hearing Officer. Amounts deposited into the escrow account shall not be considered as acceptance of money for rent during the period in which the grievance is pending. In extenuating circumstances, the FORT WAYNE Housing Authority may waive these requirements. Unless so waived, the failure to make such payments shall result in a termination of the grievance procedure. However, failure to make payment shall not constitute a waiver of any right the resident may have to contest the FORT WAYNE Housing Authority's disposition of his grievance in any appropriate judicial proceeding.

#### **4.6 SCHEDULING OF HEARINGS**

Upon the resident's compliance with this section the Hearing Officer shall promptly schedule a hearing for a time and place reasonably convenient to both the resident and the FORT WAYNE Housing Authority. A written notification specifying the time, place and the procedures governing the hearing shall be delivered to the resident and the appropriate agency official.

#### **5.0 PROCEDURES GOVERNING THE HEARING**

The resident shall be afforded a fair hearing, which shall include:

- A. The opportunity to examine before the grievance hearing any Authority documents, including records and regulations that are directly relevant to the hearing. The resident shall be provided a copy of any such document at the resident's expense. If the FORT WAYNE Housing Authority does not make the document available for examination upon request by the resident, the FORT WAYNE Housing Authority may not rely on such document at the grievance hearing.
- B. The right to be represented by counsel or other person chosen as the resident's representative and to have such person make statements on the resident's behalf;
- C. The right to a private hearing unless the resident requests a public hearing;
- D. The right to present evidence and arguments in support of the resident's complaint, to controvert evidence relied on by the Authority or development management, and to confront and cross examine all witnesses upon whose testimony or information the FORT WAYNE Housing Authority or development management relies; and
- E. A decision based solely and exclusively upon the facts presented at the hearing.

The Hearing Officer may render a decision without holding a hearing if the Hearing Officer determines that the issue has been previously decided at another hearing.

If either the resident or Authority fails to appear at a scheduled hearing, the Hearing Officer may postpone the hearing for up to five business days or determine that the missing party has waived their right to a hearing. Both the FORT WAYNE Housing Authority and the resident shall be notified of the Hearing Officer's decision. This decision shall not waive a resident's right to contest the disposition of the grievance in an appropriate judicial proceeding.

The following accommodation will be made for persons with disabilities:

- A. The FORT WAYNE Housing Authority shall provide reasonable accommodations for persons with disabilities to participate in the hearing. Reasonable accommodations may include qualified sign language interpreters, readers, accessible locations, or attendants.
- B. If the resident is visually impaired, any notice to the resident that is required by these procedures must be in an accessible format.

## **6.0 INFORMAL HEARING PROCEDURES FOR DENIAL OF ASSISTANCE ON THE BASIS OF INELIGIBLE IMMIGRATION STATUS**

The participant family may request that the FORT WAYNE Housing Authority provide for an informal hearing after the family has notification of the INS decision on appeal, or in lieu of request of appeal to the INS. The participant family must make this request within 30 days of receipt of the *Notice of Denial or Termination of Assistance*, or within 30 days of receipt of the INS appeal decision.

## **7.0 DECISION OF THE HEARING OFFICER**

The Hearing Officer shall prepare a written decision, together with the reasons therefor, within fourteen (14) calendar days after the hearing. A copy of the decision shall be sent to the resident and the FORT WAYNE Housing Authority. The Authority shall retain a copy of the decision in the resident's folder. A copy of such decision with all names and identifying references deleted shall also be maintained on file by the FORT WAYNE Housing Authority and made available for inspection by a prospective complainant, his or her representative, or the Hearing Officer.

The decision of the Hearing Officer shall be binding on the FORT WAYNE Housing Authority who shall take all actions, or refrain from any actions, necessary to carry out the decision unless the FORT WAYNE Housing Authority's Board of Commissioners determines within reasonable time, and promptly notifies the complainant of its determination, that:

- A. The grievance does not concern FORT WAYNE Housing Authority action or failure to act in accordance with or involving the resident's lease or Authority regulations, which adversely affect the resident's rights, duties, welfare or status;
- B. The decision of the Hearing Officer is contrary to applicable Federal, State, or local law, Authority regulations, or requirements of the Annual Contributions Contract between the Authority and the U.S. Department of Housing and Urban Development.

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

## Attachment J

### *Violence Against Women Act (VAWA) Policy*

Title VI of the VAWA adds a new housing provision that establishes several categories of protected individuals. Under the law victims of domestic violence, dating violence, sexual assault, and stalking are granted protections and cannot be denied or terminated from housing or housing assistance because of activity that is directly related to domestic violence. 2005 VAWA Pub. L. 109-162; Stat. 2960 signed into law on January 5, 2006 and codified at 42 U.S.C. §1437d(l) and 1435f(d), (0) & 1 and (u)

#### **1.0 Purpose**

The purpose of this Policy is to reduce domestic violence, dating violence, and stalking and to prevent homelessness by:

- (a) protecting the safety of victims;
- (b) creating long-term housing solutions for victims;
- (c) building collaborations among victim service providers; and
- (d) assisting LHA to respond appropriately to the violence while maintaining a safe environment for LHA, employees, tenants, applicants, Section 8 participants, program participants and others.

The policy will assist the Fort Wayne Housing Authority (FWHA) in providing rights under the Violence Against Women Act to its applicants, public housing residents, Section 8 participants and other program participants.

This Policy is incorporated into FWHA's "Admission and Continued Occupancy Policy" and "Section 8 Administration Plan" and applies to all FWHA housing programs.

#### **2.0 Definitions**

The definitions in this Section apply only to this Policy.

- 2.1 **Confidentiality:** Means that FWHA will not enter information provided to FWHA by a victim alleging domestic violence into a shared database or provide this information to any related entity except as stated in 3.4
- 2.2 **Dating Violence:** Violence committed by a person (a) who is or has been in a social relationship of a romantic or intimate nature with the victim; and (b) where the existence

of such relationship shall be determined based on a consideration of the following factors: (i) the length of the relationship; (ii) the type of relationship; (iii) the frequency of interaction between the persons involved in the relationship. 42 U.S.C. §1437d(u)(3)(A), § 13925.

- 2.3 **Domestic Violence:** Felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, committed by a person with whom the victim shares a child in common, committed by a person who is cohabitating with or has cohabitated with the victim as a spouse, committed by a person similarly situated to a spouse of the victim under the domestic or family violence laws of Indiana, or committed by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of Indiana. 42 U.S.C. §1437d(u)(3)(B), § 13925.
- 2.4 **Immediate Family Member:** A spouse, parent, brother or sister, or child of a victim or an individual to whom the victim stands *in loco parentis*; or any other person living in the household of the victim and related to the victim by blood or marriage. 42 U.S.C. § 1437d(u)(3)(D), § 13925.
- 2.5 **Perpetrator:** A person who commits an act of domestic violence, dating domestic violence or stalking against a victim.
- 2.6 **Stalking:** (a) to follow, pursue or repeatedly commit acts with the intent to kill, injure, harass or intimidate the victim; (b) to place under surveillance with the intent to kill, injure, harass or intimidate the victim; (c) in the course of, or as a result of such following, pursuit, surveillance, or repeatedly committed acts, to place the victim in reasonable fear of the death of, or serious bodily injury to the victim; or (d) to cause substantial emotional harm to the victim, a member of the immediate family of the victim or the spouse or intimate partner of the victim. 42 U.S.C. §1437d(u)(3)(C), § 13925.
- 2.7 **Bona Fide Claim:** A *bonafide* claim of domestic violence, dating violence or stalking must include incidents that meet the terms and conditions in the above definitions.
- 2.8 **Victim:** Is a person who is the victim of domestic violence, dating violence, or stalking under this Policy and who has timely and completely completed the certification under 3.2 and 3.3 or as requested by FWHA.

### 3.0 Certification and Confidentiality

#### 3.1 Failure to Provide Certification Under 3.2 and 3.3

The person claiming protection under VAWA shall provide complete and accurate certifications to FWHA, owner or manager within 14 business days after the party requests in writing that the person completes the certifications. If the person does not provide a complete and accurate certification within the 14 business days, FWHA, owner or manager may take action to deny or terminate participation or tenancy. 42 U.S.C. §14371 (5) & (6); 42 U.S.C. § 1437F(c)(9); 42 U.S.C. §1437f(d)(l)(B)(ii)&(iii); 42 U.S.C.

§1437f(o)(7)(C)&(D); or 42 U.S.C. §1437f(o)(20) or for other good cause.

### **3.2 HUD Approved Certification**

For each incident that a person is claiming as abuse, the person shall certify to FWHA, owner or manager their victim status by completing a HUD approved certification form. The person shall certify the date, time and description of the incidents, that the incidents are *bonafide* incidents of actual or threatened abuses and meet the requirements of VAWA and this Policy. The person shall provide information to identify the perpetrator including but not limited to the name and, if known, all alias names, date of birth, address, contact information such as postal, e-mail or internet address, telephone or facsimile number or other identification.

### **3.3 Confirmation of Certification**

A person who is claiming victim status shall provide to FWHA, an owner or manager: (a) documentation signed by the victim and an employee, agent or volunteer of a victim service provider, an attorney, or a medical professional from whom the victim has sought assistance in addressing domestic violence, dating violence or stalking or the effects of the abuse, in which the professional attests under penalty of perjury (28 U.S.C. §1746) the professional's belief that the incident(s) in question are *bonafide* incidents of abuse; or (b) a federal, state, tribal, territorial, local police or court record.

### **3.4 Confidentiality**

FWHA, the owner and managers shall keep all information provided to FWHA under this Section confidential. FWHA, owner and manager shall not enter the information into a shared database or provide to any related entity except to the extent that:

- (a) the victim request or consents to the disclosure in writing;
- (b) the disclosure is required for:
  - (i) eviction from public housing under 42 U.S.C. §1437 l(5)&(6)(See Section 4 in this Policy)
  - (ii) termination of Section 8 assistance under 42 U.S.C. §1437f(c)(9); 42 U.S.C. §1437f(d)(1)(B)(ii)&(iii); 42 U.S.C. §1437f (o)(7)(C)&(D); or 42 U.S.C. §1437f(o)(20)(See Section 4 in this Policy); or (c) the disclosure is required by applicable law.

### **4.0 Appropriate Basis for Denial of Admission, Assistance or Tenancy**

4.1 FWHA shall not deny participation or admission to a program on the basis of a person's abuse status, if the person otherwise qualifies for admission of assistance.

- 4.2 An incident or incidents of actual or threatened domestic violence, dating violence, or stalking will not be a serious or repeated violation of the lease by the victim and shall not be good cause for denying to a victim admission to a program, terminating Section 8 assistance or occupancy rights, or evicting a tenant.
- 4.3 Criminal activity directly related to domestic violence, dating violence, or stalking engaged in by a member of a tenant's household or any guest or other person under the tenant's control shall not be cause for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenant's family is the victim of that domestic violence, dating violence or stalking.
- 4.4 Notwithstanding Sections 4.1, 4.2, and 4.2, FWHA, an owner or manager may bifurcate a lease to evict, remove or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others without evicting, removing, terminating assistance to or otherwise penalizing the victim of the violence who is also a tenant or lawful occupant. 42 U.S.C. §1437d(1)(6)(B)
- 4.5 Nothing in Sections 4.1, 4.2, and 4.3 shall limit the authority of FWHA, an owner or manager, when notified, to honor court orders addressing rights of access to or control of the property, including civil protection orders issued to protect the victim and issued to address the distribution or possession of property among the household members when the family breaks up.
- 4.6 Nothing in Sections 4.1, 4.2, and 4.3 limits FWHA, an owner or manager's authority to evict or terminate assistance to any tenant for any violation of lease not premised on the act or acts of violence against the tenant or a member of the tenant's household. However FWHA, owner or manager may not hold a victim to a more demanding standard.
- 4.7 Nothing in Sections 4.1, 4.2, and 4.3 limits FWHA, an owner or manager's authority to evict or terminate assistance, or deny admission to a program if the FWHA, owner or manager can show an actual and imminent threat to other tenants, neighbors, guests, their employees, persons providing service to the property or others if the tenant family is not evicted or terminated from assistance or denied admission.
- 4.8 Nothing in Sections 4.1, 4.2, or 4.3 limits FWHA, an owner or manager's authority to deny admission, terminate assistance or evict a person who engages in criminal acts including but not limited to acts of physical violence or stalking against family members or others.
- 4.9 A Section 8 recipient who moves out of an assisted dwelling unit to protect their health or safety and who: (a) is a victim under this Policy; (b) reasonably believes he or she was imminently threatened by harm from further violence if he or she remains in the unit; and (c) has complied with all other obligations of the Section 8 program may receive a voucher and move to another Section 8 jurisdiction.

## **5.0 Actions Against a Perpetrator**

The FWHA may evict, terminate assistance, deny admission to a program or trespass a perpetrator from its property under this Policy. The victim shall take action to control or prevent the domestic violence, dating violence, or stalking. The action may include but is not limited to: (a) obtaining and enforcing a restraining or no contact order or order for protection against the perpetrator; (b) obtaining and enforcing a trespass against the perpetrator; (c) enforcing FWHA or law enforcement's trespass of the perpetrator; (d) preventing the delivery of the perpetrator's mail to the victim's unit; (e) providing identifying information listed in 3.2; and (f) other reasonable measures.

## **6.0 FWHA Right to Terminate Housing and Housing Assistance Under this Policy**

6.1 Nothing in this Policy will restrict the FWHA, owner or manager's right to terminate tenancy for lease violations by a resident who claims VAWA as a defense if it is determined by the FWHA, owner or manager that such a claim is false.

6.2 Nothing in this Policy will restrict the FWHA right to terminate tenancy if the victim tenant (a) allows a perpetrator to violate a court order relating to the act or acts of violence; or (b) if the victim tenant allows a perpetrator who has been barred from FWHA property to come onto FWHA property including but not limited to the victim's unit or any other area under their control; or (c) if the victim tenant fails to cooperate with an established safety strategy as designed by a local victim support service provider (see 7.2).

6.3 Nothing in this Policy will restrict the FWHA right to terminate housing and housing assistance if the victim tenant who claims as a defense to an eviction or termination action relating to domestic violence has engaged in fraud and abuse against a federal housing program; especially where such fraud and abuse can be shown to have existed before the claim of domestic violence was made. Such fraud and abuse includes but is not limited to unreported income and ongoing boarders and lodgers violations, or damage to property.

## **7.0 Statements of Responsibility of Tenant Victim, the FWHA to the Victim, and to the Larger Community.**

7.1 A tenant victim has no less duty and responsibility under the lease to meet and comply with the terms of the lease than any other tenant not making such a claim. Ultimately all tenants must be able to take personal responsibility for themselves and exercise control over their households in order to continue their housing and housing assistance. The FWHA will continue to issue lease violation notices to all residents who violate the lease including those who claim a defense of domestic violence.

7.2 FWHA recognizes the pathologic dynamic and cycle of domestic violence and a victim of domestic violence will be referred to local victim support service providers to help

victims break the cycle of domestic violence through counseling, referral and development of a safety strategy.

7.3 A tenant victim must take personal responsibility for exercising control over their household by accepting assistance and complying with the safety strategy or plan to best of victim's ability and reason under the circumstances. Failure to do this may be seen as other good cause.

7.4 All damages including lock changes will be the responsibility of the tenant victim. This is in keeping with other agency policies governing tenant caused damages.

#### **8.0 Notice to Applicants, Participants, Tenants and Section 8 Managers and Owners.**

FWHA shall provide notice to applicants, participants, tenants, managers and owners of their rights and obligations under Section 3.4 Confidentiality and Section 4.0 Appropriate Basis for Denial of Admission, Assistance or Tenancy.

8.1 If the FWHA, owner or manager knows that an applicant to or participant in a FWHA housing program is the victim of dating violence, domestic violence or stalking, the FWHA, owner or manager shall inform that person of this Policy and the person's rights under it.

#### **9.0 Reporting Requirements**

FWHA shall include in its 5-year plan a statement of goals, objectives, policies or programs that will serve the needs of victims. FWHA shall also include a description of activities, services or programs provided or offered either directly or in partnership with other service providers to victims, to help victims obtain or maintain housing or to prevent the abuse or to enhance the safety of victims.

#### **10.0 Conflict and Scope**

This Policy does not enlarge FWHA's duty under any law, regulation or ordinance. If this Policy conflicts with the applicable law, regulation or ordinance, the law, regulation or ordinance shall control. If this Policy conflicts with another FWHA policy such as its Statement of Policies or Section 8 Administration Plan, this Policy will control.

#### **11.0 Amendment**

The Executive Director may amend this policy when it is reasonably necessary to effectuate the Policy's intent, purpose or interpretation. The proposed amendment along with the rationale for the amendment shall be submitted to the Executive Director for consideration. Where reasonably necessary, the Executive Director may approve the amendment. The amendment shall be effective and incorporated on the date that the Executive Director signs the amendment.

# **Fort Wayne Housing Authority Housing Choice Voucher Program**



## **Administrative Plan**

Effective July 1, 2008

## **Introduction**

### **ABOUT THE REFERENCES CITED IN THE MODEL ADMINISTRATIVE PLAN**

#### **AUTHORITIES IN THE MODEL ADMINISTRATIVE PLAN**

Authority for PHA policies is derived from many sources. Primary among these sources are regulations and guidance issued by HUD. State law also directs PHA policy. State law must be followed where such law exists and does not conflict with federal regulations. In the absence of legal requirements or HUD guidance, industry practice may lead to PHA policy.

#### **HUD**

HUD provides the primary source of PHA policy through federal regulations, HUD Notices and handbooks. Compliance with federal regulations, current HUD Notices and HUD handbooks is mandatory.

HUD provides nonmandatory guidance to PHAs through HUD published guidebooks. Expired HUD Notices and handbooks also provide guidance for PHA policy. Following HUD guidance is optional, as long as PHA policies comply with federal law, federal regulations and mandatory policy. Because HUD has already determined that the guidance it provides is consistent with mandatory policies, PHA reliance on HUD guidance provides the PHA with a “safe harbor.”

Content contained on the HUD website can provide further clarification of HUD policies. For example, FAQs on the HUD website can provide direction on the application of federal regulations to a specific pattern.

#### **State Law**

Where there is no mandatory federal guidance, Fort Wayne Housing Authority must comply with state law, if it exists. Where state law is more restrictive than federal law, but does not conflict with it, the PHA should follow the state law.

#### **Industry Practice**

Where no law or HUD authority exists on a particular subject, industry practice may support PHA policy. An industry practice is a way of doing things that is followed by most housing authorities.

### **RESOURCES CITED IN THE MODEL ADMINISTRATIVE PLAN**

The model administrative plan cites several documents. Where a document or resource is cited frequently, it may be abbreviated. Where it is cited only once or twice, the model administrative plan may contain the entire name of the document or resource. Following is a key to abbreviations used for various sources that are frequently cited in the administrative plan and a list of references and document locations that are referenced in the model administrative plan or that may be helpful to you.

## Abbreviations

Throughout the model administrative plan, abbreviations are used to designate certain documents in citations. The following is a table of abbreviations of documents cited in the model administrative plan.

<b>Abbreviation</b>	<b>Document</b>
CFR	Code of Federal Regulations
HCV GB	Housing Choice Voucher Program Guidebook (7420.10G), April 2001.
HUD-50058 IB	HUD-50058 Instruction Booklet
RHIIP FAQs	Rental Housing Integrity Improvement Program (RHIIP) Frequently Asked Questions.
VG	PIH Notice 2004-01 Verification Guidance, March 9, 2004.
HB 4350.3	Occupancy Requirements of Subsidized Multifamily Housing Programs

## Resources and Where to Find Them

Following is a list of resources helpful to the PHA or referenced in the model administrative plan, and the online location of each.

<b>Document and Location</b>
Code of Federal Regulations <a href="http://www.gpoaccess.gov/cfr/index.html">http://www.gpoaccess.gov/cfr/index.html</a>
Earned Income Disregard FAQ <a href="http://www.hud.gov/offices/pih/phr/about/ao_faq_eid.cfm">www.hud.gov/offices/pih/phr/about/ao_faq_eid.cfm</a>
Eligibility of Students for Assisted Housing Under Section 8 of the U.S. Housing Act of 1937; Final Rule <a href="http://www.hudclips.org/sub_nonhud/cgi/pdf/24672.pdf">http://www.hudclips.org/sub_nonhud/cgi/pdf/24672.pdf</a>
Eligibility of Students for Assisted Housing Under Section 8 of the U.S. Housing Act of 1937; Supplementary Guidance; Notice <a href="http://www.hudclips.org/sub_nonhud/cgi/pdf/3365.pdf">http://www.hudclips.org/sub_nonhud/cgi/pdf/3365.pdf</a>
Enterprise Income Verification (EIV) System, Security Procedures for Upfront Income Verification data <a href="http://www.hud.gov/offices/pih/programs/ph/rhiip/docs/eivsecguidepha.pdf">http://www.hud.gov/offices/pih/programs/ph/rhiip/docs/eivsecguidepha.pdf</a>
Executive Order 11063 <a href="http://www.hud.gov/offices/fheo/FHLaws/EXO11063.cfm">http://www.hud.gov/offices/fheo/FHLaws/EXO11063.cfm</a>

Federal Register <a href="http://www.access.gpo.gov/su_docs/aces/fr-cont.html">http://www.access.gpo.gov/su_docs/aces/fr-cont.html</a>
General Income and Rent Determination FAQ <a href="http://www.hud.gov/offices/pih/programs/ph/rhiip/faq_gird.cfm">www.hud.gov/offices/pih/programs/ph/rhiip/faq_gird.cfm</a>
Housing Choice Voucher Program Guidebook (7420.10G), April 2001. <a href="http://www.hud.gov/offices/pih/programs/hcv/forms/guidebook.cfm">www.hud.gov/offices/pih/programs/hcv/forms/guidebook.cfm</a>
HUD Guidelines for Projecting Annual Income When Upfront Income Verification (UIV) Data is Available <a href="http://www.hud.gov/offices/pih/programs/ph/rhiip/docs/guideprojincome.doc">http://www.hud.gov/offices/pih/programs/ph/rhiip/docs/guideprojincome.doc</a>
HUD-50058 Instruction Booklet <a href="http://www.hud.gov/offices/pih/systems/pic/50058/pubs/ib/form50058ib.pdf">http://www.hud.gov/offices/pih/systems/pic/50058/pubs/ib/form50058ib.pdf</a>
Joint Statement of the Department of Housing and Urban Development and the Department of Justice, issued May 17, 2004 <a href="http://www.hud.gov/offices/fheo/library/huddojstatement.pdf">http://www.hud.gov/offices/fheo/library/huddojstatement.pdf</a>
Notice of Guidance to Federal Assistance Recipients Regarding Title VI Prohibition Affecting Limited English Proficient Persons, published December 19, 2003 <a href="http://www.hudclips.org/sub_nonhud/cgi/pdf/31267.pdf">http://www.hudclips.org/sub_nonhud/cgi/pdf/31267.pdf</a>
OMB Circular A-133 <a href="http://www.whitehouse.gov/omb/circulars/a133/a133.html">http://www.whitehouse.gov/omb/circulars/a133/a133.html</a>
PIH Notice 2002-01 (HA), Accessibility Notice <a href="http://www.hud.gov/offices/pih/publications/notices/02/pih2002-1.pdf">http://www.hud.gov/offices/pih/publications/notices/02/pih2002-1.pdf</a>
PIH Notice 2004-01 (HA), Verification Guidance, March 9, 2004. <a href="http://www.hud.gov/offices/pih/publications/notices/04/pih2004-1.pdf">www.hud.gov/offices/pih/publications/notices/04/pih2004-1.pdf</a>
PIH Notice 2004-18 (HA), Verification of Social Security (SS) and Supplemental Security Income (SSI) Benefits. <a href="http://www.hud.gov/offices/pih/publications/notices/04/pih2004-18.pdf">http://www.hud.gov/offices/pih/publications/notices/04/pih2004-18.pdf</a>
PIH Notice 2005-01 (HA), Implementation of the Consolidated Appropriations Act (HR 4818 – H Rept 108-792), 2005 Funding Provisions for the Housing Choice Voucher Program. <a href="http://www.hud.gov/offices/pih/publications/notices/05/pih2005-1.pdf">http://www.hud.gov/offices/pih/publications/notices/05/pih2005-1.pdf</a>
PIH Notice 2005-7 (HA), Rental Integrity Monitoring (RIM) Disallowed Costs and Sanctions Under the Rental Housing Integrity Improvement Project (RHIP) Initiative <a href="http://www.hud.gov/offices/pih/publications/notices/05/pih2005-7.pdf">http://www.hud.gov/offices/pih/publications/notices/05/pih2005-7.pdf</a>
PIH Notice 2005-9 (HA), Public Housing Agency (PHA) Flexibility to Manage the Housing Choice Voucher Program in 2005. <a href="http://www.hud.gov/offices/pih/publications/notices/05/pih2005-9.pdf">http://www.hud.gov/offices/pih/publications/notices/05/pih2005-9.pdf</a>
PIH Notice 2006-23 (HA), Implementation of the Violence Against Women and Justice Department Reauthorization Act of 2005 <a href="http://www.hud.gov/offices/pih/publications/notices/06/pih2006-23.pdf">http://www.hud.gov/offices/pih/publications/notices/06/pih2006-23.pdf</a>

Project-Based Voucher Program; Final Rule  
[http://www.hudclips.org/sub\\_nonhud/cgi/pdf/20035.pdf](http://www.hudclips.org/sub_nonhud/cgi/pdf/20035.pdf)

Rental Housing Integrity Improvement Program (RHIIP) Frequently Asked Questions.  
[www.hud.gov/offices/pih/programs/ph/rhiip/faq.cfm](http://www.hud.gov/offices/pih/programs/ph/rhiip/faq.cfm)

Verification FAQ  
[www.hud.gov/offices/pih/programs/ph/rhiip/faq\\_verif.cfm](http://www.hud.gov/offices/pih/programs/ph/rhiip/faq_verif.cfm)

The HUD website is <http://www.hud.gov/index.html>.

Guidebooks, handbooks and other HUD published and federal resources may be found at the HUDClips website: [www.hudclips.org](http://www.hudclips.org).

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**Introduction**

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**Chapter 7  
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[24 CFR 982.516, 24 CFR 982.551, 24 CFR 5.230]

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**Chapter 8  
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DETERMINATIONS**

[24 CFR 982 Subpart I and 24 CFR 982.507]

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## GLOSSARY

# Chapter 1

## OVERVIEW OF THE PROGRAM AND PLAN

### INTRODUCTION

The PHA receives its funding for the Housing Choice Voucher (HCV) program from the Department of Housing and Urban Development. The PHA is not a federal department or agency. A public housing agency (PHA) is a governmental or public body, created and authorized by state law to develop and operate housing and housing programs for low-income families. The PHA enters into an Annual Contributions Contract with HUD to administer the program requirements on behalf of HUD. The PHA must ensure compliance with federal laws, regulations and notices and must establish policy and procedures to clarify federal requirements and to ensure consistency in program operation.

This chapter contains information about the PHA and its programs with emphasis on the HCV program. It also contains information about the purpose, intent and use of the plan and guide.

There are three parts to this chapter:

Part I: The Public Housing Agency (PHA). This part includes a description of the PHA, its jurisdiction, its programs, and its mission and intent.

Part II: The HCV Program. This part contains information about the Housing Choice Voucher program operation, roles and responsibilities, and partnerships.

Part III: The HCV Administrative Plan. This part discusses the purpose and organization of the plan and its revision requirements.

### PART I: THE PHA

#### 1-I.A. OVERVIEW

This part explains the origin of the PHA's creation and authorization, the general structure of the organization, and the relationship between the PHA Board and staff.

## **1-I.B. ORGANIZATION AND STRUCTURE OF THE PHA**

The Section 8 tenant-based Housing Choice Voucher (HCV) assistance program is funded by the federal government and administered by the Housing Authority of the City of Fort Wayne for the jurisdiction of: City of Fort Wayne, Indiana / County of Allen.

The officials of a PHA are known as commissioners or, collectively, as the board of commissioners. Commissioners are appointed in accordance with state housing law and generally serve in the same capacity as the directors of a corporation, establishing policies under which the PHA conducts business, ensuring that policies are followed by PHA staff and ensuring that the PHA is successful in its mission. The board is responsible for preserving and expanding the agency's resources and assuring the agency's continued viability.

Formal actions of the PHA are taken through written resolutions, adopted by the board of commissioners and entered into the official records of the PHA.

The principal staff member of the PHA is the executive director (ED), hired and appointed by the board of commissioners. The executive director is directly responsible for carrying out the policies established by the commissioners and is delegated the responsibility for hiring, training and supervising the remainder of the PHA's staff in order to manage the day-to-day operations of the PHA to ensure compliance with federal and state laws and directives for the programs managed. In addition, the executive director's duties include budgeting and financial planning for the agency.

## **1-I.C. PHA MISSION**

The purpose of a mission statement is to communicate the purpose of the agency to people inside and outside of the agency. It provides guiding direction for developing strategy, defining critical success factors, searching out key opportunities, making resource allocation choices, satisfying clients and stakeholders, and making decisions.

### PHA Policy

The PHA's mission is to provide safe, decent and sanitary housing conditions for very low-income families and to manage resources efficiently. The PHA is to promote personal, economic and social upward mobility to provide families the opportunity to make the transition from subsidized to non-subsidized housing.

The mission of the Fort Wayne Housing Authority is to provide good quality, affordable housing and superior services to eligible members of the Fort Wayne Community and to maintain an environment that encourages self-sufficiency.

## **1-I.D. THE PHA'S PROGRAMS**

The following programs are included under this administrative plan:

### PHA Policy

The PHA's administrative plan is applicable to the operation of the Housing Choice Voucher program.

## **1-I.E. THE PHA'S COMMITMENT TO ETHICS AND SERVICE**

As a public service agency, the PHA is committed to providing excellent service to HCV program participants – families and owners – in the community. The PHA's standards include:

- Administer applicable federal and state laws and regulations to achieve high ratings in compliance measurement indicators while maintaining efficiency in program operation to ensure fair and consistent treatment of clients served.
- Provide decent, safe, and sanitary housing – in compliance with program housing quality standards – for very low income families while ensuring that family rents are fair, reasonable, and affordable.
- Encourage self sufficiency of participant families and assist in the expansion of family opportunities which address educational, socio-economic, recreational and other human services needs.
- Promote fair housing and the opportunity for very low-income families of all ethnic backgrounds to experience freedom of housing choice.
- 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.
- 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.
- Create positive public awareness and expand the level of family, owner, and community support in accomplishing the PHA's mission.
- Attain and maintain a high level of standards and professionalism in day-to-day management of all program components.
- Administer an efficient, high-performing agency through continuous improvement of the PHA's support systems and commitment to our employees and their development.

The PHA will make every effort to keep program participants informed of HCV program rules and regulations, and to advise participants of how the program rules affect them.

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## **PART II: THE HOUSING CHOICE VOUCHER (HCV) PROGRAM**

### **1-II.A. OVERVIEW AND HISTORY OF THE PROGRAM**

The intent of this section is to provide the public and staff with information related to the overall operation of the program. There have been many changes to the program since its inception in 1974 and a brief history of the program will assist the audience in understanding the program.

The United States Housing Act of 1937 (the “Act”) is responsible for the birth of federal housing program initiatives. The Act was intended to provide financial assistance to states and cities for public works projects, slum clearance and the development of affordable housing developments for low-income residents.

The Housing and Community Development (HCD) Act of 1974 created a new federally assisted housing program – the Section 8 Existing program (also known as the Section 8 Certificate program). The HCD Act represented a significant shift in federal housing strategy from locally owned public housing to privately owned rental housing.

Under the Certificate program, federal housing assistance payments were made directly to private owners of rental housing, where this housing was made available to lower-income families. Eligible families were able to select housing in the private rental market. Assuming that the housing met certain basic physical standards of quality (“housing quality standards”) and was within certain HUD-established rent limitations (“fair market rents”), the family would be able to receive rental assistance in the housing unit. Family contribution to rent was generally set at 30 percent of the family’s adjusted income, with the remainder of the rent paid by the program.

Another unique feature of the Certificate program was that the rental assistance remained with the eligible family, if the family chose to move to another privately-owned rental unit that met program requirements (in contrast to the public housing program where the rental assistance remains with the unit, should the family decide to move). Consequently, the Certificate program was characterized as tenant-based assistance, rather than unit-based assistance.

The Housing and Community Development (HCD) Act of 1987 authorized a new version of tenant-based assistance – the Section 8 Voucher program. The Voucher program was very similar to the Certificate program in that eligible families were able to select housing in the private rental market and receive assistance in that housing unit.

However, the Voucher program permitted families more options in housing selection. Rental housing still had to meet the basic housing quality standards, but there was no fair market rent limitation on rent. In addition, family contribution to rent was not set at a limit of 30 percent of adjusted income. Consequently, depending on the actual rental cost of the unit selected, a family might pay more or less than 30 percent of their adjusted income for rent.

From 1987 through 1999, public housing agencies managed both the Certificate and Voucher tenant-based assistance programs, with separate rules and requirements for each. From 1994 through 1998, HUD published a series of new rules, known as “conforming” rules, to more closely combine and align the two similar housing programs, to the extent permitted by the law.

In 1998, the Quality Housing and Work Responsibility Act (QHWRA) – also known as the Public Housing Reform Act – was signed into law. QHWRA eliminated all statutory differences between the Certificate and Voucher tenant-based programs and required that the two programs be merged into a single tenant-based assistance program, now known as the Housing Choice Voucher (HCV) program.

The HCV program was modeled closely on the pre-merger Voucher program. However, unlike the pre-merger Voucher program, the HCV program requires an assisted family to pay at least 30 percent of adjusted income for rent.

The transition of assistance from the Certificate and Voucher programs to the new HCV program began in October 1999. By October 2001, all families receiving tenant-based assistance were converted to the HCV program.

## **1-II.B. HCV PROGRAM BASICS**

The purpose of the HCV program is to provide rental assistance to eligible families. The rules and regulations of the HCV program are determined by the U.S. Department of Housing and Urban Development. The PHA is afforded choices in the operation of the program which are included in the PHA's administrative plan, a document approved by the board of commissioners of the PHA.

The HCV program offers mobility to eligible families because they may search for suitable housing anywhere in the PHA's jurisdiction and may also be eligible to move under portability to other PHAs' jurisdictions.

When a family is determined to be eligible for the program and funding is available, the PHA issues the family a housing voucher. When the family finds a suitable housing unit and funding is available, the PHA will enter into a contract with the owner and the family will enter into a lease with the owner. Each party makes their respective payment to the owner so that the owner receives full rent.

Even though the family is determined to be eligible for the program, the owner has the responsibility of approving the family as a suitable renter. The PHA continues to make payments to the owner as long as the family is eligible and the housing unit continues to qualify under the program.

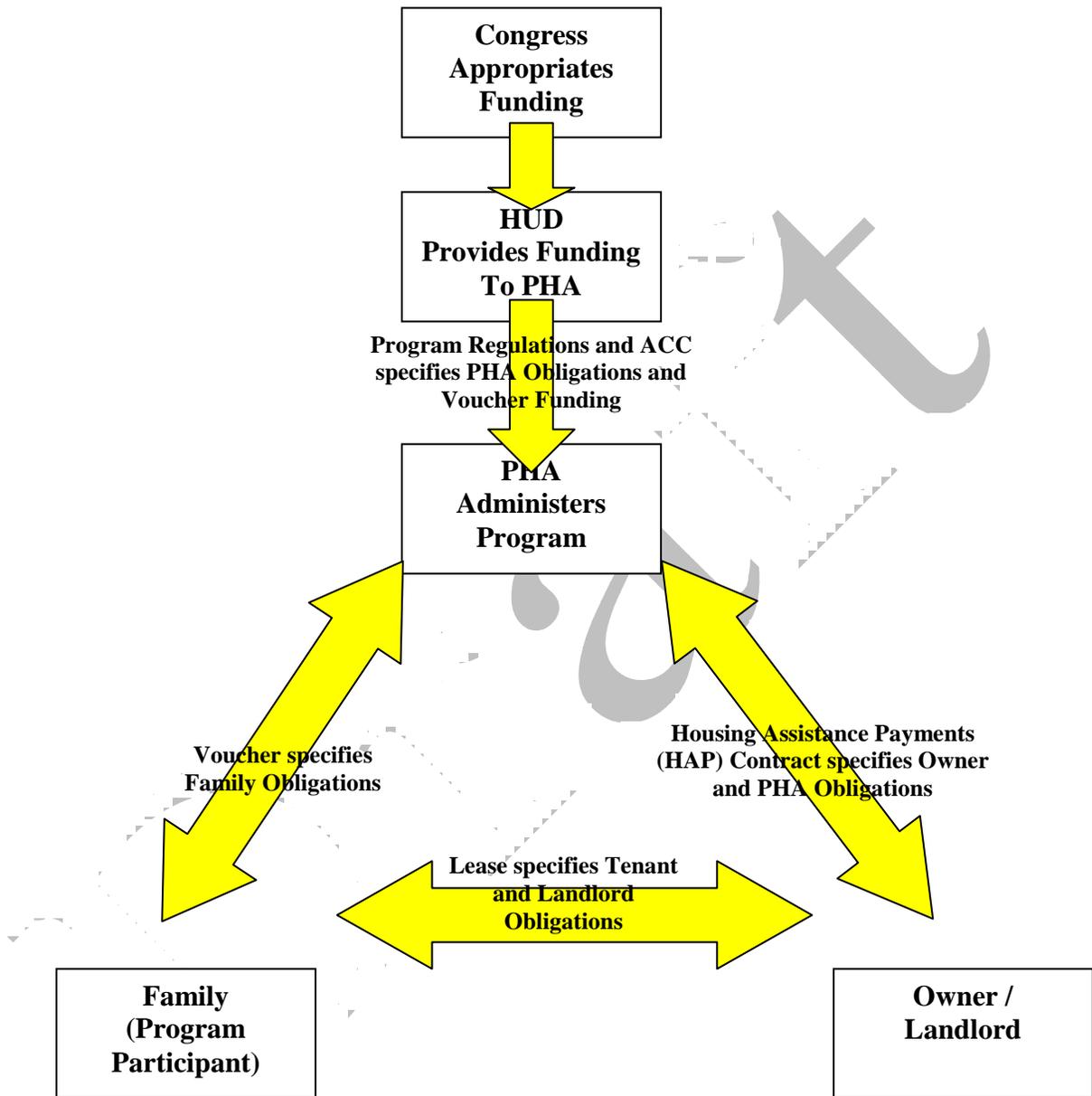
## **1-II.C. THE HCV PARTNERSHIPS**

To administer the HCV program, the PHA enters into a contractual relationship with HUD. The PHA also enters into contractual relationships with the assisted family and the owner or landlord of the housing unit.

For the HCV program to work and be successful, all parties involved – HUD, the PHA, the owner, and the family – have important roles to play. The roles and responsibilities of all parties are defined in federal regulations and in legal documents that parties execute to participate in the program.

The chart on the following page illustrates key aspects of these relationships.

**The HCV Relationships:**



## **What does HUD do?**

HUD has the following major responsibilities:

- Develop regulations, requirements, handbooks, notices and other guidance to implement HCV housing program legislation passed by Congress;
- Allocate HCV program funds to PHAs;
- Provide technical assistance to PHAs on interpreting and applying HCV program requirements;
- Monitor PHA compliance with HCV program requirements and PHA performance in program administration.

## **What does the PHA do?**

The PHA administers the HCV program under contract with HUD and has the following major responsibilities:

- Establish local policies;
- Review applications from interested applicant families to determine whether applicants are eligible for the program;
- Maintain waiting list and select families for admission;
- Issue voucher to selected family and, if necessary, assist the family in finding a place to live;
- Conduct outreach to owners, with special attention to owners outside areas of poverty or minority concentration;
- Approve the rental unit (including assuring compliance with housing quality standards and rent reasonableness), the owner, and the tenancy;
- Make housing assistance payments to the owner in a timely manner;
- Ensure that families and their rental units continue to qualify under the program;
- Ensure that owners and families comply with program rules;
- Provide families and owners with prompt, professional service;
- Comply with all fair housing and equal opportunity requirements, HUD regulations and requirements, the Annual Contributions Contract, HUD-approved applications for funding, the PHA's administrative plan, and other applicable federal, state and local laws.

## **What does the Owner do?**

The owner has the following major responsibilities:

- Screen families who apply for tenancy, to determine if they will be good renters.
  - The PHA can provide some information to the owner, but the primary responsibility for tenant screening rests with the owner.
  - The owner should consider family background factors such as rent and bill-paying history, history of caring for property, respecting the rights of others to peaceful enjoyment of the property, compliance with essential conditions of tenancy, whether the family is engaging in drug-related criminal activity or other criminal activity that might threaten others.
- Comply with the terms of the Housing Assistance Payments contract, executed with the PHA;
- Comply with all applicable fair housing laws and discriminate against no one;
- Maintain the housing unit by making necessary repairs in a timely manner;
- Collect rent due from the assisted family and otherwise comply with and enforce provisions of the dwelling lease.

## **What does the Family do?**

The family has the following responsibilities:

- Provide the PHA with complete and accurate information, determined by the PHA to be necessary for administration of the program;
- Make their best and most timely efforts to find a place to live that is suitable for them and that qualifies for the program;
- Attend all appointments scheduled by the PHA;
- Allow the PHA to inspect the unit at reasonable times and after reasonable notice;
- Take responsibility for care of the housing unit, including any violations of housing quality standards caused by the family;
- Comply with the terms of the lease with the owner;
- Comply with the family obligations of the voucher;
- Not commit serious or repeated violations of the lease;
- Not engage in drug-related or violent criminal activity;
- Notify the PHA and the owner before moving or terminating the lease;
- Use the assisted unit only for residence and as the sole residence of the family. Not sublet the unit, assign the lease, or have any interest in the unit;
- Promptly notify the PHA of any changes in family composition;
- Not commit fraud, bribery, or any other corrupt or criminal act in connection with any housing programs.

If all parties fulfill their obligations in a professional and timely manner, the program responsibilities will be fulfilled effectively.

## **1-II.D. APPLICABLE REGULATIONS**

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

## **PART III: THE HCV ADMINISTRATIVE PLAN**

### **1-III.A. OVERVIEW AND PURPOSE OF THE PLAN**

The administrative plan is required by HUD. The purpose of the administrative plan is to establish policies for carrying out the programs in a manner consistent with HUD requirements and local goals and objectives contained in the PHA's agency plan. This administrative plan is a supporting document to the PHA agency plan, and is available for public review as required by CFR 24 Part 903.

This administrative plan is set forth to define the PHA's local policies for operation of the housing programs in the context of federal laws and regulations. All issues related to Section 8 not addressed in this document are governed by such federal regulations, HUD handbooks and guidebooks, notices and other applicable law. The policies in this administrative plan have been designed to ensure compliance with the consolidated ACC and all HUD-approved applications for program funding.

The PHA is responsible for complying with all changes in HUD regulations pertaining to the HCV program. If such changes conflict with this plan, HUD regulations will have precedence.

Administration of the HCV program and the functions and responsibilities of PHA staff shall be in compliance with the PHA's personnel policy and HUD's Section 8 regulations as well as all federal, state and local fair housing laws and regulations.

### **1-III.B. CONTENTS OF THE PLAN [24 CFR 982.54]**

HUD regulations contain a list of what must be included in the administrative plan. The PHA administrative plan must cover PHA policies on these subjects:

- Selection and admission of applicants from the PHA waiting list, including any PHA admission preferences, procedures for removing applicant names from the waiting list, and procedures for closing and reopening the PHA waiting list (Chapter 4);
- Issuing or denying vouchers, including PHA policy governing the voucher term and any extensions or suspensions of the voucher term. 'Suspension' means stopping the clock on the term of a family's voucher after the family submits a request for approval of the tenancy. 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 (Chapter 5);
- Any special rules for use of available funds when HUD provides funding to the PHA for a special purpose (e.g., desegregation), including funding for specified families or a specified category of families (Chapter 4);

- Occupancy policies, including definition of what group of persons may qualify as a 'family', definition of when a family is considered to be 'continuously assisted'; standards for denying admission or terminating assistance based on criminal activity or alcohol abuse in accordance with 982.553 (Chapters 3 and 12);
- Encouraging participation by owners of suitable units located outside areas of low income or minority concentration (Chapter 13);
- Assisting a family that claims that illegal discrimination has prevented the family from leasing a suitable unit (Chapter 2);
- Providing information about a family to prospective owners (Chapters 3 and 9);
- Disapproval of owners (Chapter 13);
- Subsidy standards (Chapter 5);
- Family absence from the dwelling unit (Chapter 12) ;
- How to determine who remains in the program if a family breaks up (Chapter 3);
- Informal review procedures for applicants (Chapter 16);
- Informal hearing procedures for participants (Chapter 16);
- The process for establishing and revising voucher payment standards (Chapter 16);
- The method of determining that rent to owner is a reasonable rent (initially and during the term of a HAP contract) (Chapter 8);
- Special policies concerning special housing types in the program (e.g., use of shared housing) (Chapter 15);
- Policies concerning payment by a family to the PHA of amounts the family owes the PHA (Chapter 16);
- Interim redeterminations of family income and composition (Chapter 11);
- Restrictions, if any, on the number of moves by a participant family (Chapter 10);
- Approval by the board of commissioners or other authorized officials to charge the administrative fee reserve (Chapter 16);
- Procedural guidelines and performance standards for conducting required housing quality standards inspections (Chapter 8); and
- PHA screening of applicants for family behavior or suitability for tenancy (Chapter 3).

## **Mandatory vs. Discretionary Policy**

HUD makes a distinction between:

- Mandatory policies: those driven by legislation, regulations, current handbooks, notices, and legal opinions, and
- Optional, non-binding guidance, including guidebooks, notices that have expired and recommendations from individual HUD staff.

HUD expects PHAs to develop policies and procedures that are consistent with mandatory policies and to make clear the optional policies the PHA has adopted. The PHA's administrative plan is the foundation of those policies and procedures. HUD's directions require PHAs to make policy choices that provide guidance to staff and consistency to program applicants and participants.

Following HUD guidance, even though it is not mandatory, provides a PHA with a "safe harbor." HUD has already determined that the recommendations and suggestions it makes are consistent with mandatory policies. If a PHA adopts an alternative strategy, it must make its own determination that the alternative approach is consistent with legislation, regulations, and other mandatory requirements. There may be very good reasons for adopting a policy or procedure that is different than HUD's safe harbor, but PHAs should carefully think through those decisions.

### **1-III.C. ORGANIZATION OF THE PLAN**

The Plan is organized to provide information to users in particular areas of operation.

### **1-III.D. UPDATING AND REVISING THE PLAN**

The PHA will revise this administrative plan as needed to comply with changes in HUD regulations. The original plan and any changes must be approved by the board of commissioners of the agency, the pertinent sections included in the Agency Plan, and a copy provided to HUD.

#### PHA Policy

- The PHA will review and update the plan at least once a year, and more often if needed, to reflect changes in regulations, PHA operations, or when needed to ensure staff consistency in operation.

## Chapter 2

### FAIR HOUSING AND EQUAL OPPORTUNITY

#### INTRODUCTION

This chapter explains the laws and HUD regulations requiring PHAs to affirmatively further civil rights and fair housing in all federally-assisted housing programs. The letter and spirit of these laws are implemented through consistent policy and processes. The responsibility to further nondiscrimination pertains to all areas of the PHA's housing choice voucher (HCV) operations.

This chapter describes HUD regulations and PHA policies related to these topics in three parts:

Part I: Nondiscrimination. This part presents the body of laws and regulations governing the responsibilities of the PHA regarding nondiscrimination.

Part II: Policies Related to Persons with Disabilities. This part discusses the rules and policies of the housing choice voucher program related to reasonable accommodation for persons with disabilities. These rules and policies are based on the Fair Housing Act (42.U.S.C.) and Section 504 of the Rehabilitation Act of 1973, and incorporate guidance from the Joint Statement of The Department of Housing and Urban Development and the Department of Justice (DOJ), issued May 17, 2004.

Part III: Prohibition of Discrimination Against Limited English Proficiency Persons. This part details the obligations of the PHA to ensure meaningful access to the HCV program and its activities by persons with limited English proficiency (LEP). This part incorporates HUD and DOJ's Notice of Guidance, published December 19, 2003 in the *Federal Register*.

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## **PART I: NONDISCRIMINATION**

### **2-I.A. OVERVIEW**

Federal laws require PHAs to treat all applicants and participants equally, providing the same quality of service, regardless of family characteristics and background. Federal law prohibits discrimination in housing on the basis of race, color, religion, sex, national origin, age, familial status, and disability. The PHA will comply fully with all federal, state, and local nondiscrimination laws, and with rules and regulations governing fair housing and equal opportunity in housing and employment, including:

- Title VI of the Civil Rights Act of 1964
- Title VIII of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974 and the Fair Housing Amendments Act of 1988)
- Executive Order 11063
- Section 504 of the Rehabilitation Act of 1973
- The Age Discrimination Act of 1975
- Title II of the Americans with Disabilities Act (to the extent that it applies, otherwise Section 504 and the Fair Housing Amendments govern)
- Violence Against Women Reauthorization Act of 2005 (VAWA)
- When more than one civil rights law applies to a situation, the laws will be read and applied together.
- Any applicable state laws or local ordinances and any legislation protecting individual rights of tenants, applicants, or staff that may subsequently be enacted

#### PHA Policy

No state or local nondiscrimination laws or ordinances apply.

## **2-I.B. NONDISCRIMINATION**

Federal regulations prohibit discrimination against certain protected classes. State and local requirements, as well as PHA policies, can prohibit discrimination against additional classes of people.

The PHA shall not discriminate because of race, color, sex, religion, familial status, age, disability or national origin (called “protected classes”)

Familial status includes children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18.

### PHA Policy

The PHA will not discriminate on the basis of marital status or sexual orientation.

The PHA will not use any of these factors to:

- Deny to any family the opportunity to apply for housing, nor deny to any qualified applicant the opportunity to participate in the housing choice voucher program
- Provide housing that is different from that provided to others
- Subject anyone to segregation or disparate treatment
- Restrict anyone's access to any benefit enjoyed by others in connection with the housing program
- Treat a person differently in determining eligibility or other requirements for admission
- Steer an applicant or participant toward or away from a particular area based any of these factors
- Deny anyone access to the same level of services
- Deny anyone the opportunity to participate in a planning or advisory group that is an integral part of the housing program
- Discriminate in the provision of residential real estate transactions
- Discriminate against someone because they are related to or associated with a member of a protected class
- Publish or cause to be published an advertisement or notice indicating the availability of housing that prefers or excludes persons who are members of a protected class.

## **Providing Information to Families and Owners**

The PHA must take steps to ensure that families and owners are fully aware of all applicable civil rights laws. As part of the briefing process, the PHA must provide information to HCV applicant families about civil rights requirements and the opportunity to rent in a broad range of neighborhoods [24 CFR 982.301]. The Housing Assistance Payments (HAP) contract informs owners of the requirement not to discriminate against any person because of race, color, religion, sex, national origin, age, familial status, or disability in connection with the contract.

## **Discrimination Complaints**

If an applicant or participant believes that any family member has been discriminated against by the PHA or an owner, the family should advise the PHA. HUD requires the PHA to make every reasonable attempt to determine whether the applicant's or participant's assertions have merit and take any warranted corrective action. In addition, the PHA is required to provide the applicant or participant with information about how to file a discrimination complaint [24 CFR 982.304].

### PHA Policy

Applicants or participants who believe that they have been subject to unlawful discrimination may notify the PHA either orally or in writing.

The PHA will attempt to remedy discrimination complaints made against the PHA.

The PHA will provide a copy of a discrimination complaint form to the complainant and provide them with information on how to complete and submit the form to HUD's Office of Fair Housing and Equal Opportunity (FHEO).

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## **PART II: POLICIES RELATED TO PERSONS WITH DISABILITIES**

### **2-II.A. OVERVIEW**

One type of disability discrimination prohibited by the Fair Housing Act is the refusal to make reasonable accommodation in rules, policies, practices, or services when such accommodation may be necessary to afford a person with a disability the equal opportunity to use and enjoy a program or dwelling under the program.

The PHA must ensure that persons with disabilities have full access to the PHA's programs and services. This responsibility begins with the first inquiry of an interested family and continues through every programmatic area of the HCV program.

#### PHA Policy

The PHA will ask all applicants and participants if they require any type of accommodations, in writing, on the intake application, reexamination documents, and notices of adverse action by the PHA, by including the following language:

“If you or anyone in your family is a person with disabilities, and you require a specific accommodation in order to fully utilize our programs and services, please contact the housing authority.”

A specific name and phone number will be indicated as the contact for requests for accommodation for persons with disabilities.

## **2-II.B. DEFINITION OF REASONABLE ACCOMMODATION**

A person with a disability may require special accommodations in order to have equal access to the HCV program. The types of reasonable accommodations the PHA can provide include changes, exceptions, or adjustments to a rule, policy, practice, or service.

Federal regulations stipulate that requests for accommodations will be considered reasonable if they do not create an "undue financial and administrative burden" for the PHA, or result in a "fundamental alteration" in the nature of the program or service offered. A fundamental alteration is a modification that alters the essential nature of a provider's operations.

### **Types of Reasonable Accommodations**

When needed, the PHA must modify normal procedures to accommodate the needs of a person with disabilities. Examples include:

- Permitting applications and reexaminations to be completed by mail
- Conducting home visits
- Using higher payment standards (either within the acceptable range or with HUD approval of a payment standard outside the PHA range) if the PHA determines this is necessary to enable a person with disabilities to obtain a suitable housing unit
- Providing time extensions for locating a unit when necessary because of lack of availability of accessible units or special challenges of the family in seeking a unit
- Permitting an authorized designee or advocate to participate in the application or certification process and any other meetings with PHA staff
- Displaying posters and other housing information in locations throughout the PHA's office in such a manner as to be easily readable from a wheelchair

## **2-II.C. REQUEST FOR AN ACCOMMODATION**

If an applicant or participant indicates that an exception, change, or adjustment to a rule, policy, practice, or service is needed because of a disability, HUD requires that the PHA treat the information as a request for a reasonable accommodation, even if no formal request is made [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].

The family must explain what type of accommodation is needed to provide the person with the disability full access to the PHA's programs and services.

If the need for the accommodation is not readily apparent or known to the PHA, the family must explain the relationship between the requested accommodation and the disability. There must be an identifiable relationship, or nexus, between the requested accommodation and the individual's disability.

### PHA Policy

The PHA will encourage the family to make its request in writing using a reasonable accommodation request form. However, the PHA will consider the accommodation any time the family indicates that an accommodation is needed whether or not a formal written request is submitted. Please refer to the Fort Wayne Housing Authority Reasonable Accommodation Policy Attachment A to this plan.

## **2-II.D. VERIFICATION OF DISABILITY**

The regulatory civil rights definition for persons with disabilities is provided in Exhibit 2-1 at the end of this chapter. The definition of a person with a disability for the purpose of obtaining a reasonable accommodation is much broader than the HUD definition of disability which is used for waiting list preferences and income allowances.

Before providing an accommodation, the PHA must determine that the person meets the definition of a person with a disability, and that the accommodation will enhance the family's access to the PHA's programs and services.

If a person's disability is obvious, or otherwise known to the PHA, and if the need for the requested accommodation is also readily apparent or known, no further verification will be required [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].

If a family indicates that an accommodation is required for a disability that is not obvious or otherwise known to the PHA, the PHA must verify that the person meets the definition of a person with a disability, and that the limitations imposed by the disability require the requested accommodation.

When verifying a disability, the PHA will follow the verification policies provided in Chapter 7. All information related to a person's disability will be treated in accordance with the confidentiality policies provided in Chapter 16. In addition to the general requirements that govern all verification efforts, the following requirements apply when verifying a disability:

- Third-party verification must be obtained from an individual identified by the family who is competent to make the determination. A doctor or other medical professional, a peer support group, a non-medical service agency, or a reliable third party who is in a position to know about the individual's disability may provide verification of a disability [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act]
- The PHA must request only information that is necessary to evaluate the disability-related need for the accommodation. The PHA will not inquire about the nature or extent of any disability.
- Medical records will not be accepted or retained in the participant file.

**2-II.E. APPROVAL/DENIAL OF A REQUESTED ACCOMMODATION** [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].

The PHA must approve a request for an accommodation if the following three conditions are met

- The request was made by or on behalf of a person with a disability.
- There is a disability-related need for the accommodation.
- The requested accommodation is reasonable, meaning it would not impose an undue financial and administrative burden on the PHA, or fundamentally alter the nature of the PHA's HCV operations (including the obligation to comply with HUD requirements and regulations).

Requests for accommodations must be assessed on a case-by case basis, taking into account factors such as the cost of the requested accommodation, the financial resources of the PHA at the time of the request, the benefits that the accommodation would provide to the family, and the availability of alternative accommodations that would effectively meet the family's disability-related needs.

Before making a determination whether to approve the request, the PHA may enter into discussion and negotiation with the family, request more information from the family, or may require the family to sign a consent form so that the PHA may verify the need for the requested accommodation.

PHA Policy

After a request for an accommodation is presented, the PHA will respond, in writing, within 10 business days.

If the PHA denies a request for an accommodation because it is not reasonable (it would impose an undue financial and administrative burden or fundamentally alter the nature of the PHA's operations), the PHA will discuss with the family whether an alternative accommodation could effectively address the family's disability-related needs without a fundamental alteration to the HCV program and without imposing an undue financial and administrative burden.

If the PHA believes that the family has failed to identify a reasonable alternative accommodation after interactive discussion and negotiation, the PHA will notify the family, in writing, of its determination within 10 business days from the date of the most recent discussion or communication with the family.

## **2-II.F. PROGRAM ACCESSIBILITY FOR PERSONS WITH HEARING OR VISION IMPAIRMENTS**

HUD regulations require the PHA to ensure that persons with disabilities related to hearing and vision have reasonable access to the PHA's programs and services [24 CFR 8.6].

At the initial point of contact with each applicant, the PHA shall inform all applicants of alternative forms of communication that can be used other than plain language paperwork.

### PHA Policy

To meet the needs of persons with hearing impairments, TTD/TTY (text telephone display / teletype) communication will be available.

To meet the needs of persons with vision impairments, large-print and audio versions of key program documents will be made available upon request. When visual aids are used in public meetings or presentations, or in meetings with PHA staff, one-on-one assistance will be provided upon request.

Additional examples of alternative forms of communication are sign language interpretation; having material explained orally by staff; or having a third party representative (a friend, relative or advocate, named by the applicant) to receive, interpret and explain housing materials and be present at all meetings.

## **2-II.G. PHYSICAL ACCESSIBILITY**

The PHA must comply with a variety of regulations pertaining to physical accessibility, including the following:

- PIH 2002-01 (HA), Accessibility Notice
- Section 504 of the Rehabilitation Act of 1973
- The Americans with Disabilities Act of 1990
- The Architectural Barriers Act of 1968
- The Fair Housing Act of 1988

The PHA's policies concerning physical accessibility must be readily available to applicants and participants. They can be found in three key documents

- This plan describes the key policies that govern the PHA's responsibilities with regard to physical accessibility.
- Notice PIH 2002-01(HA) Accessibility Notice (which must be posted in the HCV offices in a conspicuous place) summarizes information about pertinent laws and implementing regulations related to non-discrimination and accessibility in federally-funded housing programs.
- The PHA Plan provides information about self-evaluation, needs assessment, and transition plans.

The design, construction, or alteration of PHA facilities must conform to the Uniform Federal Accessibility Standards (UFAS). Newly-constructed facilities must be designed to be readily accessible to and usable by persons with disabilities. Alterations to existing facilities must be accessible to the maximum extent feasible, defined as not imposing an undue financial and administrative burden on the operations of the HCV program.

When issuing a voucher to a family that includes an individual with disabilities, the PHA will include a current list of available accessible units known to the PHA and will assist the family in locating an available accessible unit, if necessary.

In general, owners must permit the family to make reasonable modifications to the unit. However, the owner is not required to pay for the modification and may require that the unit be restored to its original state at the family's expense when the family moves.

## **2-II.H. DENIAL OR TERMINATION OF ASSISTANCE**

A PHA's decision to deny or terminate the assistance of a family that includes a person with disabilities is subject to consideration of reasonable accommodation [24 CFR 982.552 (2)(iv)].

When applicants with disabilities are denied assistance, the notice of denial must inform them of the PHA's informal review process and their right to request a hearing. In addition, the notice must inform applicants with disabilities of their right to request reasonable accommodations to participate in the informal hearing process.

When a participant family's assistance is terminated, the notice of termination must inform them of the PHA's informal hearing process and their right to request a hearing and reasonable accommodation.

When reviewing reasonable accommodation requests, the PHA must consider whether any mitigating circumstances can be verified to explain and overcome the problem that led to the PHA's decision to deny or terminate assistance. If a reasonable accommodation will allow the family to meet the requirements, the PHA must make the accommodation.

## **PART III: IMPROVING ACCESS TO SERVICES FOR PERSONS WITH LIMITED ENGLISH PROFICIENCY (LEP)**

### **2-III.A. OVERVIEW**

Language for Limited English Proficiency Persons (LEP) can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities, or understanding other information provided by the HCV program. In certain circumstances, failure to ensure that LEP persons can effectively participate in or benefit from federally-assisted programs and activities may violate the prohibition under Title VI against discrimination on the basis of national origin. This part incorporates the Notice of Guidance to Federal Assistance Recipients Regarding Title VI Prohibition Affecting Limited English Proficient Persons, published December 19, 2003 in the *Federal Register*.

The PHA will take affirmative steps to communicate with people who need services or information in a language other than English. These persons will be referred to as Persons with Limited English Proficiency (LEP).

LEP is defined as persons who do not speak English as their primary language and who have a limited ability to read, write, speak or understand English. For the purposes of this administrative plan, LEP persons are HCV applicants and participants, and parents and family members of applicants and participants.

In order to determine the level of access needed by LEP persons, the PHA will balance the following four factors: (1) the number or proportion of LEP persons eligible to be served or likely to be encountered by the Housing Choice Voucher program; (2) the frequency with which LEP persons come into contact with the program; (3) the nature and importance of the program, activity, or service provided by the program to people's lives; and (4) the resources available to the PHA and costs. Balancing these four factors will ensure meaningful access by LEP persons to critical services while not imposing undue burdens on the PHA.

## **2-III.B. ORAL INTERPRETATION**

In a courtroom, a hearing, or situations in which health, safety, or access to important benefits and services are at stake, the PHA will generally offer, or ensure that the family is offered through other sources, competent services free of charge to the LEP person.

### PHA Policy

The PHA will analyze the various kinds of contacts it has with the public, to assess language needs and decide what reasonable steps should be taken. "Reasonable steps" may not be reasonable where the costs imposed substantially exceed the benefits.

Where feasible, the PHA will train and hire bilingual staff to be available to act as interpreters and translators, will pool resources with other PHAs, and will standardize documents. Where feasible and possible, the PHA will encourage the use of qualified community volunteers.

Where LEP persons desire, they will be permitted to use, at their own expense, an interpreter of their own choosing, in place of or as a supplement to the free language services offered by the PHA. The interpreter may be a family member or friend.

## **2-III.C. WRITTEN TRANSLATION**

Translation is the replacement of a written text from one language into an equivalent written text in another language.

### PHA Policy

In order to comply with written-translation obligations, the PHA will take the following steps:

The PHA will provide written translations of vital documents for each eligible LEP language group that constitutes 5 percent or 1,000 persons, whichever is less, of the population of persons eligible to be served or likely to be affected or encountered. Translation of other documents, if needed, can be provided orally; or

If there are fewer than 50 persons in a language group that reaches the 5 percent trigger, the PHA does not translate vital written materials, but provides written notice in the primary language of the LEP language group of the right to receive competent oral interpretation of those written materials, free of cost.

## **2-III.D. IMPLEMENTATION PLAN**

After completing the four-factor analysis and deciding what language assistance services are appropriate, the PHA shall determine whether it is necessary to develop a written implementation plan to address the identified needs of the LEP populations it serves.

If the PHA determines that it is not necessary to develop a written implementation plan, the absence of a written plan does not obviate the underlying obligation to ensure meaningful access by LEP persons to the PHA's Housing Choice Voucher program and services.

### PHA Policy

If it is determined that the PHA serves very few LEP persons, and the PHA has very limited resources, the PHA will not develop a written LEP plan, but will consider alternative ways to articulate in a reasonable manner a plan for providing meaningful access. Entities having significant contact with LEP persons, such as schools, grassroots and faith-based organizations, community groups, and groups working with new immigrants will be contacted for input into the process.

If the PHA determines it is appropriate to develop a written LEP plan, the following five steps will be taken: (1) Identifying LEP individuals who need language assistance; (2) identifying language assistance measures; (3) training staff; (4) providing notice to LEP persons; and (5) monitoring and updating the LEP plan.



**EXHIBIT 2-1: DEFINITION OF A PERSON WITH A DISABILITY UNDER  
FEDERAL CIVIL RIGHTS LAWS [24 CFR Parts 8.3 and 100.201]**

A person with a disability, as defined under federal civil rights laws, is any person who:

- Has a physical or mental impairment that substantially limits one or more of the major life activities of an individual, or
- Has a record of such impairment, or
- Is regarded as having such impairment

The phrase “physical or mental impairment” includes:

- Any physiological disorder or condition, cosmetic or disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; 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” includes, but is not limited to, caring for oneself, performing manual tasks, walking, seeing, hearing, breathing, learning, and/or 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” is defined as having a physical or mental impairment that does not substantially limit one or more major life activities but is treated by a public entity (such as the PHA) as constituting such a limitation; has none of the impairments defined in this section but is treated by a public entity as having such an impairment; or 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 that impairment.

The definition of a person with disabilities does not include:

- Current illegal drug users
- People whose alcohol use interferes with the rights of others
- Persons who objectively pose a direct threat or substantial risk of harm to others that cannot be controlled with a reasonable accommodation under the HCV program

The above definition of disability determines whether an applicant or participant is entitled to any of the protections of federal disability civil rights laws. Thus, a person who does not meet this disability is not entitled to a reasonable accommodation under federal civil rights and fair housing laws and regulations.

The HUD definition of a person with a disability is much narrower than the civil rights definition of disability. The HUD definition of a person with a disability is used for purposes of receiving the disabled family preference, the \$400 elderly/disabled household deduction, the \$480 dependent deduction, the allowance for medical expenses, or the allowance for disability assistance expenses.

The definition of a person with a disability for purposes of granting a reasonable accommodation request is much broader than the HUD definition of disability. Many people will not qualify as a disabled person under the HCV program, yet an accommodation is needed to provide equal opportunity.

## Chapter 3

### ELIGIBILITY

#### INTRODUCTION

The PHA is responsible for ensuring that every individual and family admitted to the HCV program meets all program eligibility requirements. This includes any individual approved to join the family after the family has been admitted to the program. The family must provide any information needed by the PHA to confirm eligibility and determine the level of the family's assistance.

To be eligible for the HCV program:

- The applicant family must:
  - Qualify as a family as defined by HUD and the PHA.
  - Have income at or below HUD-specified income limits.
  - Qualify on the basis of citizenship or the eligible immigrant status of family members.
  - Provide social security number information for family members as required.
  - Consent to the PHA's collection and use of family information as provided for in PHA-provided consent forms.
- The PHA must determine that the current or past behavior of household members does not include activities that are prohibited by HUD or the PHA.

This chapter contains three parts:

Part I: Definitions of Family and Household Members. This part contains HUD and PHA definitions of family and household members and explains initial and ongoing eligibility issues related to these members.

Part II: Basic Eligibility Criteria. This part discusses income eligibility, and rules regarding citizenship, social security numbers, and family consent.

Part III: Denial of Assistance. This part covers factors related to an applicant's past or current conduct (e.g. criminal activity) that can cause the PHA to deny assistance.

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## PART I: DEFINITIONS OF FAMILY AND HOUSEHOLD MEMBERS

### 3-I.A. OVERVIEW

Some eligibility criteria and program rules vary depending upon the composition of the family requesting assistance. In addition, some requirements apply to the family as a whole and others apply to individual persons who will live in the assisted unit. This part provides information that is needed to correctly identify family and household members, and to apply HUD's eligibility rules.

### 3-I.B. FAMILY AND HOUSEHOLD [24 CFR 982.201(c), HUD-50058 IB, p. 13]

The terms *family* and *household* have different meanings in the HCV program.

#### **Family**

To be eligible for assistance, an applicant must qualify as a family. A family may be a single person or a group of persons. *Family* as defined by HUD includes a family with a child or children, two or more elderly or disabled persons living together, one or more elderly or disabled persons living with one or more live-in aides, or a single person. A single person family may be an elderly person, a displaced person, a disabled person, or any other single person. The PHA has the discretion to determine if any other group of persons qualifies as a family.

#### PHA Policy

A family also includes two or more individuals who are not related by blood, marriage, adoption, or other operation of law but who either can demonstrate that they have lived together previously or certify that each individual's income and other resources will be available to meet the needs of the family.

Each family must identify the individuals to be included in the family at the time of application, and must update this information if the family's composition changes.

#### **Household**

*Household* is a broader term that includes additional people who, with the PHA's permission, live in an assisted unit, such as live-in aids, foster children, and foster adults.

### **3-I.C. FAMILY BREAK-UP AND REMAINING MEMBER OF TENANT FAMILY**

#### **Family Break-up [24 CFR 982.315]**

The PHA has discretion to determine which members of an assisted family continue to receive assistance if the family breaks up. However, if a court determines the disposition of property between members of the assisted family in a divorce or separation decree, the PHA is bound by the court's determination of which family members continue to receive assistance.

#### PHA Policy

When a family on the waiting list breaks up into two otherwise eligible families, only one of the new families may retain the original application date. Other former family members may make a new application with a new application date if the waiting list is open.

If a family breaks up into two otherwise eligible families while receiving assistance, only one of the new families will continue to be assisted.

In the absence of a judicial decision, or an agreement among the original family members, the PHA will determine which family retains their placement on the waiting list, or will continue to receive assistance taking into consideration the following factors: (1) the interest of any minor children, including custody arrangements, (2) the interest of any ill, elderly, or disabled family members, (3) any possible risks to family members as a result of domestic violence or criminal activity, and (4) the recommendations of social service professionals.

#### **Remaining Member of a Tenant Family [24 CFR 5.403]**

The HUD definition of family includes the *remaining member of a tenant family*, which is a member of an assisted family who remains in the unit when other members of the family have left the unit. Household members such as live-in aides, foster children, and foster adults do not qualify as remaining members of a family.

If dependents are the only “remaining members of a tenant family” and there is no family member able to assume the responsibilities of the head of household, see Chapter 6, Section 6-I.B, for the policy on “Caretakers for a Child.”

### **3-I.D. HEAD OF HOUSEHOLD [24 CFR 5.504(b)]**

*Head of household* means the adult member of the family who is considered the head for purposes of determining income eligibility and rent. The head of household is responsible for ensuring that the family fulfills all of its responsibilities under the program, alone or in conjunction with a cohead or spouse.

#### PHA Policy

The family may designate any qualified family member as the head of household.

The head of household must have the legal capacity to enter into a lease under state and local law. A minor who is emancipated under state law may be designated as head of household.

### **3-I.E. SPOUSE, COHEAD, AND OTHER ADULT**

A family may have a spouse or cohead, but not both [HUD-50058 IB, p. 13].

*Spouse* means the marriage partner of the head of household.

#### PHA Policy

A *marriage partner* includes the partner in a "common law" marriage as defined in state law. The term "spouse" does not apply to friends, roommates, or significant others who are not marriage partners. A minor who is emancipated under state law may be designated as a spouse.

A *cohead* is an individual in the household who is equally responsible with the head of household for ensuring that the family fulfills all of its responsibilities under the program, but who is not a spouse. A family can have only one cohead.

#### PHA Policy

Minors who are emancipated under state law may be designated as a cohead.

*Other adult* means a family member, other than the head, spouse, or cohead, who is 18 years of age or older. Foster adults and live-in aides are not considered other adults.

### **3-I.F. DEPENDENT [24 CFR 5.603]**

A *dependent* is a family member who is under 18 years of age or a person of any age who is a person with a disability or a full-time student, except that the following persons can never be dependents: the head of household, spouse, cohead, foster children/adults and live-in aides. Identifying each dependent in the family is important because each dependent qualifies the family for a deduction from annual income as described in Chapter 6.

#### **Joint Custody of Dependents**

##### PHA Policy

Dependents that are subject to a joint custody arrangement will be considered a member of the family, if they live with the applicant or participant family 51 percent or more of the time.

When more than one applicant or participant family is claiming the same dependents as family members, the family with primary custody at the time of the initial examination or reexamination will be able to claim the dependents. If there is a dispute about which family should claim them, the PHA will make the determination based on available documents such as court orders, or an IRS return showing which family has claimed the child for income tax purposes.

### **3-I.G. FULL-TIME STUDENT [24 CFR 5.603; HCV GB, p. 5-29]**

A *full-time student* (FTS) is a person who is attending school or vocational training on a full-time basis. The time commitment or subject load that is needed to be full-time is defined by the educational institution.

Identifying each FTS is important because: (1) each family member that is an FTS, other than the head, spouse, or cohead, qualifies the family for a dependent deduction, and (2) the income of such an FTS is treated differently from the income of other family members.

### **3-I.H. ELDERLY AND NEAR-ELDERLY PERSONS, AND ELDERLY FAMILY [24 CFR 5.100 and 5.403]**

#### **Elderly Persons**

An *elderly person* is a person who is at least 62 years of age.

#### **Near-Elderly Persons**

A *near-elderly person* is a person who is 50-61 years of age.

#### **Elderly Family**

An *elderly family* is one in which the head, spouse, cohead, or sole member is an elderly person. Identifying elderly families is important because these families qualify for special deductions from income as described in Chapter 6.

### **3-I.I. PERSONS WITH DISABILITIES AND DISABLED FAMILY [24 CFR 5.403]**

#### **Persons with Disabilities**

Under the HCV program, special rules apply to persons with disabilities and to any family whose head, spouse, or cohead is a person with disabilities. The technical definitions of individual with handicaps and persons with disabilities are provided in Exhibit 3-1 at the end of this chapter. These definitions are used for a number of purposes including ensuring that persons with disabilities are not discriminated against based upon disability.

As discussed in Chapter 2, the PHA must make all aspects of the HCV program accessible to persons with disabilities and consider reasonable accommodations requested based upon a person's disability.

#### **Disabled Family**

A *disabled family* is one in which the head, spouse, or cohead is a person with disabilities. Identifying disabled families is important because these families qualify for special deductions from income as described in Chapter 6.

Even though persons with drug or alcohol dependencies are considered persons with disabilities for the purpose of non-discrimination, this does not prevent the PHA from denying assistance for reasons related to alcohol and drug abuse following policies found in Part III of this chapter, or from terminating assistance following the policies in Chapter 12.

### **3-I.J. GUESTS [24 CFR 5.100]**

A *guest* is a person temporarily staying in the unit with the consent of a member of the household who has express or implied authority to so consent.

#### PHA Policy

A guest can remain in the assisted unit no longer than 14 consecutive days or a total of 42 cumulative calendar days during any 12-month period.

Children who are subject to a joint custody arrangement or for whom a family has visitation privileges, that are not included as a family member because they live outside of the assisted household more than 50 percent of the time, are not subject to the time limitations of guests as described above.

A family may request an exception to this policy for valid reasons (e.g., care of a relative recovering from a medical procedure is expected to last 40 consecutive days). An exception will not be made unless the family can identify and provide documentation of the residence to which the guest will return.

### **3-I.K. FOSTER CHILDREN AND FOSTER ADULTS**

*Foster adults* are usually persons with disabilities, unrelated to the tenant family, who are unable to live alone [24 CFR 5.609].

The term *foster child* is not specifically defined by the regulations.

Foster children and foster adults that are living with an applicant or assisted family are considered household members but not family members. The income of foster children/adults is not counted in family annual income, and foster children/adults do not qualify for a dependent deduction [24 CFR 5.603; HUD-50058 IB, p. 13].

#### PHA Policy

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.

A foster child or foster adult may be allowed to reside in the unit if their presence would not result in a violation of HQS space standards according to 24 CFR 982.401.

Children that are temporarily absent from the home as a result of placement in foster care are discussed in Section 3-I.L.

### **3-I.L. ABSENT FAMILY MEMBERS**

Individuals may be absent from the family, either temporarily or permanently, for a variety of reasons including educational activities, placement in foster care, employment, illness, incarceration, and court order.

#### **Definitions of Temporarily and Permanently Absent**

##### PHA Policy

Generally an individual who is or is expected to be absent from the assisted unit for 180 consecutive days or less is considered temporarily absent and continues to be considered a family member. Generally an individual who is or is expected to be absent from the assisted unit for more than 180 consecutive days is considered permanently absent and no longer a family member. Exceptions to this general policy are discussed below.

#### **Absent Students**

##### PHA Policy

When someone who has been considered a family member attends school away from home, the person will continue to be considered a family member unless information becomes available to the PHA indicating that the student has established a separate household or the family declares that the student has established a separate household.

### **Absences Due to Placement in Foster Care [24 CFR 5.403]**

Children temporarily absent from the home as a result of placement in foster care are considered members of the family.

#### PHA Policy

If a child has been placed in foster care, the PHA will verify with the appropriate agency whether and when the child is expected to be returned to the home. Unless the agency confirms that the child has been permanently removed from the home, the child will be counted as a family member.

### **Absent Head, Spouse, or Cohead**

#### PHA Policy

An employed head, spouse or cohead absent from the unit more than 180 consecutive days due to employment will continue to be considered a family member.

### **Family Members Permanently Confined for Medical Reasons [HCV GB, p. 5-22]**

If a family member is confined to a nursing home or hospital on a permanent basis, that person is no longer considered a family member and the income of that person is not counted [HCV GB, p. 5-22].

#### PHA Policy

The PHA will request verification from a responsible medical professional and will use this determination. If the responsible medical professional cannot provide a determination, the person generally will be considered temporarily absent. The family may present evidence that the family member is confined on a permanent basis and request that the person not be considered a family member.

### **Return of Permanently Absent Family Members**

#### PHA Policy

The family must request PHA approval for the return of any adult family members that the PHA has determined to be permanently absent. The individual is subject to the eligibility and screening requirements discussed elsewhere in this chapter.

### **3-I.M. LIVE-IN AIDE**

*Live-in aide* means a person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who: (1) is determined to be essential to the care and well-being of the persons, (2) is not obligated for the support of the persons, and (3) would not be living in the unit except to provide the necessary supportive services [24 CFR 5.403].

The PHA must approve a live-in aide if needed as a reasonable accommodation in accordance with 24 CFR 8, to make the program accessible to and usable by the family member with disabilities.

A live-in aide is a member of the household, not the family, and the income of the aide is not considered in income calculations [24 CFR 5.609(b)]. Relatives may be approved as live-in aides if they meet all of the criteria defining a live-in aide. However, a relative who serves as a live-in aide is not considered a family member and would not be considered a remaining member of a tenant family.

#### PHA Policy

A family's request for a live-in aide must be made in writing. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or case worker, that the live-in aide is essential for the care and well-being of the elderly, near-elderly, or disabled family member. For continued approval, the family must submit a new, written request-subject to PHA verification-at each annual reexamination.

In addition, the family and live-in aide will be required to submit a certification stating that the live-in aide is (1) not obligated for the support of the person(s) needing the care, and (2) would not be living in the unit except to provide the necessary supportive services.

The PHA will not approve a particular person as a live-in aide, and may withdraw such approval if [24 CFR 982.316(b)]:

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

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

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

Within 10 business days of receiving a request for a live-in aide, including all required documentation related to the request, the PHA will notify the family of its decision in writing.

## PART II: BASIC ELIGIBILITY CRITERIA

### 3-II.A. INCOME ELIGIBILITY AND TARGETING

#### Income Limits

HUD is required by law to set income limits that determine the eligibility of applicants for HUD's assisted housing programs, including the housing choice voucher program. The income limits are published annually and are based on HUD estimates of median family income in a particular area or county, with adjustments for family size.

#### Types of Low-Income Families [24 CFR 5.603(b)]

*Low-income family.* A family whose annual income does not exceed 80 percent of the median income for the area, adjusted for family size.

*Very low-income family.* A family whose annual income does not exceed 50 percent of the median income for the area, adjusted for family size.

*Extremely low-income family.* A family whose annual income does not exceed 30 percent of the median income for the area, adjusted for family size.

HUD may establish income ceilings higher or lower than 30, 50, or 80 percent of the median income for an area if HUD finds that such variations are necessary because of unusually high or low family incomes.

#### Using Income Limits for Eligibility [24 CFR 982.201]

Income limits are used for eligibility only at admission. Eligibility is established by comparing a family's annual income with HUD's published income limits. To be income-eligible, a family must be one of the following:

- A *very low-income family*
- A *low-income family* that has been "continuously assisted" under the 1937 Housing Act. A family is considered to be continuously assisted if the family is already receiving assistance under any 1937 Housing Act program at the time the family is admitted to the HCV program [24 CFR 982.4]

#### PHA Policy

The PHA will consider a family to be continuously assisted if the family was leasing a unit under any 1937 Housing Act program at the time they were issued a voucher by the PHA.

- A low-income family that qualifies for voucher assistance as a non-purchasing household living in HOPE 1 (public housing homeownership), HOPE 2 (multifamily housing homeownership) developments, or other HUD-assisted multifamily homeownership programs covered by 24 CFR 248.173
- A low-income or moderate-income family that is displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract on eligible low-income housing as defined in 24 CFR 248.101

HUD permits the PHA to establish additional categories of low-income families that may be determined eligible. The additional categories must be consistent with the PHA plan and the consolidated plans for local governments within the PHA's jurisdiction.

PHA Policy

The PHA has not established any additional categories of eligible low-income families.

**Using Income Limits for Targeting [24 CFR 982.201]**

At least 75 percent of the families admitted to the PHA's program during a PHA fiscal year must be extremely low-income families. HUD may approve exceptions to this requirement if the PHA demonstrates that it has made all required efforts, but has been unable to attract an adequate number of qualified extremely low-income families.

Families continuously assisted under the 1937 Housing Act and families living in eligible low-income housing that are displaced as a result of prepayment of a mortgage or voluntary termination of a mortgage insurance contract are not subject to the 75 percent restriction.

### **3-II.B. CITIZENSHIP OR ELIGIBLE IMMIGRATION STATUS [24 CFR 5, Subpart E]**

Housing assistance is available only to individuals who are U.S. citizens, U.S. nationals (herein referred to as citizens and nationals), or noncitizens that have eligible immigration status. At least one family member must be a citizen, national, or noncitizen with eligible immigration status in order for the family to qualify for any level of assistance.

All applicant families must be notified of the requirement to submit evidence of their citizenship status when they apply. Where feasible, and in accordance with the PHA's Limited English Proficiency Plan, the notice must be in a language that is understood by the individual if the individual is not proficient in English.

#### **Declaration [24 CFR 5.508]**

HUD requires each family member to declare whether the individual is a citizen, a national, or an eligible noncitizen, except those members who elect not to contend that they have eligible immigration status. Those who elect not to contend their status are considered to be ineligible noncitizens. For citizens, nationals and eligible noncitizens the declaration must be signed personally by the head, spouse, cohead, and any other family member 18 or older, and by a parent or guardian for minors. The family must identify in writing any family members who elect not to contend their immigration status (see Ineligible Noncitizens below). No declaration is required for live-in aides, foster children, or foster adults.

#### ***U.S. Citizens and Nationals***

In general, citizens and nationals are required to submit only a signed declaration that claims their status. However, HUD regulations permit the PHA to request additional documentation of their status, such as a passport.

#### **PHA Policy**

Family members who declare citizenship or national status will not be required to provide additional documentation unless the PHA receives information indicating that an individual's declaration may not be accurate.

#### ***Eligible Noncitizens***

In addition to providing a signed declaration, those declaring eligible noncitizen status must sign a verification consent form and cooperate with PHA efforts to verify their immigration status as described in Chapter 7. The documentation required for establishing eligible noncitizen status varies depending upon factors such as the date the person entered the U.S., the conditions under which eligible immigration status has been granted, the person's age, and the date on which the family began receiving HUD-funded assistance.

Lawful residents of the Marshall Islands, the Federated States of Micronesia, and Palau, together known as the Freely Associated States, or FAS, are eligible for housing assistance under section 141 of the Compacts of Free Association between the U.S. Government and the Governments of the FAS [Public Law 106-504].

### ***Ineligible Noncitizens***

Those noncitizens who do not wish to contend their immigration status are required to have their names listed on a noncontending family members listing, signed by the head, spouse, or cohead (regardless of citizenship status), indicating their ineligible immigration status. The PHA is not required to verify a family member's ineligible status and is not required to report an individual's unlawful presence in the U.S. to the United States Citizenship and Immigration Services (USCIS).

Providing housing assistance to noncitizen students is prohibited [24 CFR 5.522]. This prohibition extends to the noncitizen spouse of a noncitizen student as well as to minor children who accompany or follow to join the noncitizen student. Such prohibition does not extend to the citizen spouse of a noncitizen student or to the children of the citizen spouse and noncitizen student. Such a family is eligible for prorated assistance as a mixed family.

### **Mixed Families**

A family is eligible for assistance as long as at least one member is a citizen, national, or eligible noncitizen. Families that include eligible and ineligible individuals are considered *mixed families*. Such families will be given notice that their assistance will be prorated, and that they may request a hearing if they contest this determination. See Chapter 6 for a discussion of how rents are prorated, and Chapter 16 for a discussion of informal hearing procedures.

### **Ineligible Families [24 CFR 5.514(d), (e), and (f)]**

A PHA may elect to provide assistance to a family before the verification of the eligibility of the individual or one family member [24 CFR 5.512(b)]. Otherwise, no individual or family may be assisted prior to the affirmative establishment by the PHA that the individual or at least one family member is eligible. Verification of eligibility for this purpose occurs when the individual or family members have submitted documentation to the PHA in accordance with program requirements [24 CFR 5.512(a)].

#### PHA Policy

The PHA will not provide assistance to a family before the verification of at least one family member.

When a PHA determines that an applicant family does not include any citizens, nationals, or eligible noncitizens, following the verification process, the family will be sent a written notice within 10 business days of the determination.

The notice will explain the reasons for the denial of assistance, that the family may be eligible for proration of assistance, and will advise the family of its right to request an appeal to the United States Citizenship and Immigration Services (USCIS), or to request an informal hearing with the PHA. The informal hearing with the PHA may be requested in lieu of the USCIS appeal, or at the conclusion of the USCIS appeal process. The notice must also inform the applicant family that assistance may not be delayed until the conclusion of the USCIS appeal process, but that it may be delayed pending the completion of the informal hearing process.

Informal hearing procedures are contained in Chapter 16.

### **Timeframe for Determination of Citizenship Status [24 CFR 5.508(g)]**

For new occupants joining the assisted family, the PHA must verify status at the first interim or regular reexamination following the person's occupancy, whichever comes first.

If an individual qualifies for a time extension for the submission of required documents, the PHA must grant such an extension for no more than 30 days [24 CFR 5.508(h)].

Each family member is required to submit evidence of eligible status only one time during continuous occupancy.

#### **PHA Policy**

The PHA will verify the status of applicants at the time other eligibility factors are determined.

### **3-II.C. SOCIAL SECURITY NUMBERS [24 CFR 5.216 and 5.218]**

The applicant and all members of the applicant's household age 6 or older the family must provide documentation of a valid Social Security Number (SSN) or a certification stating that no SSN has been issued. If a household member who is required to execute a certification is less than 18 years old, the certification must be executed by the individual's parent or guardian [24 CFR 5.216(j)]. Assistance cannot be provided to a family until all SSN documentation requirements are met. A detailed discussion of acceptable documentation is provided in Chapter 7.

If a new member who is at least six years of age is added to the family, the new member's SSN documentation must be submitted at the household's next interim or regular reexamination, whichever comes first. If any member of the household who is at least six years of age obtains a previously undisclosed SSN, or has been assigned a new SSN, the documentation must be submitted at the family's next regularly scheduled reexamination.

The PHA must deny assistance to an applicant family if they do not meet the SSN disclosure, documentation and verification, and certification requirements contained in 24 CFR 5.216.

**3-II.D. FAMILY CONSENT TO RELEASE OF INFORMATION [24 CFR 5.230, HCV GB, p. 5-13]**

HUD requires each adult family member, and the head of household, spouse, or cohead, regardless of age, to sign form HUD-9886, Authorization for the Release of Information/Privacy Act Notice, and other consent forms as needed to collect information relevant to the family's eligibility and level of assistance. Chapter 7 provides detailed information concerning the consent forms and verification requirements.

The PHA must deny admission to the program if any member of the applicant family fails to sign and submit the consent forms for obtaining information in accordance with 24 CFR 5, Subparts B and F [24 CFR 982.552(b)(3)].

### **3-II.E. STUDENTS ENROLLED IN INSTITUTIONS OF HIGHER EDUCATION [24 CFR 5.612 and FR Notice 4/10/06]**

Section 327 of Public Law 109-115 and the implementing regulation at 24 CFR 5.612 established new restrictions on the eligibility of certain students (both part- and full-time) who are enrolled in institutions of higher education.

If a student enrolled at an institution of higher education is under the age of 24, is not a veteran, is not married, and does not have a dependent child, the student's eligibility must be examined along with the income eligibility of the student's parents. In these cases, both the student and the student's parents must be income eligible for the student to receive HCV assistance. If, however, a student in these circumstances is determined independent from his/her parents in accordance with PHA policy, the income of the student's parents will not be considered in determining the student's eligibility.

The new law does not apply to students who reside with parents who are applying to receive HCV assistance. It is limited to students who are seeking assistance on their own, separately from their parents.

#### **Definitions**

In determining whether and how the new eligibility restrictions apply to a student, the PHA will rely on the following definitions [FR 4/10/06, p. 18148].

#### ***Dependent Child***

In the context of the student eligibility restrictions, *dependent child* means a dependent child of a student enrolled in an institution of higher education. The dependent child must also meet the definition of *dependent* in 24 CFR 5.603, which states that the dependent must be a member of the assisted family, other than the head of household or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student. Foster children and foster adults are not considered dependents.

## ***Independent Student***

### PHA Policy

The PHA will consider a student “independent” from his or her parents and the parents’ income will not be considered when determining the student’s eligibility if the following four criteria are all met:

The individual is of legal contract age under state law.

The individual has established a household separate from his/her parents for at least one year prior to application for occupancy or the individual meets the U.S. Department of Education’s definition of independent student.

To be considered an *independent student* according to the Department of Education, a student must meet one or more of the following criteria:

Be at least 24 years old by December 31 of the award year for which aid is sought

Be an orphan or a ward of the court through the age of 18

Be a veteran of the U.S. Armed Forces

Have one or more legal dependents other than a spouse (for example, dependent children or an elderly dependent parent)

Be a graduate or professional student

Be married

The individual was not claimed as a dependent by his/her parents pursuant to IRS regulations, as demonstrated on the parents’ most recent tax forms.

The individual provides a certification of the amount of financial assistance that will be provided by his/her parents. This certification must be signed by the individual providing the support and must be submitted even if no assistance is being provided.

The PHA will verify that a student meets the above criteria in accordance with the policies in Section 7-II.E.

### ***Institution of Higher Education***

The PHA will use the statutory definition under section 102 of the Higher Education Act of 1965 to determine whether a student is attending an *institution of higher education* (see Exhibit 3-2).

#### ***Parents***

##### PHA Policy

For purposes of student eligibility restrictions, the definition of *parent* includes biological or adoptive parents, stepparents (as long as they are currently married to the biological or adoptive parent), and guardians (e.g., grandparents, aunt/uncle, godparents, etc).

#### ***Veteran***

##### PHA Policy

A *veteran* is a person who served in the active military, naval, or air service and who was discharged or released from such service under conditions other than dishonorable.

### **Determining Student Eligibility**

If a student is applying for assistance on his/her own, apart from his/her parents, the PHA must determine whether the student is subject to the eligibility restrictions contained in 24 CFR 5.612. If the student is subject to those restrictions, the PHA must ensure that: (1) the student is individually eligible for the program, (2) either the student is independent from his/her parents or the student's parents are income eligible for the program, and (3) the "family" with which the student is applying is collectively eligible for the program.

##### PHA Policy

For any student who is subject to the 5.612 restrictions, the PHA will:

- Follow its usual policies in determining whether the student individually and the student's "family" collectively are eligible for the program

- Determine whether the student is independent from his/her parents in accordance with the definition of *independent student* in this section

- Follow the policies below, if applicable, in determining whether the student's parents are income eligible for the program

If the PHA determines that the student, the student's parents (if applicable), or the student's "family" is not eligible, the PHA will send a notice of denial in accordance with the policies in Section 3-III.F, and the applicant family will have the right to request an informal review in accordance with the policies in Section 16-III.B.

### ***Determining Parental Income Eligibility***

#### PHA Policy

For any student who is subject to the 5.612 restrictions and who does not satisfy the definition of *independent student* in this section, the PHA will determine the income eligibility of the student's parents as follows:

If the student's parents are married and living together, the PHA will obtain a joint income declaration and certification of joint income from the parents.

If the student's parent is widowed or single, the PHA will obtain an income declaration and certification of income from that parent.

If the student's parents are divorced or separated, the PHA will obtain an income declaration and certification of income from each parent.

If the student has been living with one of his/her parents and has not had contact with or does not know where to contact his/her other parent, the PHA will require the student to submit a certification under penalty of perjury describing the circumstances and stating that the student does not receive financial assistance from the other parent. The PHA will then obtain an income declaration and certification of income from the parent with whom the student has been living or had contact.

In determining the income eligibility of the student's parents, the PHA will use the income limits for the jurisdiction in which the parents live.

## PART III: DENIAL OF ASSISTANCE

### 3-III.A. OVERVIEW

A family that does not meet the eligibility criteria discussed in Parts I and II, must be denied assistance.

In addition, HUD requires or permits the PHA to deny assistance based on certain types of current or past behaviors of family members.

#### **Forms of Denial [24 CFR 982.552(a)(2); HCV GB, p. 5-35]**

Denial of assistance includes any of the following:

- Not placing the family's name on the waiting list
- Denying or withdrawing a voucher
- Not approving a request for tenancy or refusing to enter into a HAP contract
- Refusing to process a request for or to provide assistance under portability procedures

#### **Prohibited Reasons for Denial of Program Assistance [24 CFR 982.202(b), Pub.L. 109-162]**

HUD rules prohibit denial of program assistance to the program based on any of the following criteria:

- Age, disability, race, color, religion, sex, or national origin. (See Chapter 2 for additional information about fair housing and equal opportunity requirements.)
- Where a family lives prior to admission to the program
- Where the family will live with assistance under the program. Although eligibility is not affected by where the family will live, there may be restrictions on the family's ability to move outside the PHA's jurisdiction (See Chapter 10, Portability.)
- Whether members of the family are unwed parents, recipients of public assistance, or children born out of wedlock
- Whether the family includes children
- Whether a family decides to participate in a family self-sufficiency program
- Whether or not a qualified applicant has been a victim of domestic violence, dating violence, or stalking

### 3-III.B. MANDATORY DENIAL OF ASSISTANCE [24 CFR 982.553(a)]

HUD requires the PHA to deny assistance in the following cases:

- Any member of the household has been evicted from federally-assisted housing in the last 3 years for drug-related criminal activity. HUD permits, but does not require, the PHA to admit an otherwise-eligible family if the household member has completed a PHA-approved drug rehabilitation program or the circumstances which led to eviction no longer exist (e.g., the person involved in the criminal activity no longer lives in the household).

#### PHA Policy

The PHA will admit an otherwise-eligible family who was evicted from federally-assisted housing within the past 5 years for drug-related criminal activity, if the PHA is able to verify that the household member who engaged in the criminal activity has completed a supervised drug rehabilitation program approved by the PHA or the person who committed the crime, is no longer living in the household.

- The PHA determines that any household member is currently engaged in the use of illegal drugs.

#### PHA Policy

*Currently engaged in* is defined as any use of illegal drugs during the previous six months.

- The PHA has reasonable cause to believe that any household member's current use or pattern of use of illegal drugs, or current abuse or pattern of abuse of alcohol, may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.

#### PHA Policy

In determining reasonable cause, the PHA will consider all credible evidence, including but not limited to, any record of convictions, arrests, or evictions of household members related to the use of illegal drugs or the abuse of alcohol. A conviction will be given more weight than an arrest. The PHA will also consider evidence from treatment providers or community-based organizations providing services to household members.

- Any household member has ever been convicted of drug related criminal activity for the production or manufacture of methamphetamine on the premises of federally assisted housing
- Any household member is subject to a lifetime registration requirement under a state sex offender registration program

### **3-III.C. OTHER PERMITTED REASONS FOR DENIAL OF ASSISTANCE**

HUD permits, but does not require, the PHA to deny assistance for the reasons discussed in this section.

#### **Criminal Activity [24 CFR 982.553]**

HUD permits, but does not require, the PHA to deny assistance if the PHA determines that any household member is currently engaged in, or has engaged in during a reasonable time before the family would receive assistance, certain types of criminal activity.

##### PHA Policy

If any household member is currently engaged in, or has engaged in any of the following criminal activities, within the past five years, the family will be denied assistance.

*Drug-related criminal activity*, defined by HUD as 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 [24 CFR 5.100].

*Violent criminal activity*, defined by HUD as 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 [24 CFR 5.100].

Criminal activity that may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity; or

Criminal activity that may threaten the health or safety of property owners and management staff, and persons performing contract administration functions or other responsibilities on behalf of the PHA (including a PHA employee or a PHA contractor, subcontractor, or agent).

*Immediate vicinity* means within a three-block radius of the premises.

Evidence of such criminal activity includes, but is not limited to:

- Any conviction for drug-related or violent criminal activity within the past 5 years.

- Any arrests for drug-related or violent criminal activity within the past 5 years.

- Any record of eviction from public or privately-owned housing as a result of criminal activity within the past 5 years.

- A conviction for drug-related or violent criminal activity will be given more weight than an arrest for such activity.

In making its decision to deny assistance, the PHA will consider the factors discussed in Section 3-III.E. Upon consideration of such factors, the PHA may, on a case-by case basis, decide not to deny assistance.

### **Previous Behavior in Assisted Housing [24 CFR 982.552(c)]**

HUD authorizes the PHA to deny assistance based on the family's previous behavior in assisted housing:

#### PHA Policy

The PHA **will not** deny assistance to an otherwise eligible family because the family previously failed to meet its obligations under the Family Self-Sufficiency (FSS) program.

The PHA **will** deny assistance to an applicant family if:

The family does not provide information that the PHA or HUD determines is necessary in the administration of the program.

The family does not provide complete and true information to the PHA.

Any family member has been evicted from federally-assisted housing in the last five years.

Any PHA has ever terminated assistance under the program for any member of the family.

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

The family owes rent or other amounts to any PHA in connection with the HCV, Certificate, Moderate Rehabilitation or public housing programs, unless the family repays the full amount of the debt prior to being selected from the waiting list.

If the family has not reimbursed any PHA for amounts the PHA paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease, unless the family repays the full amount of the debt prior to being selected from the waiting list.

The family has breached the terms of a repayment agreement entered into with the PHA, unless the family repays the full amount of the debt covered in the repayment agreement prior to being selected from the waiting list.

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

*Abusive or violent behavior towards PHA personnel* includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior.

*Threatening* refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

In making its decision to deny assistance, the PHA will consider the factors discussed in Section 3-III.E. Upon consideration of such factors, the PHA may, on a case by case basis, decide not to deny assistance.

### **3-III.D. SCREENING**

#### **Screening for Eligibility**

PHAs are authorized to obtain criminal conviction records from law enforcement agencies to screen applicants for admission to the HCV program. This authority assists the PHA in complying with HUD requirements and PHA policies to deny assistance to applicants who are engaging in or have engaged in certain criminal activities. In order to obtain access to the records the PHA must require every applicant family to submit a consent form signed by each adult household member [24 CFR 5.903].

#### PHA Policy

The PHA will perform a criminal background check through local law enforcement for every adult household member.

If the results of the criminal background check indicate that there may be past criminal activity, but the results are inconclusive, the PHA will request a fingerprint card and will request information from the National Crime Information center (NCIC).

PHAs are required to perform criminal background checks necessary to determine whether any household member is subject to a lifetime registration requirement under a state sex offender program in the state where the housing is located, as well as in any other state where a household member is known to have resided [24 CFR 982.553(a)(2)(i)].

If the PHA proposes to deny assistance based on a criminal record or on lifetime sex offender registration information, the PHA must notify the household of the proposed action and must provide the subject of the record and the applicant a copy of the record and an opportunity to dispute the accuracy and relevance of the information prior to a denial of admission. [24 CFR 5.903(f) and 5.905(d)].

### **Screening for Suitability as a Tenant [24 CFR 982.307]**

The PHA has no liability or responsibility to the owner for the family's behavior or suitability for tenancy. The PHA may opt to conduct additional screening to determine whether an applicant is likely to be a suitable tenant.

#### PHA Policy

The PHA will not conduct additional screening to determine an applicant family's suitability for tenancy.

The owner is responsible for screening and selection of the family to occupy the owner's unit. The PHA must inform the owner that screening and selection for tenancy is the responsibility of the owner. An owner may consider a family's history with respect to factors such as: payment of rent and utilities, caring for a unit and premises, respecting the rights of other residents to the peaceful enjoyment of their housing, criminal activity that is a threat to the health, safety or property of others, and compliance with other essential conditions of tenancy.

HUD requires the PHA to provide prospective owners with the family's current and prior address (as shown in PHA records) and the name and address (if known) of the owner at the family's current and prior addresses. HUD permits the PHA to provide owners with additional information, as long as families are notified that the information will be provided, and the same type of information is provided to all owners.

#### PHA Policy

The PHA will inform owners of their responsibility to screen prospective tenants, and will provide owners with the required known name and address information, at the time of the initial HQS inspection or before. The PHA will not provide any additional information to the owner, such as tenancy history, criminal history, etc.

### **3-III.E. CRITERIA FOR DECIDING TO DENY ASSISTANCE**

#### **Evidence [24 CFR 982.553(c)]**

##### PHA Policy

The PHA will use the concept of the preponderance of the evidence as the standard for making all admission decisions.

*Preponderance of the 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.

Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

#### **Consideration of Circumstances [24 CFR 982.552(c)(2)]**

HUD authorizes the PHA to consider all relevant circumstances when deciding whether to deny assistance based on a family's past history except in the situations for which denial of assistance is mandated (see Section 3-III.B).

##### PHA Policy

The PHA will consider the following factors prior to making its decision:

- The seriousness of the case, especially with respect to how it would affect other residents

- The effects that denial of assistance may have on other members of the family who were not involved in the action or failure

- The extent of participation or culpability of individual family members, including whether the culpable family member is a minor or a person with disabilities, or (as discussed further in section 3-III.G) a victim of domestic violence, dating violence, or stalking

- The length of time since the violation occurred, the family's recent history and the likelihood of favorable conduct in the future

- In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully

  - The PHA will require the applicant to submit evidence of the household member's current participation in or successful completion of a supervised drug or alcohol rehabilitation program, or evidence of otherwise having been rehabilitated successfully.

**Removal of a Family Member's Name from the Application [24 CFR 982.552(c)(2)(ii)]**

HUD permits PHAs to impose as a condition of admission, a requirement that family members who participated in or were culpable for an action or failure to act which results in the denial of assistance, to not reside in the unit.

PHA Policy

As a condition of receiving assistance, a family may agree to remove the culpable family member from the application. In such instances, the head of household must certify that the family member will not be permitted to visit or to stay as a guest in the assisted unit. After admission to the program, the family must present evidence of the former family member's current address upon PHA request.

**Reasonable Accommodation [24 CFR 982.552(c)(2)(iv)]**

If the family includes a person with disabilities, the PHA's decision concerning denial of admission is subject to consideration of reasonable accommodation in accordance with 24 CFR Part 8.

PHA Policy

If the family indicates that the behavior of a family member with a disability is the reason for the proposed denial of assistance, the PHA will determine whether the behavior is related to the disability. If so, upon the family's request, the PHA will determine whether alternative measures are appropriate as a reasonable accommodation. The PHA will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed denial of assistance. See Chapter 2 for a discussion of reasonable accommodation.

### **3-III.F. NOTICE OF ELIGIBILITY OR DENIAL**

If the family is eligible for assistance, the PHA will notify the family when it extends the invitation to attend the voucher briefing appointment, as discussed in Chapter 5.

If the PHA determines that a family is not eligible for the program for any reason, the family must be notified promptly. The notice must describe: (1) the reasons for which assistance has been denied, (2) the family's right to an informal review, and (3) the process for obtaining the informal review [24 CFR 982.554 (a)]. See Chapter 16, for informal review policies and procedures.

#### PHA Policy

The family will be notified of a decision to deny assistance in writing within 10 business days of the determination.

If a PHA uses a criminal record or sex offender registration information obtained under 24 CFR 5, Subpart J, as the basis of a denial, a copy of the record must precede the notice to deny, with an opportunity for the applicant to dispute the accuracy and relevance of the information before the PHA can move to deny the application. In addition, a copy of the record must be provided to the subject of the record [24 CFR 5.903(f) and 5.905(d)]. The PHA must give the family an opportunity to dispute the accuracy and relevance of that record, in the informal review process in accordance with program requirements [24 CFR 982.553(d)].

#### PHA Policy

If based on a criminal record or sex offender registration information, an applicant family appears to be ineligible the PHA will notify the family in writing of the proposed denial and provide a copy of the record to the applicant and to the subject of the record. The family will be given 10 business days to dispute the accuracy and relevance of the information. If the family does not contact the PHA to dispute the information within that 10-day period, the PHA will proceed with issuing the notice of denial of admission. A family that does not exercise their right to dispute the accuracy of the information prior to issuance of the official denial letter will still be given the opportunity to do so as part of the informal review process.

Notice requirements related to denying assistance to noncitizens are contained in Section 3-II.B. Notice policies related to denying admission to applicants who may be victims of domestic violence, dating violence, or stalking are contained in Section 3-III.G.

### **3-III.G. PROHIBITION AGAINST DENIAL OF ASSISTANCE TO VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, AND STALKING [Pub.L. 109-162]**

The Violence Against Women Reauthorization Act of 2005 (VAWA) prohibits denial of admission to an otherwise qualified applicant on the basis that the applicant is or has been a victim of domestic violence, dating violence, or stalking. Specifically, Section 606(1) of VAWA adds the following provision to Section 8 of the U.S. Housing Act of 1937, which lists contract provisions and requirements for the housing choice voucher program:

- That an applicant or participant is or has been a victim of domestic violence, dating violence, or stalking is not an appropriate reason for denial of program assistance or for denial of admission, if the applicant otherwise qualifies for assistance or admission.

#### **Definitions**

As used in VAWA:

- The term domestic violence includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.
- The term *dating violence* means violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of such a relationship shall be determined based on a consideration of the following factors:
  - The length of the relationship
  - The type of relationship
  - The frequency of interaction between the persons involved in the relationship
- The term *stalking* means:
  - To follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate; or
  - To place under surveillance with the intent to kill, injure, harass, or intimidate another person; and
  - In the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to (1) that person, (2) a member of the immediate family of that person, or (3) the spouse or intimate partner of that person.

- The term *immediate family member* means, with respect to a person:
  - A spouse, parent, brother or sister, or child of that person, or an individual to whom that person stands in the position or place of a parent; or
  - Any other person living in the household of that person and related to that person by blood and marriage.

### **Notification and Victim Documentation**

#### PHA Policy

The PHA acknowledges that a victim of domestic violence, dating violence, or stalking may have an unfavorable history that would warrant denial under the PHA's policies. Therefore, if the PHA makes a determination to deny admission to an applicant family, the PHA will include in its notice of denial a statement of the protection against denial provided by VAWA and will offer the applicant the opportunity to provide documentation affirming that the cause of the unfavorable history is that a member of the applicant family is or has been a victim of domestic violence, dating violence, or stalking. The documentation must include two elements:

A signed statement by the victim that provides the name of the perpetrator and certifies that the incidents in question are bona fide incidents of actual or threatened domestic violence, dating violence, or stalking, and

One of the following:

A police or court record documenting the actual or threatened abuse, or  
 A statement signed by an employee, agent, or volunteer of a victim service provider; an attorney; a medical professional; or another knowledgeable professional from whom the victim has sought assistance in addressing the actual or threatened abuse. The professional must attest under penalty of perjury that the incidents in question are bona fide incidents of abuse, and the victim must sign or attest to the statement.

The applicant must submit the required documentation with her or his request for an informal review (see section 16-III.D) or must request an extension in writing at that time. If the applicant so requests, the PHA will grant an extension of 10 business days, and will postpone scheduling the applicant's informal review until after it has received the documentation or the extension period has elapsed. If after reviewing the documentation provided by the applicant the PHA determines the family is eligible for assistance, no informal review will be scheduled and the PHA will proceed with admission of the applicant family.

## **Perpetrator Removal or Documentation of Rehabilitation**

### PHA Policy

In cases where an applicant family includes the perpetrator as well as the victim of domestic violence, dating violence, or stalking, the PHA will proceed as above but will require, in addition, either (a) that the perpetrator be removed from the applicant household and not reside in the assisted housing unit or (b) that the family provide documentation that the perpetrator has successfully completed, or is successfully undergoing, rehabilitation or treatment.

If the family elects the second option, the documentation must be signed by an employee or agent of a domestic violence service provider or by a medical or other knowledgeable professional from whom the perpetrator has sought or is receiving assistance in addressing the abuse. The signer must attest under penalty of perjury to his or her belief that the rehabilitation was successfully completed or is progressing successfully. The victim and perpetrator must also sign or attest to the documentation. This additional documentation must be submitted within the same time frame as the documentation required above from the victim.

### **PHA Confidentiality Requirements**

All information provided to the PHA regarding domestic violence, dating violence, or stalking, including the fact that an individual is a victim of such violence or stalking, must be retained in confidence and may neither be entered into any shared database nor provided to any related entity, except to the extent that the disclosure (a) is requested or consented to by the individual in writing, (b) is required for use in an eviction proceeding, or (c) is otherwise required by applicable law.

## EXHIBIT 3-1: DETAILED DEFINITIONS RELATED TO DISABILITIES

### Person with Disabilities [24 CFR 5.403]

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 activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months; *or*  
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 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 of 2000 [42 U.S.C.15002(8)], which defines developmental disability in functional terms as follows:  
**(A) In General**  
The term “developmental disability” means a severe, chronic disability of an individual that:
  - (i) is attributable to a mental or physical impairment or combination of mental and physical impairments;
  - (ii) is manifested before the individual attains age 22;
  - (iii) is likely to continue indefinitely;
  - (iv) results in substantial functional limitations in 3 or more of the following areas of major life activity: (I) Self-care, (II) Receptive and expressive language, (III) Learning, (IV) Mobility, (V) Self-direction, (VI) Capacity for independent living, (VII) Economic self-sufficiency; and
  - (v) reflects the individual’s need for a combination and sequence of special, interdisciplinary, or generic services, individualized supports, or other forms of assistance that are of lifelong or extended duration and are individually planned and coordinated.

**(B) Infants and Young Children**

An individual from birth to age 9, inclusive, who has a substantial developmental delay or specific congenital or acquired condition, may be considered to have a developmental disability without meeting 3 or more of the criteria described in clauses (i) through (v) of subparagraph (A) if the individual, without services and supports, has a high probability of meeting those criteria later in life.

- 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 the acquired immunodeficiency syndrome (AIDS) or any conditions arising from the etiologic agent for AIDS are not excluded from this definition.

A person whose disability is based solely on any drug or alcohol dependence does not qualify as a person with disabilities for the purposes of this program.

For purposes of reasonable accommodation and program accessibility for persons with disabilities, the term person with disabilities refers to an individual with handicaps.

### **Individual with Handicaps [24 CFR 8.3]**

*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 an 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 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 property or the safety of others. As used in this definition, the phrase:

- (1) Physical or mental impairment includes:
  - (a) 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 organs; cardiovascular; reproductive; digestive; genito-urinary; hemic and lymphatic; skin; and endocrine; or
  - (b) 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.
- (2) *Major life activities* means functions such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning and working.
- (3) Has a record of such an 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.
- (4) *Is regarded as having an impairment* means:
  - (a) 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;
  - (b) 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
  - (c) Has none of the impairments defined in paragraph (1) of this section but is treated by a recipient as having such an impairment.

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**EXHIBIT 3-2: DEFINITION OF INSTITUTION OF HIGHER EDUCATION**  
**[20 U.S.C. 1001 and 1002]**

**Eligibility of Students for Assisted Housing Under Section 8 of the U.S. Housing Act of 1937; Supplementary Guidance; Notice [Federal Register, April 10, 2006]**

*Institution of Higher Education* shall have the meaning given this term in the Higher Education Act of 1965 in 20 U.S.C. 1001 and 1002.

*Definition of “Institution of Higher Education” From 20 U.S.C. 1001*

- (a) Institution of higher education. For purposes of this chapter, other than subchapter IV and part C of subchapter I of chapter 34 of Title 42, the term “institution of higher education” means an educational institution in any State that
- (1) Admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate;
  - (2) Is legally authorized within such State to provide a program of education beyond secondary education;
  - (3) Provides an educational program for which the institution awards a bachelor’s degree or provides not less than a 2-year program that is acceptable for full credit toward such a degree;
  - (4) Is a public or other nonprofit institution; and
  - (5) Is accredited by a nationally recognized accrediting agency or association, or if not so accredited, is an institution that has been granted preaccreditation status by such an agency or association that has been recognized by the Secretary for the granting of preaccreditation status, and the Secretary has determined that there is satisfactory assurance that the institution will meet the accreditation standards of such an agency or association within a reasonable time.
- (b) Additional institutions included. For purposes of this chapter, other than subchapter IV and part C of subchapter I of chapter 34 of Title 42, the term “institution of higher education” also includes—
- (1) Any school that provides not less than a 1-year program of training to prepare students for gainful employment in a recognized occupation and that meets the provision of paragraphs (1), (2), (4), and (5) of subsection (a) of this section; and
  - (2) A public or nonprofit private educational institution in any State that, in lieu of the requirement in subsection (a)(1) of this section, admits as regular students persons who are beyond the age of compulsory school attendance in the State in which the institution is located.
- (c) List of accrediting agencies. For purposes of this section and section 1002 of this title, the Secretary shall publish a list of nationally recognized accrediting agencies or associations that the Secretary determines, pursuant to subpart 2 of part G of subchapter IV of this chapter, to be reliable authority as to the quality of the education or training offered.

*Definition of “Institution of Higher Education” From 20 U.S.C. 1002*

- (a) Definition of institution of higher education for purposes of student assistance programs
- (1) Inclusion of additional institutions. Subject to paragraphs (2) through (4) of this subsection, the term “institution of higher education” for purposes of subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42 includes, in addition to the institutions covered by the definition in section 1001 of this title—
    - (A) A proprietary institution of higher education (as defined in subsection (b) of this section);

- (B) A postsecondary vocational institution (as defined in subsection (c) of this section); and
  - (C) Only for the purposes of part B of subchapter IV of this chapter, an institution outside the United States that is comparable to an institution of higher education as defined in section 1001 of this title and that has been approved by the Secretary for the purpose of part B of subchapter IV of this chapter.
- (2) Institutions outside the United States
- (A) In general. For the purpose of qualifying as an institution under paragraph (1)(C), the Secretary shall establish criteria by regulation for the approval of institutions outside the United States and for the determination that such institutions are comparable to an institution of higher education as defined in section 1001 of this title (except that a graduate medical school, or a veterinary school, located outside the United States shall not be required to meet the requirements of section 1001 (a)(4) of this title). Such criteria shall include a requirement that a student attending such school outside the United States is ineligible for loans made, insured, or guaranteed under part B of subchapter IV of this chapter unless—
    - (i) In the case of a graduate medical school located outside the United States—
      - (I)(aa) At least 60 percent of those enrolled in, and at least 60 percent of the graduates of, the graduate medical school outside the United States were not persons described in section 1091(a)(5) of this title in the year preceding the year for which a student is seeking a loan under part B of subchapter IV of this chapter; and
      - (bb) At least 60 percent of the individuals who were students or graduates of the graduate medical school outside the United States or Canada (both nationals of the United States and others) taking the examinations administered by the Educational Commission for Foreign Medical Graduates received a passing score in the year preceding the year for which a student is seeking a loan under part B of subchapter IV of this chapter; or
      - (II) The institution has a clinical training program that was approved by a State as of January 1, 1992; or
    - (ii) In the case of a veterinary school located outside the United States that does not meet the requirements of section 1001(a)(4) of this title, the institution's students complete their clinical training at an approved veterinary school located in the United States.
  - (B) Advisory panel
    - (i) In general. For the purpose of qualifying as an institution under paragraph (1)(C) of this subsection, the Secretary shall establish an advisory panel of medical experts that shall—
      - (I) Evaluate the standards of accreditation applied to applicant foreign medical schools; and
      - (II) Determine the comparability of those standards to standards for accreditation applied to United States medical schools.
    - (ii) Special rule if the accreditation standards described in clause (i) are determined not to be comparable, the foreign medical school shall be required to meet the requirements of section 1001 of this title.

- (C) Failure to release information. The failure of an institution outside the United States to provide, release, or authorize release to the Secretary of such information as may be required by subparagraph (A) shall render such institution ineligible for the purpose of part B of subchapter IV of this chapter.
- (D) Special rule. If, pursuant to this paragraph, an institution loses eligibility to participate in the programs under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42, then a student enrolled at such institution may, notwithstanding such loss of eligibility, continue to be eligible to receive a loan under part B while attending such institution for the academic year succeeding the academic year in which such loss of eligibility occurred.
- (3) Limitations based on course of study or enrollment. An institution shall not be considered to meet the definition of an institution of higher education in paragraph (1) if such institution—
- (A) Offers more than 50 percent of such institution's courses by correspondence, unless the institution is an institution that meets the definition in section 2471 (4)(C) of this title;
- (B) Enrolls 50 percent or more of the institution's students in correspondence courses, unless the institution is an institution that meets the definition in such section, except that the Secretary, at the request of such institution, may waive the applicability of this subparagraph to such institution for good cause, as determined by the Secretary in the case of an institution of higher education that provides a 2-or 4-year program of instruction (or both) for which the institution awards an associate or baccalaureate degree, respectively;
- (C) Has a student enrollment in which more than 25 percent of the students are incarcerated, except that the Secretary may waive the limitation contained in this subparagraph for a nonprofit institution that provides a 2-or 4-year program of instruction (or both) for which the institution awards a bachelor's degree, or an associate's degree or a postsecondary diploma, respectively; or
- (D) Has a student enrollment in which more than 50 percent of the students do not have a secondary school diploma or its recognized equivalent, and does not provide a 2-or 4-year program of instruction (or both) for which the institution awards a bachelor's degree or an associate's degree, respectively, except that the Secretary may waive the limitation contained in this subparagraph if a nonprofit institution demonstrates to the satisfaction of the Secretary that the institution exceeds such limitation because the institution serves, through contracts with Federal, State, or local government agencies, significant numbers of students who do not have a secondary school diploma or its recognized equivalent.
- (4) Limitations based on management. An institution shall not be considered to meet the definition of an institution of higher education in paragraph (1) if—

- (A) The institution, or an affiliate of the institution that has the power, by contract or ownership interest, to direct or cause the direction of the management or policies of the institution, has filed for bankruptcy, except that this paragraph shall not apply to a nonprofit institution, the primary function of which is to provide health care educational services (or an affiliate of such an institution that has the power, by contract or ownership interest, to direct or cause the direction of the institution's management or policies) that files for bankruptcy under chapter 11 of title 11 between July 1, 1998, and December 1, 1998; or
  - (B) The institution, the institution's owner, or the institution's chief executive officer has been convicted of, or has pled nolo contendere or guilty to, a crime involving the acquisition, use, or expenditure of funds under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42, or has been judicially determined to have committed fraud involving funds under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42.
- (5) Certification. The Secretary shall certify an institution's qualification as an institution of higher education in accordance with the requirements of subpart 3 of part G of subchapter IV of this chapter.
- (6) Loss of eligibility. An institution of higher education shall not be considered to meet the definition of an institution of higher education in paragraph (1) if such institution is removed from eligibility for funds under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42 as a result of an action pursuant to part G of subchapter IV of this chapter.
- (b) Proprietary institution of higher education
- (1) Principal criteria. For the purpose of this section, the term "proprietary institution of higher education" means a school that—
    - (A) Provides an eligible program of training to prepare students for gainful employment in a recognized occupation;
    - (B) Meets the requirements of paragraphs (1) and (2) of section 1001 (a) of this title;
    - (C) Does not meet the requirement of paragraph (4) of section 1001 (a) of this title;
    - (D) Is accredited by a nationally recognized accrediting agency or association recognized by the Secretary pursuant to part G of subchapter IV of this chapter;
    - (E) Has been in existence for at least 2 years; and
    - (F) Has at least 10 percent of the school's revenues from sources that are not derived from funds provided under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42, as determined in accordance with regulations prescribed by the Secretary.
  - (2) Additional institutions. The term "proprietary institution of higher education" also includes a proprietary educational institution in any State that, in lieu of the requirement in paragraph (1) of section 1001 (a) of this title, admits as regular students persons who are beyond the age of compulsory school attendance in the State in which the institution is located.
- (c) Postsecondary vocational institution.
- (1) Principal criteria. For the purpose of this section, the term "postsecondary vocational institution" means a school that—
    - (A) Provides an eligible program of training to prepare students for gainful employment in a recognized occupation;

- (B) Meets the requirements of paragraphs (1), (2), (4), and (5) of section 1001 (a) of this title; and
  - (C) Has been in existence for at least 2 years.
- (2) Additional institutions. The term “postsecondary vocational institution” also includes an educational institution in any State that, in lieu of the requirement in paragraph (1) of section 1001 (a) of this title, admits as regular students persons who are beyond the age of compulsory school attendance in the State in which the institution is located.

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## Chapter 4

### APPLICATIONS, WAITING LIST AND TENANT SELECTION

#### INTRODUCTION

When a family wishes to receive Section 8 HCV assistance, the family must submit an application that provides the PHA with the information needed to determine the family's eligibility. HUD requires the PHA to place all families that apply for assistance on a waiting list. When HCV assistance becomes available, the PHA must select families from the waiting list in accordance with HUD requirements and PHA policies as stated in the administrative plan and the annual plan.

The PHA is required to adopt a clear approach to accepting applications, placing families on the waiting list, selecting families from the waiting list and must follow this approach consistently. The actual order in which families are selected from the waiting list can be affected if a family has certain characteristics designated by HUD or the PHA to receive preferential treatment. Funding earmarked exclusively for families with particular characteristics may also alter the order in which families are served.

HUD regulations require that all families have an equal opportunity to apply for and receive housing assistance, and that the PHA affirmatively further fair housing goals in the administration of the program [24 CFR 982.53, HCV GB p. 4-1]. Adherence to the selection policies described in this chapter ensures that the PHA will be in compliance with all relevant fair housing requirements, as described in Chapter 2.

This chapter describes HUD and PHA policies for taking applications, managing the waiting list and selecting families for HCV assistance. The policies outlined in this chapter are organized into three sections, as follows:

Part I: The Application Process. This part provides an overview of the application process, and discusses how applicants can obtain and submit applications. It also specifies how the PHA will handle the applications it receives.

Part II: Managing the Waiting List. This part presents the policies that govern how the PHA's waiting list is structured, when it is opened and closed, and how the public is notified of the opportunity to apply for assistance. It also discusses the process the PHA will use to keep the waiting list current.

Part III: Selection for HCV Assistance. This part describes the policies that guide the PHA in selecting families for HCV assistance as such assistance becomes available. It also specifies how in-person interviews will be used to ensure that the PHA has the information needed to make a final eligibility determination.

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## **PART I: THE APPLICATION PROCESS**

### **4-I.A. OVERVIEW**

This part describes the policies that guide the PHA's efforts to distribute and accept applications, and to make preliminary determinations of applicant family eligibility that affect placement of the family on the waiting list. This part also describes the PHA's obligation to ensure the accessibility of the application process to elderly persons, people with disabilities, and people with limited English proficiency (LEP).

### **4-I.B. APPLYING FOR ASSISTANCE [HCV GB, pp. 4-11 – 4-16]**

Any family that wishes to receive HCV assistance must apply for admission to the program. HUD permits the PHA to determine the format and content of HCV applications, as well how such applications will be made available to interested families and how applications will be accepted by the PHA.

#### PHA Policy

Depending upon the length of time that applicants may need to wait to receive assistance, the PHA may use a one- or two-step application process.

A one-step process will be used when it is expected that a family will be selected from the waiting list within 60 days of the date of application. At application, the family must provide all of the information necessary to establish family eligibility and level of assistance.

A two-step process will be used when it is expected that a family will not be selected from the waiting list for at least 60 days from the date of application. Under the two-step application process, the PHA initially will require families to provide only the information needed to make an initial assessment of the family's eligibility, and to determine the family's placement on the waiting list. The family will be required to provide all of the information necessary to establish family eligibility and level of assistance when the family is selected from the waiting list.

Families may obtain application forms from the PHA's office during normal business hours. Families may also request – by telephone or by mail – that a form be sent to the family via first class mail or download forms from FWHA's website at [www.fwha.org](http://www.fwha.org).

Completed applications must be returned to the PHA by mail. Applications must be complete in order to be accepted by the PHA for processing. If an application is incomplete, the PHA will notify the family of the additional information required.

#### **4-I.C. ACCESSIBILITY OF THE APPLICATION PROCESS**

##### **Elderly and Disabled Populations [24 CFR 8 and HCV GB, pp. 4-11 – 4-13]**

The PHA must take a variety of steps to ensure that the application process is accessible to those people who might have difficulty complying with the normal, standard PHA application process. This could include people with disabilities, certain elderly individuals, as well as persons with limited English proficiency (LEP). The PHA must provide reasonable accommodation to the needs of individuals with disabilities. The application-taking facility and the application process must be fully accessible, or the PHA must provide an alternate approach that provides full access to the application process. Chapter 2 provides a full discussion of the PHA's policies related to providing reasonable accommodations for people with disabilities.

##### **Limited English Proficiency**

PHAs are required to take reasonable steps to ensure meaningful access to their programs and activities by persons with limited English proficiency [24 CFR 1]. Chapter 2 provides a full discussion on the PHA's policies related to ensuring access to people with limited English proficiency (LEP).

#### **4-I.D. PLACEMENT ON THE WAITING LIST**

The PHA must review each complete application received and make a preliminary assessment of the family's eligibility. The PHA must accept applications from families for whom the list is open unless there is good cause for not accepting the application (such as denial of assistance) for the grounds stated in the regulations [24 CFR 982.206(b)(2)]. Where the family is determined to be ineligible, the PHA must notify the family in writing [24 CFR 982.201(f)]. Where the family is not determined to be ineligible, the family will be placed on a waiting list of applicants.

No applicant has a right or entitlement to be listed on the waiting list, or to any particular position on the waiting list [24 CFR 982.202(c)].

##### **Ineligible for Placement on the Waiting List**

###### PHA Policy

If the PHA can determine from the information provided that a family is ineligible, the family will not be placed on the waiting list. Where a family is determined to be ineligible, the PHA will send written notification of the ineligibility determination within 10 business days of receiving a complete application. The notice will specify the reasons for ineligibility, and will inform the family of its right to request an informal review and explain the process for doing so (see Chapter 16).

##### **Eligible for Placement on the Waiting List**

###### PHA Policy

The PHA will send written notification of the preliminary eligibility determination within 10 business days of receiving a complete application.

Placement on the waiting list does not indicate that the family is, in fact, eligible for assistance. A final determination of eligibility will be made when the family is selected from the waiting list.

Applicants will be placed on the waiting list by the date and time their complete application is received by the PHA.

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## **PART II: MANAGING THE WAITING LIST**

### **4-II.A. OVERVIEW**

The PHA must have policies regarding various aspects of organizing and managing the waiting list of applicant families. This includes opening the list to new applicants, closing the list to new applicants, notifying the public of waiting list openings and closings, updating waiting list information, purging the list of families that are no longer interested in or eligible for assistance, as well as conducting outreach to ensure a sufficient number of applicants.

In addition, HUD imposes requirements on how a PHA may structure its waiting list and how families must be treated if they apply for assistance from a PHA that administers more than one assisted housing program.

### **4-II.B. ORGANIZATION OF THE WAITING LIST [24 CFR 982.204 and 205]**

The PHA's HCV waiting list must be organized in such a manner to allow the PHA to accurately identify and select families for assistance in the proper order, according to the admissions policies described in this plan.

The waiting list must contain the following information for each applicant listed:

- Applicant name;
- Family unit size;
- Date and time of application;
- Qualification for any local preference;
- Racial or ethnic designation of the head of household.

HUD requires the PHA to maintain a single waiting list for the HCV program unless it serves more than one county or municipality. Such PHAs are permitted, but not required, to maintain a separate waiting list for each county or municipality served.

#### PHA Policy

The PHA will maintain a single waiting list for the HCV program.

HUD directs that a family that applies for assistance from the HCV program must be offered the opportunity to be placed on the waiting list for any public housing and project-based voucher program the PHA operates if 1) the other programs' waiting lists are open, and 2) the family is qualified for the other programs.

HUD permits, but does not require, that PHAs maintain a single merged waiting list for their public housing, Section 8, and other subsidized housing programs.

A family's decision to apply for, receive, or refuse other housing assistance must not affect the family's placement on the HCV waiting list, or any preferences for which the family may qualify.

#### PHA Policy

The PHA will not merge the HCV waiting list with the waiting list for any other program the PHA operates.

#### **4-II.C. OPENING AND CLOSING THE WAITING LIST [24 CFR 982.206]**

##### **Closing the Waiting List**

A PHA is permitted to close the waiting list if it has an adequate pool of families to use its available HCV assistance. Alternatively, the PHA may elect to continue to accept applications only from certain categories of families that meet particular preferences or funding criteria.

##### PHA Policy

The PHA will close the waiting list when the estimated waiting period for housing assistance for applicants on the list reaches 18 months for the most current applicants. Where the PHA has particular preferences or funding criteria that require a specific category of family, the PHA may elect to continue to accept applications from these applicants while closing the waiting list to others.

##### **Reopening the Waiting List**

If the waiting list has been closed, it cannot be reopened until the PHA publishes a notice in local newspapers of general circulation, minority media, and other suitable media outlets. The notice must comply with HUD fair housing requirements and must specify who may apply, and where and when applications will be received.

##### PHA Policy

The PHA will announce the reopening of the waiting list at least 10 business days prior to the date applications will first be accepted. If the list is only being reopened for certain categories of families, this information will be contained in the notice.

The PHA will give public notice by publishing the relevant information in suitable media outlets including, but not limited to:

*Fort Wayne Journal Gazette*

#### **4-II.D. FAMILY OUTREACH [HCV GB, pp. 4-2 to 4-4]**

The PHA must conduct outreach as necessary to ensure that the PHA has a sufficient number of applicants on the waiting list to use the HCV resources it has been allotted.

Because HUD requires the PHA to serve a specified percentage of extremely low income families (see Chapter 4, Part III), the PHA may need to conduct special outreach to ensure that an adequate number of such families apply for assistance [HCV GB, p. 4-20 to 4-21].

PHA outreach efforts must comply with fair housing requirements. This includes:

- Analyzing the housing market area and the populations currently being served to identify underserved populations
- Ensuring that outreach efforts are targeted to media outlets that reach eligible populations that are underrepresented in the program
- Avoiding outreach efforts that prefer or exclude people who are members of a protected class

PHA outreach efforts must be designed to inform qualified families about the availability of assistance under the program. These efforts may include, as needed, any of the following activities:

- Submitting press releases to local newspapers, including minority newspapers
- Developing informational materials and flyers to distribute to other agencies
- Providing application forms to other public and private agencies that serve the low income population
- Developing partnerships with other organizations that serve similar populations, including agencies that provide services for persons with disabilities

##### PHA Policy

The PHA will monitor the characteristics of the population being served and the characteristics of the population as a whole in the PHA's jurisdiction. Targeted outreach efforts will be undertaken if a comparison suggests that certain populations are being underserved.

#### **4-II.E. REPORTING CHANGES IN FAMILY CIRCUMSTANCES**

##### PHA Policy

While the family is on the waiting list, the family must immediately inform the PHA of changes in contact information, including current residence, mailing address, and phone number. The changes must be submitted in writing.

#### **4-II.F. UPDATING THE WAITING LIST [24 CFR 982.204]**

HUD requires the PHA to establish policies to use when removing applicant names from the waiting list.

##### **Purging the Waiting List**

The decision to withdraw an applicant family that includes a person with disabilities from the waiting list is subject to reasonable accommodation. If the applicant did not respond to a PHA request for information or updates because of the family member's disability, the PHA must reinstate the applicant family to their former position on the waiting list [24 CFR 982.204(c)(2)].

##### PHA Policy

The waiting list will be updated every 18 months to ensure that all applicants and applicant information is current and timely.

To update the waiting list, the PHA will send an update request via first class mail to each family on the waiting list to determine whether the family continues to be interested in, and to qualify for, the program. This update request will be sent to the last address that the PHA has on record for the family. The update request will provide a deadline by which the family must respond and will state that failure to respond will result in the applicant's name being removed from the waiting list.

The family's response must be in writing and may be delivered in person, by mail, or by fax. Responses should be postmarked or received by the PHA not later than 10 business days from the date of the PHA letter.

If the family fails to respond within 10 business days, the family will be removed from the waiting list without further notice.

If the notice is returned by the post office with no forwarding address, the applicant will be removed from the waiting list without further notice.

If the notice is returned by the post office with a forwarding address, the notice will be re-sent to the address indicated. The family will have 15 business days to respond from the date the letter was re-sent.

If a family is removed from the waiting list for failure to respond, the Executive Director may reinstate the family if s/he determines the lack of response was due to PHA error, or to circumstances beyond the family's control.

## **Removal from the Waiting List**

### PHA Policy

If at any time an applicant family is on the waiting list, the PHA determines that the family is not eligible for assistance (see Chapter 3), the family will be removed from the waiting list.

If a family is removed from the waiting list because the PHA has determined the family is not eligible for assistance, a notice will be sent to the family's address of record as well as to any alternate address provided on the initial application. The notice will state the reasons the family was removed from the waiting list and will inform the family how to request an informal review regarding the PHA's decision (see Chapter 16) [24 CFR 982.201(f)].

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## **PART III: SELECTION FOR HCV ASSISTANCE**

### **4-III.A. OVERVIEW**

As vouchers become available, families on the waiting list must be selected for assistance in accordance with the policies described in this part.

The order in which families receive assistance from the waiting list depends on the selection method chosen by the PHA and is impacted in part by any selection preferences that the family qualifies for. The source of HCV funding also may affect the order in which families are selected from the waiting list.

The PHA must maintain a clear record of all information required to verify that the family is selected from the waiting list according to the PHA's selection policies [24 CFR 982.204(b) and 982.207(e)].

### **4-III.B. SELECTION AND HCV FUNDING SOURCES**

#### **Special Admissions [24 CFR 982.203]**

HUD may award funding for specifically-named families living in specified types of units (e.g., a family that is displaced by demolition of public housing; a non-purchasing family residing in a HOPE 1 or 2 projects). In these cases, the PHA may admit families that are not on the waiting list, or without considering the family's position on the waiting list. The PHA must maintain records showing that such families were admitted with special program funding.

#### **Targeted Funding [24 CFR 982.204(e)]**

HUD may award a PHA funding for a specified category of families on the waiting list. The PHA must use this funding only to assist the families within the specified category. Within this category of families, the order in which such families are assisted is determined according to the policies provided in Section 4-III.C.

##### PHA Policy

- ▼ The PHA administers the following types of targeted funding:

Mainstream Vouchers

#### **Regular HCV Funding**

Regular HCV funding may be used to assist any eligible family on the waiting list. Families are selected from the waiting list according to the policies provided in Section 4-III.C.

#### **4-III.C. SELECTION METHOD**

PHAs must describe the method for selecting applicant families from the waiting list, including the system of admission preferences that the PHA will use [24 CFR982.202(d)] .

##### **Local Preferences [24 CFR 982.207; HCV p. 4-16]**

PHAs are permitted to establish local preferences, and to give priority to serving families that meet those criteria. HUD specifically authorizes and places restrictions on certain types of local preferences. HUD also permits the PHA to establish other local preferences, at its discretion. Any local preferences established must be consistent with the PHA plan and the consolidated plan, and must be based on local housing needs and priorities that can be documented by generally accepted data sources.

##### PHA Policy

The PHA will offer a preference to any family that has been terminated from its HCV program due to insufficient program funding.

##### **Income Targeting Requirement [24 CFR 982.201(b)(2)]**

HUD requires that extremely low-income (ELI) families make up at least 75% of the families admitted to the HCV program during the PHA's fiscal year. ELI families are those with annual incomes at or below 30% of the area median income. To ensure this requirement is met, a PHA may skip non-ELI families on the waiting list in order to select an ELI family.

Low income families admitted to the program that are "continuously assisted" under the 1937 Housing Act [24 CFR 982.4(b)], as well as low-income or moderate-income families admitted to the program that are displaced as a result of the prepayment of the mortgage or voluntary termination of an insurance contract on eligible low-income housing, are not counted for income targeting purposes [24 CFR 982.201(b)(2)(v)].

##### PHA Policy

The PHA will monitor progress in meeting the ELI requirement throughout the fiscal year. Extremely low-income families will be selected ahead of other eligible families on an as-needed basis to ensure the income targeting requirement is met.

## **Order of Selection**

The PHA system of preferences may select families either according to the date and time of application, or by a random selection process [24 CFR 982.207(c)]. When selecting families from the waiting list PHAs are required to use targeted funding to assist only those families who meet the specified criteria, and PHAs are not permitted to skip down the waiting list to a family that it can afford to subsidize when there are not sufficient funds to subsidize the family at the top of the waiting list [24 CFR 982.204(d) and (e)].

### PHA Policy

When funding is available, families of the accepted applications are held in a pool, and FWHA will conduct drawing throughout a 12-month period using a computer-based, random selection procedure.

Based on the turnover rate and the availability of funding, groups of families will be randomly selected from a “pool.” All eligible applicants in the “pool” will be offered assistance.

#### **4-III.D. NOTIFICATION OF SELECTION**

When a family has been selected from the waiting list, the PHA must notify the family.

##### PHA Policy

The PHA will notify the family by first class mail when it is selected from the waiting list. The notice will inform the family of the following:

Date, time, and location of the scheduled application interview, including any procedures for rescheduling the interview

Who is required to attend the interview

Documents that must be provided at the interview to document the legal identity of household members, including information about what constitutes acceptable documentation

Other documents and information that should be brought to the interview

If a notification letter is returned to the PHA with no forwarding address, the family will be removed from the waiting list. A notice of denial (see Chapter 3) will be sent to the family's address of record, as well as to any known alternate address.

#### **4-III.E. THE APPLICATION INTERVIEW**

HUD recommends that the PHA obtain the information and documentation needed to make an eligibility determination through a private interview [HCV GB, pg. 4-16]. Being invited to attend an interview does not constitute admission to the program.

Reasonable accommodation must be made for persons with disabilities who are unable to attend an interview due to their disability.

##### PHA Policy

Families selected from the waiting list are required to participate in an eligibility interview.

The head of household and the spouse/cohead will be strongly encouraged to attend the interview together. However, either the head of household or the spouse/cohead may attend the interview on behalf of the family. Verification of information pertaining to adult members of the household not present at the interview will not begin until signed release forms are returned to the PHA.

The interview will be conducted only if the head of household or spouse/cohead provides appropriate documentation of legal identity. (Chapter 7 provides a discussion of proper documentation of legal identity). If the family representative does not provide the required documentation, the appointment may be rescheduled when the proper documents have been obtained.

The family must provide the information necessary to establish the family's eligibility and determine the appropriate level of assistance, as well as completing required forms, providing required signatures, and submitting required documentation. If any materials are missing, the PHA will provide the family with a written list of items that must be submitted.

Any required documents or information that the family is unable to provide at the interview must be provided within 10 business days of the interview (Chapter 7 provides details about longer submission deadlines for particular items, including documentation of Social Security numbers and eligible noncitizen status). If the family is unable to obtain the information or materials within the required time frame, the family may request an extension. If the required documents and information are not provided within the required time frame (plus any extensions), the family will be sent a notice of denial (See Chapter 3).

An advocate, interpreter, or other assistant may assist the family with the application and the interview process.

Interviews will be conducted in English. For limited English proficient (LEP) applicants, the PHA will provide translation services in accordance with the PHA's LEP plan.

If the family is unable to attend a scheduled interview, the family should contact the PHA in advance of the interview to schedule a new appointment. In all circumstances, if a family does not attend a scheduled interview, the PHA will send another notification letter with a new interview appointment time. Applicants who fail to attend two scheduled interviews without PHA approval will be denied assistance based on the family's failure to supply information needed to determine eligibility. A notice of denial will be issued in accordance with policies contained in Chapter 3.

#### **4-III.F. COMPLETING THE APPLICATION PROCESS**

The PHA must verify all information provided by the family (see Chapter 7). Based on verified information, the PHA must make a final determination of eligibility (see Chapter 3) and must confirm that the family qualified for any special admission, targeted admission, or selection preference that affected the order in which the family was selected from the waiting list.

##### PHA Policy

If the PHA determines that the family is ineligible, the PHA will send written notification of the ineligibility determination within 10 business days of the determination. The notice will specify the reasons for ineligibility, and will inform the family of its right to request an informal review (Chapter 16).

If a family fails to qualify for any criteria that affected the order in which it was selected from the waiting list (e.g. targeted funding, extremely low-income), the family will be returned to its original position on the waiting list. The PHA will notify the family in writing that it has been returned to the waiting list, and will specify the reasons for it.

If the PHA determines that the family is eligible to receive assistance, the PHA will invite the family to attend a briefing in accordance with the policies in Chapter 5.

## Chapter 5

### BRIEFINGS AND VOUCHER ISSUANCE

#### INTRODUCTION

This chapter explains the briefing and voucher issuance process. When a family is determined to be eligible for the Housing Choice Voucher (HCV) program, the PHA must ensure that the family fully understands the way the program operates and the family's obligations under the program. This is accomplished through both an oral briefing and provision of a briefing packet containing written documentation of information the family needs to know. Once the family is fully informed of the program's requirements, the PHA issues the family a voucher. The voucher includes the unit size the family qualifies for based on the PHA's subsidy standards, as well as the dates of issuance and expiration of the voucher. The voucher is the document that permits the family to begin its search for a unit, and limits the amount of time the family has to successfully locate an acceptable unit.

This chapter describes HUD regulations and PHA policies related to these topics in two parts:

Part I: Briefings and Family Obligations. This part details the program's requirements for briefing families orally, and for providing written materials describing the program and its requirements. It includes a particular focus on the family's obligations under the program.

Part II: Subsidy Standards and Voucher Issuance. This part discusses the PHA's standards for determining how many bedrooms a family of a given composition qualifies for, which in turn affects the amount of subsidy the family can receive. It also discusses the policies that dictate how vouchers are issued, and how long families have to locate a unit.

#### PART I: BRIEFINGS AND FAMILY OBLIGATIONS

##### 5-I.A. OVERVIEW

HUD regulations require the PHA to conduct mandatory briefings for applicant families. The briefing provides a broad description of owner and family responsibilities, explains the PHA's procedures, and includes instructions on how to lease a unit. This part describes how oral briefings will be conducted, specifies what written information will be provided to families, and lists the family's obligations under the program.

### **5-I.B. BRIEFING [24 CFR 982.301]**

The PHA must give the family an oral briefing and provide the family with a briefing packet containing written information about the program. Families may be briefed individually or in groups. At the briefing, the PHA must ensure effective communication in accordance with Section 504 requirements (Section 504 of the Rehabilitation Act of 1973), and ensure that the briefing site is accessible to individuals with disabilities. For a more thorough discussion of accessibility requirements, refer to Chapter 2.

#### PHA Policy

Briefings will generally be conducted in group meetings.

Generally, the head of household is required to attend the briefing. If the head of household is unable to attend, the PHA may approve another adult family member to attend the briefing as an accommodation for a disability. A person with Power of Attorney for the Head of Household may attend in the place of the Head of Household. Families that attend group briefings and still need individual assistance will be referred to an appropriate PHA staff person.

Briefings will be conducted in English. For limited English proficient (LEP) applicants, the PHA will provide translation services in accordance with the PHA's LEP plan upon the family's request (See Chapter 2).

### **Notification and Attendance**

#### PHA Policy

Notice will be mailed to the family that will identify who is required to attend the briefing, as well as the date and time of the scheduled briefing.

If the notice is returned by the post office, the applicant will be denied and their name will not be placed back on the waiting list.

Applicants who fail to attend a scheduled briefing will automatically be scheduled for another briefing. The PHA will notify the family of the date and time of the second scheduled briefing. Applicants who fail to attend two scheduled briefings, without PHA approval, will be denied assistance (see Chapter 3).

### **Oral Briefing [24 CFR 982.301(a)]**

Each briefing must provide information on the following subjects:

- How the Housing Choice Voucher program works;
- Family and owner responsibilities;
- Where the family can lease a unit, including renting a unit inside or outside the PHA's jurisdiction;
- For families eligible under portability, an explanation of portability. The PHA cannot discourage eligible families from moving under portability;
- For families living in high-poverty census tracts, an explanation of the advantages of moving to areas outside of high-poverty concentrations; and
- For families receiving welfare-to-work vouchers, a description of any local obligations of a welfare-to-work family and an explanation that failure to meet the obligations is grounds for denial of admission or termination of assistance.

#### PHA Policy

When PHA-owned units are available for lease, the PHA will inform the family during the oral briefing that the family has the right to select any eligible unit available for lease, and is not obligated to choose a PHA-owned unit.

### **Briefing Packet [24 CFR 982.301(b)]**

Documents and information provided in the briefing packet must include the following:

- The term of the voucher, and the PHA's policies on any extensions or suspensions of the term. If the PHA allows extensions, the packet must explain how the family can request an extension.
- A description of the method used to calculate the housing assistance payment for a family, including how the PHA determines the payment standard for a family, how the PHA determines total tenant payment for a family, and information on the payment standard and utility allowance schedule.
- An explanation of how the PHA determines the maximum allowable rent for an assisted unit.
- Where the family may lease a unit. For a family that qualifies to lease a unit outside the PHA jurisdiction under portability procedures, the information must include an explanation of how portability works.
- The HUD-required tenancy addendum, which must be included in the lease.
- The form the family must use to request approval of tenancy, and a description of the procedure for requesting approval for a tenancy.
- A statement of the PHA policy on providing information about families to prospective owners.
- The PHA subsidy standards including when and how exceptions are made.
- The HUD brochure on how to select a unit.
- The HUD pamphlet 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.
- How to obtain a list of landlords or other parties willing to lease to assisted families or help families find units, especially outside areas of poverty or minority concentration.
- Notice that if the family includes a person with disabilities, the family may request a list of available accessible units known to the PHA.
- The family obligations under the program, including any obligations of a welfare-to-work family.
- The grounds on which the PHA may terminate assistance for a participant family because of family action or failure to act.
- PHA informal hearing procedures including when the PHA is required to offer a participant family the opportunity for an informal hearing, and how to request the hearing.

If the PHA is located in a metropolitan FMR area, the following additional information must be included in the briefing packet in order to receive full points under SEMAP Indicator 7, Expanding Housing Opportunities [24 CFR 985.3(g)].

- Maps showing areas with housing opportunities outside areas of poverty or minority concentration, both within its jurisdiction and its neighboring jurisdiction.
- Information about the characteristics of these areas including job opportunities, schools, transportation and other services.
- An explanation of how portability works, including a list of portability contact persons for neighboring PHAs including names, addresses, and telephone numbers.

**Additional Items to be Included in the Briefing Packet**

In addition to items required by the regulations, PHAs may wish to include supplemental materials to help explain the program to both participants and owners [HCV GB p. 8-7].

PHA Policy

The PHA will provide the following additional materials in the briefing packet:

When PHA-owned units are available for lease, a written statement that the family has the right to select any eligible unit available for lease, and is not obligated to choose a PHA-owned unit.

Information on how to fill out and file a housing discrimination complaint form.

The publication *Things You Should Know (HUD 1140-OIG)* that explains the types of actions a family must avoid and the penalties for program abuse.

## **5-I.C. FAMILY OBLIGATIONS**

Obligations of the family are described in the housing choice voucher (HCV) regulations and on the voucher itself. These obligations include responsibilities the family is required to fulfill, as well as prohibited actions. The PHA must inform families of these obligations during the oral briefing, and the same information must be included in the briefing packet. When the family's unit is approved and the HAP contract is executed, the family must meet those obligations in order to continue participating in the program. Violation of any family obligation may result in termination of assistance, as described in Chapter 12.

### **Time Frames for Reporting Changes Required By Family Obligations**

#### PHA Policy

Unless otherwise noted below, when family obligations require the family to respond to a request or notify the PHA of a change, notifying the PHA of the request or change within 10 business days is considered prompt notice.

When a family is required to provide notice to the PHA, the notice must be in writing.

### **Family Obligations [24 CFR 982.551]**

Following is a listing of a participant family's obligations under the HCV program:

- The family must supply any information that the PHA or HUD determines to be necessary, including submission of required evidence of citizenship or eligible immigration status.
- The family must supply any information requested by the PHA or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition.
- The family must disclose and verify social security numbers and sign and submit consent forms for obtaining information.
- Any information supplied by the family must be true and complete.
- The family is responsible for any Housing Quality Standards (HQS) breach by the family caused by failure to pay tenant-provided utilities or appliances, or damages to the dwelling unit or premises beyond normal wear and tear caused by any member of the household or guest.

#### PHA Policy

Damages beyond normal wear and tear will be considered to be damages which could be assessed against the security deposit.

- The family must allow the PHA to inspect the unit at reasonable times and after reasonable notice, as described in Chapter 8 of this plan.

- The family must not commit any serious or repeated violation of the lease.
  - PHA Policy
  - The PHA will determine if a family has committed serious or repeated violations of the lease based on available evidence, including but not limited to, a court-ordered eviction, or an owner's notice to evict.
  - Serious and repeated lease violations will include, but not be limited to, nonpayment of rent, disturbance of neighbors, destruction of property, or living or housekeeping habits that cause damage to the unit or premises and criminal activity. Generally, the criteria to be used is whether the reason for the eviction was through no fault of the tenant or guests.
- The family must notify the PHA and the owner before moving out of the unit or terminating the lease.
  - PHA Policy
  - The family must comply with lease requirements regarding written notice to the owner.
  - The family must provide written notice to the PHA at the same time the owner is notified.
- The family must promptly give the PHA a copy of any owner eviction notice.
- The family must use the assisted unit for residence by the family. The unit must be the family's only residence.
- The composition of the assisted family residing in the unit must be approved by the PHA. The family must promptly notify the PHA in writing of the birth, adoption, or court-awarded custody of a child. The family must request PHA approval to add any other family member as an occupant of the unit.
  - PHA Policy
  - The request to add a family member must be submitted in writing and approved prior to the person moving into the unit except if the addition is due to birth or adoption or court awarded custody. The PHA will determine eligibility of the new member in accordance with the policies in Chapter 3. No additional bedrooms will be granted unless the addition is due to marriage, birth, adoption or court awarded guardian.
- The family must promptly notify the PHA in writing if any family member no longer lives in the unit.

- If the PHA has given approval, a foster child or a live-in aide may reside in the unit. The PHA has the discretion to adopt reasonable policies concerning residency by a foster child or a live-in aide, and to define when PHA consent may be given or denied. For policies related to the request and approval/disapproval of foster children, foster adults, and live-in aides, see Chapter 3 (Sections I.K and I.M), and Chapter 11 (Section II.B).
- The family must not sublease the unit, assign the lease, or transfer the unit.  
PHA Policy  
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 supply any information requested by the PHA to verify that the family is living in the unit or information related to family absence from the unit.

- The family must promptly notify the PHA when the family is absent from the unit.  
PHA Policy  
 Notice is required under this provision only when all family members will be absent from the unit for an extended period. An extended period is defined as any period greater than 30 calendar days. Written notice must be provided to the PHA at the start of the extended absence.
- The family must pay utility bills and provide and maintain any appliances that the owner is not required to provide under the lease [Form HUD-52646, Voucher].
- The family must not own or have any interest in the unit, (other than in a cooperative and owners of a manufactured home leasing a manufactured home space).
- Family members must not commit fraud, bribery, or any other corrupt or criminal act in connection with the program. (See Chapter 14, Program Integrity for additional information).
- Family members must not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. See Chapter 12 for HUD and PHA policies related to drug-related and violent criminal activity.
- Members of the household must not engage in abuse of alcohol in a way that threatens the health, safety or right to peaceful enjoyment of the other residents and persons residing in the immediate vicinity of the premises. See Chapter 12 for a discussion of HUD and PHA policies related to alcohol abuse.
- An assisted family or member of the family must not receive HCV program assistance while receiving another housing subsidy, for the same unit or a different unit under any other federal, state or local housing assistance program.
- A family must not receive HCV program assistance while residing in a unit owned by a parent, child, grandparent, grandchild, sister or brother of any member of the family, unless the PHA has determined (and has notified the owner and the family of such determination) that approving rental of the unit, notwithstanding such relationship, would provide reasonable accommodation for a family member who is a person with disabilities. [Form HUD-52646, Voucher]



## **PART II: SUBSIDY STANDARDS AND VOUCHER ISSUANCE**

### **5-II.A. OVERVIEW**

The PHA must establish subsidy standards that determine the number of bedrooms needed for families of different sizes and compositions. This part presents the policies that will be used to determine the family unit size (also known as the voucher size) a particular family should receive, and the policies that govern making exceptions to those standards. The PHA also must establish policies related to the issuance of the voucher, to the voucher term, and to any extensions or suspensions of that term.

### **5-II.B. DETERMINING FAMILY UNIT (VOUCHER) SIZE [24 CFR 982.402]**

For each family, the PHA determines the appropriate number of bedrooms under the PHA subsidy standards and enters the family unit size on the voucher that is issued to the family. The family unit size does not dictate the size of unit the family must actually lease, nor does it determine who within a household will share a bedroom/sleeping room.

The following requirements apply when the PHA determines family unit size:

- The subsidy standards must provide for the smallest number of bedrooms needed to house a family without overcrowding.
- The subsidy standards must be consistent with space requirements under the housing quality standards.
- The subsidy standards must be applied consistently for all families of like size and composition.
- A child who is temporarily away from the home because of placement in foster care is considered a member of the family in determining the family unit size.
- A family that consists of a pregnant woman (with no other persons) must be treated as a two-person family.
- Any live-in aide (approved by the PHA to reside in the unit to care for a family member who is disabled or is at least 50 years of age) must be counted in determining the family unit size;

- Unless a live-in-aide resides with a family or space is needed as a reasonable accomodation, the family unit size for any family consisting of a single person must be either a zero- or one-bedroom unit, as determined under the PHA subsidy standards.

PHA Policy

The PHA will assign one bedroom for each two persons within the household, except in the following circumstances:

Persons of the opposite sex (other than adults who have a spousal relationship) will be allocated separate bedrooms.

Live-in aides will be allocated a separate bedroom. No additional bedrooms are provided for the aide's family.

Single person families will be allocated one bedroom. Single pregnant households shall be allocated two bedrooms.

Persons of different generations (defined as 10 or more years difference based upon the year of birth).

Foster children will be considered in determining unit size.

Space will be provided for a child who is away at school but who lives with the family during school recesses. To qualify for the additional bedroom, the student must be listed as a family member.

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 PHA will reference the following chart in determining the appropriate voucher size for a family:

<b>Voucher Size</b>	<b>Persons in Household (Minimum – Maximum)</b>
1 Bedroom	1-2
2 Bedrooms	2-4
3 Bedrooms	3-6
4 Bedrooms	4-8
5 Bedrooms	6-10

### **5-II.C. EXCEPTIONS TO SUBSIDY STANDARDS**

In determining family unit size for a particular family, the PHA may grant an exception to its established subsidy standards if the PHA determines that the exception is justified by the age, health, or handicap. [24 CFR 982.402(b)(8)]. Reasons may include, but are not limited to:

- A need for an additional bedroom for medical equipment
- A need for a separate bedroom for reasons related to a family member's disability, medical or health condition

For a single person who is not elderly, disabled, or a remaining family member, an exception cannot override the regulatory limit of a zero or one bedroom [24 CFR 982.402(b)(8)].

#### PHA Policy

The PHA will consider granting an exception for any of the reasons specified in the regulation: the age, health, or handicap.

The family must request any exception to the subsidy standards in writing. The request must explain the need or justification for a larger family unit size, and must include appropriate documentation. Requests based on health-related reasons must be verified by a knowledgeable professional source (e.g., doctor or health professional), unless the disability and the disability-related request for accommodation is readily apparent or otherwise known. The family's continued need for an additional bedroom due to special medical equipment must be re-verified at annual reexamination.

The PHA will notify the family of its determination within 10 business days of receiving the family's request. If a participant family's request is denied, the notice will inform the family of their right to request an informal hearing.

## **5-II.D. VOUCHER ISSUANCE [24 CFR 982.302]**

When a family is selected from the waiting list (or as a special admission as described in Chapter 4), or when a participant family wants to move to another unit, the PHA issues a Housing Choice Voucher, form HUD-52646. This chapter deals only with voucher issuance for applicants. For voucher issuance associated with moves of program participants, please refer to Chapter 10. 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 date of expiration. It contains a brief description of how the program works and explains the family obligations under the program. 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 [Voucher, form HUD-52646]

A voucher can be issued to an applicant family only after the PHA has determined that the family is eligible for the program based on information received within the 60 days prior to issuance [24 CFR 982.201(e)] and after the family has attended an oral briefing [HCV 8-1].

### PHA Policy

Vouchers will be issued to eligible applicants during the mandatory briefing.

The PHA should have sufficient funds to house an applicant before issuing a voucher. If funds are insufficient to house the family at the top of the waiting list, the PHA must wait until it has adequate funds before it calls another family from the list [HCV GB p. 8-10].

### PHA Policy

Prior to issuing any vouchers, the PHA will determine whether it has sufficient funding in accordance with the policies in Part VIII of Chapter 16.

If the PHA determines that there is insufficient funding after a voucher has been issued, the PHA may rescind the voucher and place the affected family back on the waiting list.

## **5-II.E. VOUCHER TERM, EXTENSIONS, AND SUSPENSIONS**

### **Voucher Term [24 CFR 982.303]**

The initial term of a voucher must be at least 60 calendar days. The initial term must be stated on the voucher [24 CFR 982.303(a)].

#### PHA Policy

The initial voucher term will be 60 calendar days.

The family must submit a Request for Tenancy Approval and proposed lease within the 60-day period unless the PHA grants an extension.

### **Extensions of Voucher Term [24 CFR 982.303(b)]**

The PHA has the authority to grant extensions of search time, to specify the length of an extension, and to determine the circumstances under which extensions will be granted. There is no limit on the number of extensions that the PHA can approve. Discretionary policies related to extension and expiration of search time must be described in the PHA's administrative plan [24 CFR 982.54].

PHAs must approve additional search time if needed as a reasonable accommodation to make the program accessible to and usable by a person with disabilities. The extension period must be reasonable for the purpose.

The family must be notified in writing of the PHA's decision to approve or deny an extension. The PHA's decision to deny a request for an extension of the voucher term is not subject to informal review [24 CFR 982.554(c)(4)].

#### PHA Policy

The PHA will automatically approve one 30-day extension upon written request from the family.

The PHA will approve an additional 30 day extensions only in the following circumstances:

It is necessary due to reasons beyond the family's control, as determined by the PHA. Following is a list of extenuating circumstances that the PHA may consider in making its decision. The presence of these circumstances does not guarantee that an extension will be granted:

Serious illness or death in the family

Other family emergency

Obstacles due to employment

Whether the family has already submitted requests for tenancy approval that were not approved by the PHA

Whether family size or other special requirements make finding a unit difficult

The PHA must grant the additional 30 day extension if:

It is necessary as a reasonable accommodation for a person with disabilities.

Any request for an additional extension must include the reason(s) an additional extension is necessary. The PHA may require the family to provide documentation to support the request.

All requests for extensions to the voucher term must be made in writing and submitted to the PHA prior to the expiration date of the voucher (or extended term of the voucher).

The PHA will decide whether to approve or deny an extension request within 10 business days of the date the request is received, and will immediately provide the family written notice of its decision.

### **Suspensions of Voucher Term [24 CFR 982.303(c)]**

At its discretion, a PHA may adopt a policy to suspend the housing choice voucher term if the family has submitted a Request for Tenancy Approval (RTA) during the voucher term. “Suspension” means stopping the clock on a family’s voucher term from the time a family submits the RTA until the time the PHA approves or denies the request [24 CFR 982.4]. The PHA’s determination not to suspend a voucher term is not subject to informal review [24 CFR 982.554(c)(4)].

#### PHA Policy

When a Request for Tenancy Approval and proposed lease is received by the PHA, the term of the voucher will not be suspended while the PHA processes the request.

### **Expiration of Voucher Term**

Once a family’s housing choice voucher term (including any extensions) expires, the family is no longer eligible to search for housing under the program. If the family still wishes to receive assistance, the PHA may require that the family reapply, or may place the family on the waiting list with a new application date but without requiring reapplication. Such a family does not become ineligible for the program on the grounds that it was unable to locate a unit before the voucher expired [HCV GB p. 8-13].

#### PHA Policy

If an applicant family’s voucher term or extension expires before the family has submitted a Request for Tenancy Approval (RTA), the PHA will require the family to reapply for assistance. If an RTA that was submitted prior to the expiration date of the voucher is subsequently disapproved by the PHA (after the voucher term has expired), the family will be required to reapply for assistance.

The PHA will notify the family in writing that the voucher term has expired and that the family must reapply in order to be placed on the waiting list.



## Chapter 6

### INCOME AND SUBSIDY DETERMINATIONS

[24 CFR Part 5, Subparts E and F; 24 CFR 982]

#### INTRODUCTION

A family's income determines eligibility for assistance and is also used to calculate the family's payment and the PHA's subsidy. The PHA will use the policies and methods described in this chapter to ensure that only eligible families receive assistance and that no family pays more or less than its obligation under the regulations. This chapter describes HUD regulations and PHA policies related to these topics in three parts as follows:

- Part I: Annual Income. HUD regulations specify the sources of income to include and exclude to arrive at a family's annual income. These requirements and PHA policies for calculating annual income are found in Part I.
- Part II: Adjusted Income. Once annual income has been established HUD regulations require the PHA to subtract from annual income any of five mandatory deductions for which a family qualifies. These requirements and PHA policies for calculating adjusted income are found in Part II.
- Part III: Calculating Family Share and PHA Subsidy. This part describes the statutory formula for calculating total tenant payment (TTP), the use of utility allowances, and the methodology for determining PHA subsidy and required family payment.

## PART I: ANNUAL INCOME

### 6-I.A. OVERVIEW

The general regulatory definition of *annual income* shown below is from 24 CFR 5.609.

5.609 Annual income.

(a) Annual income means all amounts, monetary or not, which:

- (1) Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or
  - (2) Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
  - (3) Which are not specifically excluded in paragraph [5.609(c)].
- (4) Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

In addition to this general definition, HUD regulations establish policies for treating specific types of income and assets. The full texts of those portions of the regulations are provided in exhibits at the end of this chapter as follows:

- Annual Income Inclusions (Exhibit 6-1)
- Annual Income Exclusions (Exhibit 6-2)
- Treatment of Family Assets (Exhibit 6-3)
- Earned Income Disallowance for Persons with Disabilities (Exhibit 6-4)
- The Effect of Welfare Benefit Reduction (Exhibit 6-5)

Sections 6-I.B and 6-I.C discuss general requirements and methods for calculating annual income. The rest of this section describes how each source of income is treated for the purposes of determining annual income. HUD regulations present income inclusions and exclusions separately [24 CFR 5.609(b) and 24 CFR 5.609(c)]. In this plan, however, the discussions of income inclusions and exclusions are integrated by topic (e.g., all policies affecting earned income are discussed together in section 6-I.D). Verification requirements for annual income are discussed in Chapter 7.

### 6-I.B. HOUSEHOLD COMPOSITION AND INCOME

Income received by all family members must be counted unless specifically excluded by the regulations. It is the responsibility of the head of household to report changes in family composition. The rules on which sources of income are counted vary somewhat by family member. The chart below summarizes how family composition affects income determinations.

<b>Summary of Income Included and Excluded by Person</b>	
Live-in aides	Income from all sources is excluded [24 CFR 5.609(c)(5)].
Foster child or foster adult	Income from all sources is excluded [24 CFR 5.609(c)(2)].
Head, spouse, or cohead Other adult family members	All sources of income not specifically excluded by the regulations are included.
Children under 18 years of age	Employment income is excluded [24 CFR 5.609(c)(1)]. All other sources of income, except those specifically excluded by the regulations, are included.
Full-time students 18 years of age or older (not head, spouse, or cohead)	Employment income above \$480/year is excluded [24 CFR 5.609(c)(11)]. All other sources of income, except those specifically excluded by the regulations, are included.

### **Temporarily Absent Family Members**

The income of family members approved to live in the unit will be counted, even if the family member is temporarily absent from the unit [HCV GB, p. 5-18].

#### PHA Policy

Generally an individual who is or is expected to be absent from the assisted unit for 180 consecutive days or less is considered temporarily absent and continues to be considered a family member. Generally an individual who is or is expected to be absent from the assisted unit for more than 180 consecutive days is considered permanently absent and no longer a family member. Exceptions to this general policy are discussed below.

### ***Absent Students***

#### PHA Policy

When someone who has been considered a family member attends school away from home, the person will continue to be considered a family member unless information becomes available to the PHA indicating that the student has established a separate household or the family declares that the student has established a separate household.

### ***Absences Due to Placement in Foster Care***

Children temporarily absent from the home as a result of placement in foster care are considered members of the family [24 CFR 5.403].

#### PHA Policy

If a child has been placed in foster care, the PHA will verify with the appropriate agency whether and when the child is expected to be returned to the home. Unless the agency confirms that the child has been permanently removed from the home, the child will be counted as a family member.

### ***Absent Head, Spouse, or Cohead***

#### PHA Policy

An employed head, spouse, or cohead absent from the unit more than 180 consecutive days due to employment will continue to be considered a family member.

### **Family Members Permanently Confined for Medical Reasons**

If a family member is confined to a nursing home or hospital on a permanent basis, that person is no longer considered a family member and the income of that person is not counted [HCV GB, p. 5-22].

#### PHA Policy

The PHA will request verification from a responsible medical professional and will use this determination. If the responsible medical professional cannot provide a determination, the person generally will be considered temporarily absent. The family may present evidence that the family member is confined on a permanent basis and request that the person not be considered a family member.

When an individual who has been counted as a family member is determined permanently absent, the family is eligible for the medical expense deduction only if the remaining head, spouse, or cohead qualifies as an elderly person or a person with disabilities.

### **Joint Custody of Dependents**

#### PHA Policy

Dependents that are subject to a joint custody arrangement will be considered a member of the family, if they live with the applicant or participant family 51 percent or more of the time.

When more than one applicant or participant family is claiming the same dependents as family members, the family with primary custody at the time of the initial examination or reexamination will be able to claim the dependents. If there is a dispute about which family should claim them, the PHA will make the determination based on available documents such as court orders, or an IRS return showing which family has claimed the child for income tax purposes.

## **Caretakers for a Child**

### PHA Policy

If neither a parent nor a designated guardian remains in a household receiving HCV assistance, the PHA will take the following actions.

- (1) If a responsible agency has determined that another adult is to be brought into the assisted unit to care for a child for an indefinite period, the designated caretaker will not be considered a family member until a determination of custody or legal guardianship is made.
- (2) If a caretaker has assumed responsibility for a child without the involvement of a responsible agency or formal assignment of custody or legal guardianship, the caretaker will be treated as a visitor for 90 days. After the 90 days has elapsed, the caretaker will be considered a family member unless information is provided that would confirm that the caretaker's role is temporary. In such cases the PHA will extend the caretaker's status as an eligible visitor.
- (3) At any time that custody or guardianship legally has been awarded to a caretaker, the housing choice voucher will be transferred to the caretaker.
- (4) During any period that a caretaker is considered a visitor, the income of the caretaker is not counted in annual income and the caretaker does not qualify the family for any deductions from income.

## 6-I.C. ANTICIPATING ANNUAL INCOME

The PHA is required to count all income “anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date” [24 CFR 5.609(a)(2)]. Policies related to anticipating annual income are provided below.

### **Basis of Annual Income Projection**

The PHA generally will use current circumstances to determine anticipated income for the coming 12-month period. HUD authorizes the PHA to use other than current circumstances to anticipate income when:

- An imminent change in circumstances is expected [HCV GB, p. 5-17]
- It is not feasible to anticipate a level of income over a 12-month period (e.g., seasonal or cyclic income) [24 CFR 5.609(d)]
- The PHA believes that past income is the best available indicator of expected future income [24 CFR 5.609(d)]

#### PHA Policy

When the PHA cannot readily anticipate income based upon current circumstances (e.g., in the case of seasonal employment, unstable working hours, or suspected fraud), the PHA will review and analyze historical data for patterns of employment, paid benefits, and receipt of other income and use the results of this analysis to establish annual income. Anytime current circumstances are not used to project annual income, a clear rationale for the decision will be documented in the file. In all such cases the family may present information and documentation to the PHA to show why the historic pattern does not represent the family’s anticipated income.

#### ***Known Changes in Income***

If the PHA verifies an upcoming increase or decrease in income, annual income will be calculated by applying each income amount to the appropriate part of the 12-month period.

**Example:** An employer reports that a full-time employee who has been receiving \$6/hour will begin to receive \$6.25/hour in the eighth week after the effective date of the reexamination. In such a case the PHA would calculate annual income as follows:  
 $(\$6/\text{hour} \times 40 \text{ hours} \times 7 \text{ weeks}) + (\$6.25 \times 40 \text{ hours} \times 45 \text{ weeks}).$

The family may present information that demonstrates that implementing a change before its effective date would create a hardship for the family. In such cases the PHA will calculate annual income using current circumstances and then require an interim reexamination when the change actually occurs. This requirement will be imposed even if the PHA’s policy in Chapter 11 does not require interim reexaminations for other types of changes.

## Using Up-Front Income Verification (UIV) to Project Income

HUD strongly recommends the use of up-front income verification (UIV). UIV is “the verification of income, before or during a family reexamination, through an independent source that systematically and uniformly maintains income information in computerized form for a large number of individuals” [VG, p. 7].

HUD allows PHAs to use UIV information in conjunction with family-provided documents to anticipate income [UIV].

### PHA Policy

PHA procedures for anticipating annual income will include the use of UIV methods approved by HUD in conjunction with family-provided documents dated within the last 60 days of the PHA interview date.

The PHA will follow “HUD Guidelines for Projecting Annual Income When Up-Front Income Verification (UIV) Data Is Available” in handling differences between UIV and family-provided income data. The guidelines depend on whether a difference is substantial or not. HUD defines *substantial difference* as a difference of \$200 or more per month.

**No Substantial Difference.** If UIV information for a particular income source differs from the information provided by a family by less than \$200 per month, the PHA will follow these guidelines:

If the UIV figure is less than the family’s figure, the PHA will use the family’s information.

If the UIV figure is more than the family’s figure, the PHA will use the UIV data 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.

**Substantial Difference.** If UIV information for a particular income source differs from the information provided by a family by \$200 or more per month, the PHA will follow these guidelines:

The PHA will request written third-party verification from the discrepant income source in accordance with 24 CFR 5.236(b)(3)(i).

When the PHA cannot readily anticipate income (e.g., in cases of seasonal employment, unstable working hours, or 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 verified income data and, if appropriate, historical income data to calculate anticipated annual income.

## **6-I.D. EARNED INCOME**

### **Types of Earned Income Included in Annual Income**

#### ***Wages and Related Compensation***

The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services is included in annual income [24 CFR 5.609(b)(1)].

#### PHA Policy

For persons who regularly receive bonuses or commissions, the PHA will verify and then average amounts received for the two years preceding admission or reexamination. If only a one-year history is available, the PHA will use the prior year amounts. In either case the family may provide, and the PHA will consider, a credible justification for not using this history to anticipate future bonuses or commissions. If a new employee has not yet received any bonuses or commissions, the PHA will count only the amount estimated by the employer. The file will be documented appropriately.

#### ***Some Types of Military Pay***

All regular pay, special pay and allowances of a member of the Armed Forces are counted [24 CFR 5.609(b)(8)] except for the special pay to a family member serving in the Armed Forces who is exposed to hostile fire [24 CFR 5.609(c)(7)].

### **Types of Earned Income Not Counted in Annual Income**

#### ***Temporary, Nonrecurring, or Sporadic Income [24 CFR 5.609(c)(9)]***

This type of income (including gifts) is not included in annual income.

#### PHA Policy

Sporadic income is income that is not received periodically and cannot be reliably predicted. For example, the income of an individual who works occasionally as a handyman would be considered sporadic if future work could not be anticipated and no historic, stable pattern of income existed.

#### ***Children's Earnings***

Employment income earned by children (including foster children) under the age of 18 years is not included in annual income [24 CFR 5.609(c)(1)]. (See Eligibility chapter for a definition of *foster children*.)

#### ***Certain Earned Income of Full-Time Students***

Earnings in excess of \$480 for each full-time student 18 years old or older (except for the head, spouse, or cohead) are not counted [24 CFR 5.609(c)(11)]. To be considered "full-time," a student must be considered "full-time" by an educational institution with a degree or certificate program [HCV GB, p. 5-29].

#### ***Income of a Live-in Aide***

Income earned by a live-in aide, as defined in [24 CFR 5.403], is not included in annual income [24 CFR 5.609(c)(5)]. (See Eligibility chapter for a full discussion of live-in aides.)

### ***Income Earned under Certain Federal Programs***

Income from some federal programs is specifically excluded from consideration as income [24 CFR 5.609(c)(17)], including:

- Payments to volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(g), 5058)
- Payments received under programs funded in whole or in part under the Job Training Partnership Act (29 U.S.C. 1552(b))
- Awards under the federal work-study program (20 U.S.C. 1087 uu)
- Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056(f))
- Allowances, earnings, and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d))
- Allowances, earnings, and payments to participants in programs funded under the Workforce Investment Act of 1998 (29 U.S.C. 2931)

### ***Resident Service Stipend***

Amounts received under a resident service stipend are not included in annual income. A resident service stipend is a modest amount (not to exceed \$200 per individual per month) received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time [24 CFR 5.600(c)(8)(iv)].

### ***State and Local Employment Training Programs***

Incremental earnings and benefits to any family member resulting from participation in qualifying state or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff are excluded from annual income. 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 training program [24 CFR 5.609(c)(8)(v)].

#### **PHA Policy**

The PHA defines *training program* 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 to 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. 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” [expired Notice PIH 98-2, p. 3].

The PHA defines *incremental earnings and benefits* 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 of the family member after enrollment in the program [expired Notice PIH 98-2, pp. 3–4].

In calculating the incremental difference, the PHA will use as the pre-enrollment income the total annualized amount of the family member’s welfare assistance and earnings reported on the family’s most recently completed HUD-50058.

End of participation in a training program must be reported in accordance with the PHA's interim reporting requirements.

***HUD-Funded Training Programs***

Amounts received under training programs funded in whole or in part by HUD [24 CFR 5.609(c)(8)(i)] are excluded from annual income. Eligible sources of funding for the training include operating subsidy, Section 8 administrative fees, and modernization, Community Development Block Grant (CDBG), HOME program, and other grant funds received from HUD.

**PHA Policy**

To qualify as a training program, the program must meet the definition of *training program* provided above for state and local employment training programs.

***Earned Income Tax Credit***

Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 U.S.C. 32(j)), are excluded from annual income [24 CFR 5.609(c)(17)]. Although many families receive the EITC annually when they file taxes, an EITC can also be received throughout the year. The prorated share of the annual EITC is included in the employee's payroll check.

***Earned Income Disallowance***

The earned income disallowance for persons with disabilities is discussed in section 6-1.E below.

## **6-I.E. EARNED INCOME DISALLOWANCE FOR PERSONS WITH DISABILITIES [24 CFR 5.617]**

The earned income disallowance (EID) encourages people with disabilities to enter the work force by not including the full value of increases in earned income for a period of time. The full text of 24 CFR 5.617 is included as Exhibit 6-4 at the end of this chapter. Eligibility criteria and limitations on the disallowance are summarized below.

### **Eligibility**

This disallowance applies only to individuals in families already participating in the HCV program (not at initial examination). To qualify, the family must experience an increase in annual income that is the result of one of the following events:

- Employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment. *Previously unemployed* includes a person who annually has earned not more than the minimum wage applicable to the community multiplied by 500 hours. The applicable minimum wage is the federal minimum wage unless there is a higher state or local minimum wage.
- Increased earnings by a family member who is a person with disabilities and whose earnings increase during participation in an economic self-sufficiency or job-training program. A self-sufficiency program includes a program designed to encourage, assist, train, or facilitate the economic independence of HUD-assisted families or to provide work to such families [24 CFR 5.603(b)].
- New employment or increased earnings by a family member who is a person with disabilities and who has received benefits or services under Temporary Assistance for Needy Families (TANF) or any other state program funded under Part A of Title IV of the Social Security Act within the past six months. If the benefits are received in the form of monthly maintenance, there is no minimum amount. If the benefits or services are received in a form other than monthly maintenance, such as one-time payments, wage subsidies, or transportation assistance, the total amount received over the six-month period must be at least \$500.

### **Calculation of the Disallowance**

Calculation of the earned income disallowance for an eligible member of a qualified family begins with a comparison of the member's current income with his or her "prior income."

#### PHA Policy

The PHA defines *prior income*, or *prequalifying income*, as the family member's last certified income prior to qualifying for the EID.

The family member's prior, or prequalifying, income remains constant throughout the period that he or she is receiving the EID.

### ***Initial 12-Month Exclusion***

During the initial 12-month exclusion period, the full amount (100 percent) of any increase in income attributable to new employment or increased earnings is excluded. The 12 months are cumulative and need not be consecutive.

#### PHA Policy

The initial EID exclusion period will begin on the first of the month following the date an eligible member of a qualified family is first employed or first experiences an increase in earnings.

### ***Second 12-Month Exclusion and Phase-In***

During the second 12-month exclusion period, the exclusion is reduced to half (50 percent) of any increase in income attributable to employment or increased earnings. The 12 months are cumulative and need not be consecutive.

### ***Lifetime Limitation***

The EID has a four-year (48-month) lifetime maximum. The four-year eligibility period begins at the same time that the initial exclusion period begins and ends 48 months later. The one-time eligibility for the EID applies even if the eligible individual begins to receive assistance from another housing agency, if the individual moves between public housing and Section 8 assistance, or if there are breaks in assistance.

#### PHA Policy

During the 48-month eligibility period, the PHA will schedule and conduct an interim reexamination each time there is a change in the family member's annual income that affects or is affected by the EID (e.g., when the family member's income falls to a level at or below his/her prequalifying income, when one of the exclusion periods ends, and at the end of the lifetime maximum eligibility period).

#### **6-I.F. BUSINESS INCOME [24 CFR 5.609(b)(2)]**

Annual income includes “the net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family” [24 CFR 5.609(b)(2)].

#### **Business Expenses**

Net income is “gross income less business expense” [HCV GB, p. 5-19].

##### PHA Policy

To determine business expenses that may be deducted from gross income, the PHA will use current applicable Internal Revenue Service (IRS) rules for determining allowable business expenses [see IRS Publication 535], unless a topic is addressed by HUD regulations or guidance as described below.

#### **Business Expansion**

HUD regulations do not permit the PHA to deduct from gross income expenses for business expansion.

##### PHA Policy

*Business expansion* is defined as any capital expenditures made to add new business activities, to expand current facilities, or to operate the business in additional locations. For example, purchase of a street sweeper by a construction business for the purpose of adding street cleaning to the services offered by the business would be considered a business expansion. Similarly, the purchase of a property by a hair care business to open at a second location would be considered a business expansion.

#### **Capital Indebtedness**

HUD regulations do not permit the PHA to deduct from gross income the amortization of capital indebtedness.

##### PHA Policy

*Capital indebtedness* is defined as the principal portion of the payment on a capital asset such as land, buildings, and machinery. This means the PHA will allow as a business expense interest, but not principal, paid on capital indebtedness.

### **Negative Business Income**

If the net income from a business is negative, no business income will be included in annual income; a negative amount will not be used to offset other family income.

### **Withdrawal of Cash or Assets from a Business**

HUD regulations require the PHA to include in annual income the withdrawal of cash or assets from the operation of a business or profession unless the withdrawal reimburses a family member for cash or assets invested in the business by the family.

#### PHA Policy

Acceptable investments in a business include cash loans and contributions of assets or equipment. For example, if a member of an assisted family provided an up-front loan of \$2,000 to help a business get started, the PHA will not count as income any withdrawals from the business up to the amount of this loan until the loan has been repaid.

Investments do not include the value of labor contributed to the business without compensation.

### **Co-owned Businesses**

#### PHA Policy

If a business is co-owned with someone outside the family, the family must document the share of the business it owns. If the family's share of the income is lower than its share of ownership, the family must document the reasons for the difference.

## **6-I.G. ASSETS [24 CFR 5.609(b)(3) and 24 CFR 5.603(b)]**

### **Overview**

There is no asset limitation for participation in the HCV program. However, HUD requires that the PHA include in annual income the “interest, dividends, and other net income of any kind from real or personal property” [24 CFR 5.609(b)(3)]. This section discusses how the income from various types of assets is determined. For most types of assets, the PHA must determine the value of the asset in order to compute income from the asset. Therefore, for each asset type, this section discusses:

- How the value of the asset will be determined
- How income from the asset will be calculated

Exhibit 6-1 provides the regulatory requirements for calculating income from assets [24 CFR 5.609(b)(3)], and Exhibit 6-3 provides the regulatory definition of *net family assets*. This section begins with a discussion of general policies related to assets and then provides HUD rules and PHA policies related to each type of asset.

### **General Policies**

#### ***Income from Assets***

The PHA generally will use current circumstances to determine both the value of an asset and the anticipated income from the asset. As is true for all sources of income, HUD authorizes the PHA to use other than current circumstances to anticipate income when (1) an imminent change in circumstances is expected (2) it is not feasible to anticipate a level of income over 12 months or (3) the PHA believes that past income is the best indicator of anticipated income. For example, if a family member owns real property that typically receives rental income but the property is currently vacant, the PHA can take into consideration past rental income along with the prospects of obtaining a new tenant.

#### **PHA Policy**

Anytime current circumstances are not used to determine asset income, a clear rationale for the decision will be documented in the file. In such cases the family may present information and documentation to the PHA to show why the asset income determination does not represent the family’s anticipated asset income.

### ***Valuing Assets***

The calculation of asset income sometimes requires the PHA to make a distinction between an asset's market value and its cash value.

- The market value of an asset is its worth (e.g., the amount a buyer would pay for real estate or the balance in an investment account).
- The cash value of an asset is its market value less all reasonable amounts that would be incurred when converting the asset to cash.

#### **PHA Policy**

Reasonable costs that would be incurred when disposing of an asset include, but are not limited to, penalties for premature withdrawal, broker and legal fees, and settlement costs incurred in real estate transactions [HCV GB, p. 5-28].

### ***Lump-Sum Receipts***

Payments that are received in a single lump sum, such as inheritances, capital gains, lottery winnings, insurance settlements, and proceeds from the sale of property, are generally considered assets, not income. However, such lump-sum receipts are counted as assets only if they are retained by a family in a form recognizable as an asset (e.g., deposited in a savings or checking account) [RHIIP FAQs]. (For a discussion of lump-sum payments that represent the delayed start of a periodic payment, most of which are counted as income, see sections 6-I.H and 6-I.I.)

### ***Imputing Income from Assets [24 CFR 5.609(b)(3)]***

When net family assets are \$5,000 or less, the PHA will include in annual income the actual income anticipated to be derived from the assets. When the family has net family assets in excess of \$5,000, the PHA will include in annual income the greater of (1) the actual income derived from the assets or (2) the imputed income. Imputed income from assets is calculated by multiplying the total cash value of all family assets by the current HUD-established passbook savings rate.

### ***Determining Actual Anticipated Income from Assets***

It may or may not be necessary for the PHA to use the value of an asset to compute the actual anticipated income from the asset. When the value is required to compute the anticipated income from an asset, the market value of the asset is used. For example, if the asset is a property for which a family receives rental income, the anticipated income is determined by annualizing the actual monthly rental amount received for the property; it is not based on the property's market value. However, if the asset is a savings account, the anticipated income is determined by multiplying the market value of the account by the interest rate on the account.

### ***Withdrawal of Cash or Liquidation of Investments***

Any withdrawal of cash or assets from an investment will be included in income except to the extent that the withdrawal reimburses amounts invested by the family. For example, when a family member retires, the amount received by the family from a retirement plan is not counted as income until the family has received payments equal to the amount the family member deposited into the retirement fund.

### ***Jointly Owned Assets***

The regulation at 24 CFR 5.609(a)(4) specifies that annual income includes “amounts derived (during the 12-month period) from assets to which any member of the family has access.”

#### **PHA Policy**

If an asset is owned by more than one person and any family member has unrestricted access to the asset, the PHA will count the full value of the asset. A family member has unrestricted access to an asset when he or she can legally dispose of the asset without the consent of any of the other owners.

If an asset is owned by more than one person, including a family member, but the family member does not have unrestricted access to the asset, the PHA will prorate the asset according to the percentage of ownership. If no percentage is specified or provided for by state or local law, the PHA will prorate the asset evenly among all owners.

### ***Assets Disposed Of for Less than Fair Market Value [24 CFR 5.603(b)]***

HUD regulations require the PHA to count as a current asset any business or family asset that was disposed of for less than fair market value during the two years prior to the effective date of the examination/reexamination, except as noted below.

#### ***Minimum Threshold***

The *HVC Guidebook* permits the PHA to set a threshold below which assets disposed of for less than fair market value will not be counted [HCV GB, p. 5-27].

#### **PHA Policy**

The PHA will not include the value of assets disposed of for less than fair market value unless the cumulative fair market value of all assets disposed of during the past two years exceeds the gross amount received for the assets by more than \$1,000.

When the two-year period expires, the income assigned to the disposed asset(s) also expires. If the two-year period ends between annual recertifications, the family may request an interim recertification to eliminate consideration of the asset(s).

Assets placed by the family in nonrevocable trusts are considered assets disposed of for less than fair market value except when the assets placed in trust were received through settlements or judgments.

***Separation or Divorce***

The regulation also specifies that assets are not considered disposed of for less than fair market value if they are disposed of as part of a separation or divorce settlement and the applicant or tenant receives important consideration not measurable in dollar terms.

PHA Policy

All assets disposed of as part of a separation or divorce settlement will be considered assets for which important consideration not measurable in monetary terms has been received. In order to qualify for this exemption, a family member must be subject to a formal separation or divorce settlement agreement established through arbitration, mediation, or court order.

***Foreclosure or Bankruptcy***

Assets are not considered disposed of for less than fair market value when the disposition is the result of a foreclosure or bankruptcy sale.

***Family Declaration***

PHA Policy

Families must sign a declaration form at initial certification and each annual recertification identifying all assets that have been disposed of for less than fair market value or declaring that no assets have been disposed of for less than fair market value. The PHA may verify the value of the assets disposed of if other information available to the PHA does not appear to agree with the information reported by the family.

## **Types of Assets**

### ***Checking and Savings Accounts***

For regular checking accounts and savings accounts, *cash value* has the same meaning as *market value*. If a checking account does not bear interest, the anticipated income from the account is zero.

#### PHA Policy

In determining the value of a checking account, the PHA will use the average monthly balance for the last six months.

In determining the value of a savings account, the PHA will use the current balance.

In determining the anticipated income from an interest-bearing checking or savings account, the PHA will multiply the value of the account by the current rate of interest paid on the account.

### ***Investment Accounts Such as Stocks, Bonds, Saving Certificates, and Money Market Funds***

Interest or dividends earned by investment accounts are counted as actual income from assets even when the earnings are reinvested. The cash value of such an asset is determined by deducting from the market value any broker fees, penalties for early withdrawal, or other costs of converting the asset to cash.

#### PHA Policy

In determining the market value of an investment account, the PHA will use the value of the account on the most recent investment report.

How anticipated income from an investment account will be calculated depends on whether the rate of return is known. For assets that are held in an investment account with a known rate of return (e.g., savings certificates), asset income will be calculated based on that known rate (market value multiplied by rate of earnings). When the anticipated rate of return is not known (e.g., stocks), the PHA will calculate asset income based on the earnings for the most recent reporting period.

### ***Equity in Real Property or Other Capital Investments***

Equity (cash value) in a property or other capital asset is the estimated current market value of the asset 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 [HCV GB, p. 5-25].

Equity in real property and other capital investments is considered in the calculation of asset income except for the following types of assets:

- Equity accounts in HUD homeownership programs [24 CFR 5.603(b)]
- The value of a home currently being purchased with assistance under the HCV program Homeownership Option for the first 10 years after the purchase date of the home [24 CFR 5.603(b)]
- Equity in owner-occupied cooperatives and manufactured homes in which the family lives [HCV GB, p. 5-25]
- Equity in real property when a family member's main occupation is real estate [HCV GB, p. 5-25]. This real estate is considered a business asset, and income related to this asset will be calculated as described in section 6-I.F.
- Interests in Indian Trust lands [24 CFR 5.603(b)]
- Real property and capital assets that are part of an active business or farming operation [HCV GB, p. 5-25]

A family may have real property as an asset in two ways: (1) owning the property itself and (2) holding a mortgage or deed of trust on the property. In the case of a property owned by a family member, the anticipated asset income generally will be in the form of rent or other payment for the use of the property. If the property generates no income, actual anticipated income from the asset will be zero.

In the case of a mortgage or deed of trust held by a family member, the outstanding balance (unpaid principal) is the cash value of the asset. The interest portion only of payments made to the family in accordance with the terms of the mortgage or deed of trust is counted as anticipated asset income.

#### **PHA Policy**

In the case of capital investments owned jointly with others not living in a family's unit, a prorated share of the property's cash value will be counted as an asset unless the PHA determines that the family receives no income from the property and is unable to sell or otherwise convert the asset to cash.

## ***Trusts***

A *trust* is a legal arrangement generally regulated by state law in which one party (the creator or grantor) transfers property to a second party (the trustee) who holds the property for the benefit of one or more third parties (the beneficiaries).

### ***Revocable Trusts***

If any member of a family has the right to withdraw the funds in a trust, the value of the trust is considered an asset [HCV GB, p. 5-25]. Any income earned as a result of investment of trust funds is counted as actual asset income, whether the income is paid to the family or deposited in the trust.

### ***Nonrevocable Trusts***

In cases where a trust is not revocable by, or under the control of, any member of a family, the value of the trust fund is not considered an asset. However, any income distributed to the family from such a trust is counted as a periodic payment or a lump-sum receipt, as appropriate [24 CFR 5.603(b)]. (Periodic payments are covered in section 6-I.H. Lump-sum receipts are discussed earlier in this section.)

## ***Retirement Accounts***

### ***Company Retirement/Pension Accounts***

In order to correctly include or exclude as an asset any amount held in a company retirement or pension account by an employed person, the PHA must know whether the money is accessible before retirement [HCV GB, p. 5-26].

While a family member is employed, only the amount the family member can withdraw without retiring or terminating employment is counted as an asset [HCV GB, p. 5-26].

After a family member retires or terminates employment, any amount distributed to the family member is counted as a periodic payment or a lump-sum receipt, as appropriate [HCV GB, p. 5-26], except to the extent that it represents funds invested in the account by the family member. (For more on periodic payments, see section 6-I.H.) The balance in the account is counted as an asset only if it remains accessible to the family member.

### ***IRA, Keogh, and Similar Retirement Savings Accounts***

IRA, Keogh, and similar retirement savings accounts are counted as assets even though early withdrawal would result in a penalty [HCV GB, p. 5-25].

### ***Personal Property***

Personal property held as an investment, such as gems, jewelry, coin collections, antique cars, etc., is considered an asset [HCV GB, p. 5-25].

#### **PHA Policy**

In determining the value of personal property held as an investment, the PHA will use the family's estimate of the value. The PHA may obtain an appraisal to confirm the value of the asset if there is reason to believe that the family's estimated value is off by \$50 or more. The family must cooperate with the appraiser, but cannot be charged any costs related to the appraisal.

Generally, personal property held as an investment generates no income until it is disposed of. If regular income is generated (e.g., income from renting the personal property), the amount that is expected to be earned in the coming year is counted as actual income from the asset.

Necessary items of personal property are not considered assets [24 CFR 5.603(b)].

#### **PHA Policy**

Necessary personal property consists of only those items not held as an investment, and may include clothing, furniture, household furnishings, jewelry, and vehicles, including those specially equipped for persons with disabilities.

### ***Life Insurance***

The cash value of a life insurance policy available to a family member before death, such as a whole life or universal life policy, is included in the calculation of the value of the family's assets [HCV GB 5-25]. The cash value is the surrender value. If such a policy earns dividends or interest that the family could elect to receive, the anticipated amount of dividends or interest is counted as income from the asset whether or not the family actually receives it.

## **6-I.H. PERIODIC PAYMENTS**

Periodic payments are forms of income received on a regular basis. HUD regulations specify periodic payments that are and are not included in annual income.

### **Periodic Payments Included in Annual Income**

- Periodic payments from sources such as social security, unemployment and welfare assistance, annuities, insurance policies, retirement funds, and pensions. However, periodic payments from retirement accounts, annuities, and similar forms of investments are counted only after they exceed the amount contributed by the family [24 CFR 5.609(b)(4) and (b)(3)].
- Disability or death benefits and lottery receipts paid periodically, rather than in a single lump sum [24 CFR 5.609(b)(4) and HCV, p. 5-14]

### **Lump-Sum Payments for the Delayed Start of a Periodic Payment**

Most lump sums received as a result of delays in processing periodic payments, such as unemployment or welfare assistance, are counted as income. However, lump-sum receipts for the delayed start of periodic social security or supplemental security income (SSI) payments are not counted as income [CFR 5.609(b)(4)].

#### PHA Policy

When a delayed-start payment is received and reported during the period in which the PHA is processing an annual reexamination, the PHA will adjust the family share and PHA subsidy retroactively for the period the payment was intended to cover. The family may pay in full any amount due or request to enter into a repayment agreement with the PHA.

## Periodic Payments Excluded from Annual Income

- Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the assisted family, who are unable to live alone) [24 CFR 5.609(c)(2)]  
PHA Policy  
The PHA will exclude payments for the care of foster children and foster adults only if the care is provided through an official arrangement with a local welfare agency [HCV GB, p. 5-18].
- 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 received under the Low-Income Home Energy Assistance Program (42 U.S.C. 1626(c)) [24 CFR 5.609(c)(17)]
- Amounts received under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858q) [24 CFR 5.609(c)(17)]
- Earned Income Tax Credit (EITC) refund payments (26 U.S.C. 32(j)) [24 CFR 5.609(c)(17)].  
*Note:* EITC may be paid periodically if the family elects to receive the amount due as part of payroll payments from an employer.
- Lump sums received as a result of delays in processing Social Security and SSI payments (see section 6-I.J.) [24 CFR 5.609(b)(4)].

### **6-I.I. PAYMENTS IN LIEU OF EARNINGS**

Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay, are counted as income [24 CFR 5.609(b)(5)] if they are received either in the form of periodic payments or in the form of a lump-sum amount or prospective monthly amounts for the delayed start of a periodic payment. If they are received in a one-time lump sum (as a settlement, for instance), they are treated as lump-sum receipts [24 CFR 5.609(c)(3)]. (See also the discussion of periodic payments in section 6-I.H and the discussion of lump-sum receipts in section 6-I.G.)

## **6-I.J. WELFARE ASSISTANCE**

### **Overview**

Welfare assistance is counted in annual income. Welfare assistance includes Temporary Assistance for Needy Families (TANF) and any payments to individuals or families based on need that are made under programs funded separately or jointly by federal, state, or local governments [24 CFR 5.603(b)].

### **Sanctions Resulting in the Reduction of Welfare Benefits [24 CFR 5.615]**

The PHA must make a special calculation of annual income when the welfare agency imposes certain sanctions on certain families. The full text of the regulation at 24 CFR 5.615 is provided as Exhibit 6-5. The requirements are summarized below. This rule applies only if a family was receiving HCV assistance at the time the sanction was imposed.

#### ***Covered Families***

The families covered by 24 CFR 5.615 are those “who receive welfare assistance or other public assistance benefits (‘welfare benefits’) from a State or other public agency (‘welfare 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 such assistance” [24 CFR 5.615(b)]

#### ***Imputed Income***

When a welfare agency imposes a sanction that reduces a family’s welfare income because the family commits fraud or fails to comply with the agency’s economic self-sufficiency program or work activities requirement, the PHA must include in annual income “imputed” welfare income. The PHA must request that the welfare agency inform the PHA when the benefits of an HCV participant family are reduced. The imputed income is the amount the family would have received if the family had not been sanctioned.

This requirement does not apply to reductions in welfare benefits: (1) at the expiration of the lifetime or other time limit on the payment of welfare benefits, (2) if a family member is unable to find employment even though the family member has complied with the welfare agency economic self-sufficiency or work activities requirements, or (3) because a family member has not complied with other welfare agency requirements [24 CFR 5.615(b)(2)].

#### ***Offsets***

The amount of the imputed income is offset by the amount of additional income the family begins to receive after the sanction is imposed. When the additional income equals or exceeds the imputed welfare income, the imputed income is reduced to zero [24 CFR 5.615(c)(4)].

### **6-I.K. PERIODIC AND DETERMINABLE ALLOWANCES [24 CFR 5.609(b)(7)]**

Annual income includes periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing with an assisted family.

#### **Alimony and Child Support**

The PHA must count alimony or child support amounts awarded as part of a divorce or separation agreement.

##### PHA Policy

The PHA will count court-awarded amounts for alimony and child support unless the PHA verifies that: (1) the payments are not being made, and (2) the family has made reasonable efforts to collect amounts due, including filing with courts or agencies responsible for enforcing payments [HCV GB, pp. 5-23 and 5-47].

Families who do not have court-awarded alimony and child support awards are not required to seek a court award and are not required to take independent legal action to obtain collection.

#### **Regular Contributions or Gifts**

The PHA must count as income regular monetary and nonmonetary contributions or gifts from persons not residing with an assisted family [24 CFR 5.609(b)(7)]. Temporary, nonrecurring, or sporadic income and gifts are not counted [24 CFR 5.609(c)(9)].

##### PHA Policy

Examples of regular contributions include: (1) regular payment of a family's bills (e.g., utilities, telephone, rent, credit cards, and car payments), (2) cash or other liquid assets provided to any family member on a regular basis, and (3) "in-kind" contributions such as groceries and clothing provided to a family on a regular basis.

Nonmonetary contributions will be valued at the cost of purchasing the items, as determined by the PHA. For contributions that may vary from month to month (e.g., utility payments), the PHA will include an average amount based upon past history.

### **6-I.L. STUDENT FINANCIAL ASSISTANCE [24 CFR 5.609(b)(9)]**

In 2005, Congress passed a law (for section 8 programs only) requiring that certain student financial assistance be included in annual income. Prior to that, the full amount of student financial assistance was excluded. For some students, the full exclusion still applies.

#### **Student Financial Assistance Included in Annual Income [24 CFR 5.609(b)(9) and FR 4/10/06]**

The regulation requiring the inclusion of certain student financial assistance applies only to students who satisfy all of the following conditions:

- They are enrolled in an institution of higher education, as defined under the Higher Education Act (HEA) of 1965.
- They are seeking or receiving Section 8 assistance on their own—that is, apart from their parents—through the HCV program, the project-based certificate program, the project-based voucher program, or the moderate rehabilitation program.
- They are under 24 years of age **OR** they have no dependent children.

For students who satisfy these three conditions, any financial assistance in excess of tuition received: (1) under the 1965 HEA, (2) from a private source, or (3) from an institution of higher education, as defined under the 1965 HEA, must be included in annual income.

To determine annual income in accordance with the above requirements, the PHA will use the definitions of *dependent child*, *institution of higher education*, and *parents* in Section 3 -II.E, along with the following definitions [FR 4/10/06, pp. 18148-18150]:

- *Assistance under the Higher Education Act of 1965* includes Pell Grants, Federal Supplement Educational Opportunity Grants, Academic Achievement Incentive Scholarships, State Assistance under the Leveraging Educational Assistance Partnership Program, the Robert G. Byrd Honors Scholarship Program, and Federal Work Study programs.
- *Assistance from private sources* means assistance from nongovernmental sources, including parents, guardians, and other persons not residing with the student in an HCV assisted unit.
- *Tuition* will have the meaning given this term by the institution of higher education in which the student is enrolled.

**Student Financial Assistance Excluded from Annual Income [24 CFR 5.609(c)(6)]**

Any student financial assistance not subject to inclusion under 24 CFR 5.609(b)(9) is fully excluded from annual income under 24 CFR 5.609(c)(6), whether it is paid directly to the student or to the educational institution the student is attending. This includes any financial assistance received by:

- Students residing with parents who are seeking or receiving Section 8 assistance
- Students who are enrolled in an educational institution that does **not** meet the 1965 HEA definition of *institution of higher education*
- Students who are over 23 **AND** have at least one dependent child, as defined in Section 3-II.E
- Students who are receiving financial assistance through a governmental program not authorized under the 1965 HEA.

## **6-I.M.ADDITIONAL EXCLUSIONS FROM ANNUAL INCOME**

Other exclusions contained in 24 CFR 5.609(c) that have not been discussed earlier 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)

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## PART II: ADJUSTED INCOME

### 6-II.A. INTRODUCTION

#### Overview

HUD regulations require PHAs to deduct from annual income any of five mandatory deductions for which a family qualifies. The resulting amount is the family's adjusted income. Mandatory deductions are found in 24 CFR 5.611.

5.611(a) Mandatory deductions. In determining adjusted income, the responsible entity [PHA] must deduct the following amounts from annual income:

- (1) \$480 for each dependent;
- (2) \$400 for any elderly family or disabled family;
- (3) The sum of the following, to the extent the sum exceeds three percent of annual income:
  - (i) Unreimbursed medical expenses of any elderly family or disabled family;
  - (ii) Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including the member who is a person with disabilities) to be employed. This deduction may not exceed the earned income received by family members who are 18 years of age or older and who are able to work because of such attendant care or auxiliary apparatus; and
- (4) Any reasonable child care expenses necessary to enable a member of the family to be employed or to further his or her education.

This part covers policies related to these mandatory deductions. Verification requirements related to these deductions are found in Chapter 7.

#### Anticipating Expenses

##### PHA Policy

Generally, the PHA will use current circumstances to anticipate expenses. When possible, for costs that are expected to fluctuate during the year (e.g., child care during school and nonschool periods and cyclical medical expenses), the PHA will estimate costs based on historic data and known future costs.

If a family has an accumulated debt for medical or disability assistance expenses, the PHA will include as an eligible expense the portion of the debt that the family expects to pay during the period for which the income determination is being made. However, amounts previously deducted will not be allowed even if the amounts were not paid as expected in a preceding period. The PHA may require the family to provide documentation of payments made in the preceding year.

### **6-II.B. DEPENDENT DEDUCTION**

A deduction of \$480 is taken for each dependent [ 24 CFR 5.611(a)(1)]. *Dependent* is defined as any family member other than the head, spouse, or cohead who is under the age of 18 or who is 18 or older and is a person with disabilities or a full-time student. Foster children, foster adults, and live-in aides are never considered dependents [24 CFR 5.603(b)].

### **6-II.C. ELDERLY OR DISABLED FAMILY DEDUCTION**

A single deduction of \$400 is taken for any elderly or disabled family [24 CFR 5.611(a)(2)]. An *elderly family* is a family whose head, spouse, cohead, or sole member is 62 years of age or older, and a *disabled family* is a family whose head, spouse, cohead, or sole member is a person with disabilities [24 CFR 5.403].

**6-II.D. MEDICAL EXPENSES DEDUCTION [24 CFR 5.611(a)(3)(i)]**

Unreimbursed medical expenses may be deducted to the extent that, in combination with any disability assistance expenses, they exceed three percent of annual income.

The medical expense deduction is permitted only for families in which the head, spouse, or cohead is at least 62 or is a person with disabilities. If a family is eligible for a medical expense deduction, the medical expenses of all family members are counted [VG, p. 28].

**Definition of Medical Expenses**

HUD regulations define *medical expenses* at 24 CFR 5.603(b) to mean “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.”

PHA Policy

The most current IRS Publication 502, *Medical and Dental Expenses*, will be used to determine the costs that qualify as medical expenses.

<b>Summary of Allowable Medical Expenses from IRS Publication 502</b>	
<p>Services of medical professionals</p> <p>Surgery and medical procedures that are necessary, legal, noncosmetic</p> <p>Services of medical facilities</p> <p>Hospitalization, long-term care, and in-home nursing services</p> <p>Prescription medicines and insulin, but <u>not</u> nonprescription medicines even if recommended by a doctor</p> <p>Improvements to housing directly related to medical needs (e.g., ramps for a wheel chair, handrails)</p>	<p>Substance abuse treatment programs</p> <p>Psychiatric treatment</p> <p>Ambulance services and some costs of transportation related to medical expenses</p> <p>The cost and care of necessary equipment related to a medical condition (e.g., eyeglasses/lenses, hearing aids, crutches, and artificial teeth)</p> <p>Cost and continuing care of necessary service animals</p> <p>Medical insurance premiums or the cost of a health maintenance organization (HMO)</p>
<p><b>Note:</b> This chart provides a summary of eligible medical expenses only. Detailed information is provided in IRS Publication 502. Medical expenses are considered only to the extent they are not reimbursed by insurance or some other source.</p>	

## **Families That Qualify for Both Medical and Disability Assistance Expenses**

### PHA Policy

This policy applies only to families in which the head, spouse, or cohead is 62 or older or is a person with disabilities.

When expenses anticipated by a family could be defined as either medical or disability assistance expenses, the PHA will consider them medical expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

## **6-II.E. DISABILITY ASSISTANCE EXPENSES DEDUCTION [24 CFR 5.603(b) and 24 CFR 5.611(a)(3)(ii)]**

Reasonable expenses for attendant care and auxiliary apparatus for a disabled family member may be deducted if they: (1) are necessary to enable a family member 18 years or older to work, (2) are not paid to a family member or reimbursed by an outside source, (3) in combination with any medical expenses, exceed three percent of annual income, and (4) do not exceed the earned income received by the family member who is enabled to work.

### **Earned Income Limit on the Disability Assistance Expense Deduction**

A family can qualify for the disability assistance expense deduction only if at least one family member (who may be the person with disabilities) is enabled to work [24 CFR 5.603(b)].

The disability expense deduction is capped by the amount of “earned income received by family members who are 18 years of age or older and who are able to work” because of the expense [24 CFR 5.611(a)(3)(ii)]. The earned income used for this purpose is the amount verified before any earned income disallowances or income exclusions are applied.

#### PHA Policy

The family must identify the family members enabled to work as a result of the disability assistance expenses. In evaluating the family’s request, the PHA 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 disabilities that might determine which family members are enabled to work.

When the PHA determines that the disability assistance expenses enable more than one family member to work, the expenses will be capped by the sum of the family members’ incomes.

## **Eligible Disability Expenses**

Examples of auxiliary apparatus are provided in the *HCV Guidebook* as follows: “Auxiliary apparatus are items such as wheelchairs, ramps, adaptations to vehicles, or special equipment to enable a blind person to read or type, but only if these items are directly related to permitting the disabled person or other family member to work” [HCV GB, p. 5-30].

HUD advises PHAs to further define and describe auxiliary apparatus [VG, p. 30].

### ***Eligible Auxiliary Apparatus***

#### PHA Policy

Expenses incurred for maintaining or repairing an auxiliary apparatus are eligible. 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 maintenance of the apparatus itself) is an eligible expense. The cost of service animals trained to give assistance to persons with disabilities, including the cost of acquiring the animal, veterinary care, food, grooming, and other continuing costs of care, will be included.

### ***Eligible Attendant Care***

The family determines the type of attendant care that is appropriate for the person with disabilities.

#### PHA Policy

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 included for the period that the person enabled to work is employed plus reasonable transportation time. The cost of general housekeeping and personal services is not an eligible attendant care expense. However, if the person enabled to work is the person with disabilities, personal services necessary to enable the person with disabilities to work are eligible.

If the care attendant also provides other services to the family, the PHA will prorate the cost and allow only that portion of the expenses attributable to attendant care that enables a family member to work. For example, if the care provider also cares for a child who is not the person with disabilities, the cost of care must be prorated. Unless otherwise specified by the care provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

### ***Payments to Family Members***

No disability assistance expenses may be deducted for payments to a member of an assisted family [24 CFR 5.603(b)]. However, expenses paid to a relative who is not a member of the assisted family may be deducted if they are not reimbursed by an outside source.

### **Necessary and Reasonable Expenses**

The family determines the type of care or auxiliary apparatus to be provided and must describe how the expenses enable a family member to work. The family must certify that the disability assistance expenses are necessary and are not paid or reimbursed by any other source.

#### PHA Policy

The PHA determines the reasonableness of the expenses based on typical costs of care or apparatus in the locality. To establish typical costs, the PHA will collect information from organizations that provide services and support to persons with disabilities. A family may present, and the PHA will consider, the family's justification for costs that exceed typical costs in the area.

### **Families That Qualify for Both Medical and Disability Assistance Expenses**

#### PHA Policy

This policy applies only to families in which the head or spouse is 62 or older or is a person with disabilities.

When expenses anticipated by a family could be defined as either medical or disability assistance expenses, the PHA will consider them medical expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

## **6-II.F. CHILD CARE EXPENSE DEDUCTION**

HUD defines *child care expenses* at 24 CFR 5.603(b) as “amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care. In the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.”

### **Clarifying the Meaning of *Child* for This Deduction**

Child care expenses do not include child support payments made to another on behalf of a minor who is not living in an assisted family’s household [VG, p. 26]. However, child care expenses for foster children that are living in the assisted family’s household, are included when determining the family’s child care expenses [HCV GB, p. 5-29].

### **Qualifying for the Deduction**

#### ***Determining Who Is Enabled to Pursue an Eligible Activity***

##### PHA Policy

The family must identify the family member(s) enabled to pursue an eligible activity. The term *eligible activity* in this section means any of the activities that may make the family eligible for a child care deduction (seeking work, pursuing an education, or being gainfully employed).

In evaluating the family’s request, the PHA will consider factors such as how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.

#### ***Seeking Work***

##### PHA Policy

If the child care expense being claimed is to enable a family member to seek employment, the family must provide evidence of the family member’s efforts to obtain employment at each reexamination. The deduction may be reduced or denied if the family member’s job search efforts are not commensurate with the child care expense being allowed by the PHA.

***Furthering Education***

PHA Policy

If the child care expense being claimed is to enable a family member to further his or her education, the member must be enrolled in school (academic or vocational) or participating in a formal training program. The family member is not required to be a full-time student, but the time spent in educational activities must be commensurate with the child care claimed.

***Being Gainfully Employed***

PHA Policy

If the child care expense being claimed is to enable a family member to be gainfully employed, the family must provide evidence of the family member's employment during the time that child care is being provided. Gainful employment is any legal work activity (full- or part-time) for which a family member is compensated.

### **Earned Income Limit on Child Care Expense Deduction**

When a family member looks for work or furthers his or her education, there is no cap on the amount that may be deducted for child care – although the care must still be necessary and reasonable. However, when child care enables a family member to work, the deduction is capped by “the amount of employment income that is included in annual income” [24 CFR 5.603(b)]. The earned income used for this purpose is the amount of earned income verified after any earned income disallowances or income exclusions are applied.

When the person who is enabled to work is a person with disabilities who receives the earned income disallowance (EID) or a full-time student whose earned income above \$480 is excluded, child care costs related to enabling a family member to work may not exceed the portion of the person’s earned income that actually is included in annual income. For example, if a family member who qualifies for the EID makes \$15,000 but because of the EID only \$5,000 is included in annual income, child care expenses are limited to \$5,000.

The PHA must not limit the deduction to the least expensive type of child care. If the care allows the family to pursue more than one eligible activity, including work, the cap is calculated in proportion to the amount of time spent working [HCV GB, p. 5-30].

#### PHA Policy

When the child care expense being claimed is to enable a family member to work, only one family member’s income will be considered for a given period of time. When more than one family member works during a given period, the PHA generally will limit allowable child care expenses to the earned income of the lowest-paid member. The family may provide information that supports a request to designate another family member as the person enabled to work.

### **Eligible Child Care Expenses**

The type of care to be provided is determined by the assisted family. The PHA may not refuse to give a family the child care expense deduction because there is an adult family member in the household that may be available to provide child care [VG, p. 26].

### ***Allowable Child Care Activities***

#### PHA Policy

For school-age children, costs attributable to public or private school activities during standard school hours are not considered. Expenses incurred for supervised activities after school or during school holidays (e.g., summer day camp, after-school sports league) are allowable forms of child care.

The costs of general housekeeping and personal services are not eligible. Likewise, child care expenses paid to a family member who lives in the family's unit are not eligible; however, payments for child care to relatives who do not live in the unit are eligible.

If a child care provider also renders other services to a family or child care is used to enable a family member to conduct activities that are not eligible for consideration, the PHA will prorate the costs and allow only that portion of the expenses that is attributable to child care for eligible activities. For example, if the care provider also cares for a child with disabilities who is 13 or older, the cost of care will be prorated. Unless otherwise specified by the child care provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

***Necessary and Reasonable Costs***

Child care expenses will be considered necessary if: (1) a family adequately explains how the care enables a family member to work, actively seek employment, or further his or her education, and (2) the family certifies, and the child care provider verifies, that the expenses are not paid or reimbursed by any other source.

**PHA Policy**

Child care expenses will be considered for the time required for the eligible activity plus reasonable transportation time. For child care that enables a family member to go to school, the time allowed may include not more than one study hour for each hour spent in class.

To establish the reasonableness of child care costs, the PHA will use the schedule of child care costs from the local welfare agency. Families may present, and the PHA will consider, justification for costs that exceed typical costs in the area.

## **PART III: CALCULATING FAMILY SHARE AND PHA SUBSIDY**

### **6-III.A. OVERVIEW OF RENT AND SUBSIDY CALCULATIONS**

#### **TTP Formula [24 CFR 5.628]**

HUD regulations specify the formula for calculating the total tenant payment (TTP) for an assisted family. TTP is the highest of the following amounts, rounded to the nearest dollar:

- 30 percent of the family's monthly adjusted income (adjusted income is defined in Part II)
- 10 percent of the family's monthly gross income (annual income, as defined in Part I, divided by 12)
- The welfare rent (in as-paid states only)
- A minimum rent between \$0 and \$50 that is established by the PHA

The PHA has authority to suspend and exempt families from minimum rent when a financial hardship exists, as defined in section 6-III.B.

The amount that a family pays for rent and utilities (the family share) will never be less than the family's TTP but may be greater than the TTP depending on the rent charged for the unit the family selects.

#### **Welfare Rent [24 CFR 5.628]**

##### PHA Policy

Welfare rent does not apply in this locality.

#### **Minimum Rent [24 CFR 5.630]**

##### PHA Policy

The minimum rent for this locality is \$50.00.

#### **Family Share [24 CFR 982.305(a)(5)]**

If a family chooses a unit with a gross rent (rent to owner plus an allowance for tenant-paid utilities) that exceeds the PHA's applicable payment standard: (1) the family will pay more than the TTP, and (2) at initial occupancy the PHA may not approve the tenancy if it would require the family share to exceed 40 percent of the family's monthly adjusted income. The income used for this determination must have been verified no earlier than 60 days before the family's voucher was issued. (For a discussion of the application of payment standards, see section 6-III.C.)

**PHA Subsidy [24 CFR 982.505(b)]**

The PHA will pay a monthly housing assistance payment (HAP) for a family that is equal to the lower of (1) the applicable payment standard for the family minus the family's TTP or (2) the gross rent for the family's unit minus the TTP. (For a discussion of the application of payment standards, see section 6-III.C.)

**Utility Reimbursement [24 CFR 982.514(b)]**

When the PHA subsidy for a family exceeds the rent to owner, the family is due a utility reimbursement. HUD permits the PHA to pay the reimbursement to the family or directly to the utility provider.

PHA Policy

The PHA will make utility reimbursements to the family.

## **6-III.B. FINANCIAL HARDSHIPS AFFECTING MINIMUM RENT [24 CFR 5.630]**

### PHA Policy

The financial hardship rules described below do not apply in this jurisdiction because the PHA has established a minimum rent of \$50.00.

### **Overview**

If the PHA establishes a minimum rent greater than zero, the PHA must grant an exemption from the minimum rent if a family is unable to pay the minimum rent because of financial hardship. The financial hardship exemption applies only to families required to pay the minimum rent. If a family's TTP is higher than the minimum rent, the family is not eligible for a hardship exemption. If the PHA determines that a hardship exists, the family share is the highest of the remaining components of the family's calculated TTP.

### **HUD-Defined Financial Hardship**

Financial hardship includes the following situations:

- (1) The family has lost eligibility for or is awaiting an eligibility determination for a federal, state, or local assistance program. This includes a family member who is a noncitizen lawfully admitted for permanent residence under the Immigration and Nationality Act who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Act of 1996.

### PHA Policy

A hardship will be considered to exist only if the loss of eligibility has an impact on the family's ability to pay the minimum rent.

For a family waiting for a determination of eligibility, the hardship period will end as of the first of the month following: (1) implementation of assistance, if approved, or (2) the decision to deny assistance. A family whose request for assistance is denied may request a hardship exemption based upon one of the other allowable hardship circumstances.

- (2) The family would be evicted because it is unable to pay the minimum rent.

### PHA Policy

For a family to qualify under this provision, the cause of the potential eviction must be the family's failure to pay rent to the owner or tenant-paid utilities.

- (3) Family income has decreased because of changed family circumstances, including the loss of employment.

- (4) A death has occurred in the family.

PHA Policy

In order to qualify under this provision, a family must describe how the death has created a financial hardship (e.g., because of funeral-related expenses or the loss of the family member's income).

- (5) The family has experienced other circumstances determined by the PHA.

PHA Policy

The PHA has not established any additional hardship criteria.

## Implementation of Hardship Exemption

### *Determination of Hardship*

When a family requests a financial hardship exemption, the PHA must suspend the minimum rent requirement beginning the first of the month following the family's request.

The PHA then determines whether the financial hardship exists and whether the hardship is temporary or long-term.

#### PHA Policy

The PHA defines temporary hardship as a hardship expected to last 90 days or less.

Long-term hardship is defined as a hardship expected to last more than 90 days.

When the minimum rent is suspended, the family share reverts to the highest of the remaining components of the calculated TTP. The example below demonstrates the effect of the minimum rent exemption.

<b>Example: Impact of Minimum Rent Exemption</b>	
Assume the PHA has established a minimum rent of \$35.	
<b>Family Share – No Hardship</b>	<b>Family Share – With Hardship</b>
\$0 30% of monthly adjusted income	\$0 30% of monthly adjusted income
\$15 10% of monthly gross income	\$15 10% of monthly gross income
N/A Welfare rent	N/A Welfare rent
\$35 Minimum rent	\$35 Minimum rent
Minimum rent applies. TTP = \$35	Hardship exemption granted. TTP = \$15

#### PHA Policy

To qualify for a hardship exemption, a family must submit a request for a hardship exemption in writing. The request must explain the nature of the hardship and how the hardship has affected the family's ability to pay the minimum rent.

The PHA will make the determination of hardship within 30 calendar days.

***No Financial Hardship***

If the PHA determines there is no financial hardship, the PHA will reinstate the minimum rent and require the family to repay the amounts suspended.

PHA Policy

The PHA will require the family to repay the suspended amount within 30 calendar days of the PHA's notice that a hardship exemption has not been granted.

***Temporary Hardship***

If the PHA determines that a qualifying financial hardship is temporary, the PHA must suspend the minimum rent for the 90-day period beginning the first of the month following the date of the family's request for a hardship exemption.

At the end of the 90-day suspension period, the family must resume payment of the minimum rent and must repay the PHA the amounts suspended. HUD requires the PHA to offer a reasonable repayment agreement, on terms and conditions established by the PHA. The PHA also may determine that circumstances have changed and the hardship is now a long-term hardship.

PHA Policy

The PHA will enter into a repayment agreement in accordance with the procedures found in Chapter 16 of this plan.

### ***Long-Term Hardship***

If the PHA determines that the financial hardship is long-term, the PHA must exempt the family from the minimum rent requirement for so long as the hardship continues. The exemption will apply from the first of the month following the family's request until the end of the qualifying hardship. When the financial hardship has been determined to be long-term, the family is not required to repay the minimum rent.

#### **PHA Policy**

The hardship period ends when any of the following circumstances apply:

- (1) At an interim or annual reexamination, the family's calculated TTP is greater than the minimum rent.
- (2) For hardship conditions based on loss of income, the hardship condition will continue to be recognized until new sources of income are received that are at least equal to the amount lost. For example, if a hardship is approved because a family no longer receives a \$60/month child support payment, the hardship will continue to exist until the family receives at least \$60/month in income from another source or once again begins to receive the child support.
- (3) For hardship conditions based upon hardship-related expenses, the minimum rent exemption will continue to be recognized until the cumulative amount exempted is equal to the expense incurred.

### **6-III.C. APPLYING PAYMENT STANDARDS [24 CFR 982.505]**

#### **Overview**

The PHA's schedule of payment standards is used to calculate housing assistance payments for HCV families. This section covers the application of the PHA's payment standards. The establishment and revision of the PHA's payment standard schedule are covered in Chapter 16. *Payment standard* is defined as "the maximum monthly assistance payment for a family assisted in the voucher program (before deducting the total tenant payment by the family)" [24 CFR 982.4(b)].

The payment standard for a family is the lower of (1) the payment standard for the family unit size, which is defined as the appropriate number of bedrooms for the family under the PHA's subsidy standards [24 CFR 982.4(b)], or (2) the payment standard for the size of the dwelling unit rented by the family.

If the PHA has established an exception payment standard for a designated part of an FMR area and a family's unit is located in the exception area, the PHA must use the appropriate payment standard for the exception area.

The PHA is required to pay a monthly housing assistance payment (HAP) for a family that is the lower of (1) the payment standard for the family minus the family's TTP or (2) the gross rent for the family's unit minus the TTP.

If during the term of the HAP contract for a family's unit, the owner lowers the rent, the PHA will recalculate the HAP using the lower of the initial payment standard or the gross rent for the unit [HCV GB, p. 7-8].

#### **Changes in Payment Standards**

When the PHA revises its payment standards during the term of the HAP contract for a family's unit, it will apply the new payment standards in accordance with HUD regulations.

#### **Decreases**

If the amount on the payment standard schedule is decreased during the term of the HAP contract, the lower payment standard generally will be used beginning at the effective date of the family's second regular reexamination following the effective date of the decrease in the payment standard. The PHA will determine the payment standard for the family as follows:

**Step 1:** At the first regular reexamination following the decrease in the payment standard, the PHA will determine the payment standard for the family using the lower of the payment standard for the family unit size or the size of the dwelling unit rented by the family.

**Step 2:** The PHA will compare the payment standard from step 1 to the payment standard last used to calculate the monthly housing assistance payment for the family. The payment standard used by the PHA at the first regular reexamination following the decrease in the payment standard will be the higher of these two payment standards. The PHA will advise the family that the application of the lower payment standard will be deferred until the second regular reexamination following the effective date of the decrease in the payment standard.

**Step 3:** At the second regular reexamination following the decrease in the payment standard, the lower payment standard will be used to calculate the monthly housing assistance payment for the family unless the PHA has subsequently increased the payment standard, in which case the payment standard will be determined in accordance with procedures for increases in payment standards described below.

***Increases***

If the payment standard is increased during the term of the HAP contract, the increased payment standard will be used to calculate the monthly housing assistance payment for the family beginning on the effective date of the family's first regular reexamination on or after the effective date of the increase in the payment standard.

Families requiring or requesting interim reexaminations will not have their HAP payments calculated using the higher payment standard until their next annual reexamination [HCV GB, p. 7-8].

***Changes in Family Unit Size***

Irrespective of any increase or decrease in the payment standard, if the family unit size increases or decreases during the HAP contract term, the new family unit size must be used to determine the payment standard for the family beginning at the family's first regular reexamination following the change in family unit size.

***Reasonable Accommodation***

If a family requires a higher payment standard as a reasonable accommodation for a family member who is a person with disabilities, the PHA is allowed to establish a higher payment standard for the family within the basic range.

## **6-III.D. APPLYING UTILITY ALLOWANCES [24 CFR 982.517]**

### **Overview**

A PHA-established utility allowance schedule is used in determining family share and PHA subsidy. The PHA must use the appropriate utility allowance for the size of dwelling unit actually leased by a family rather than the voucher unit size for which the family qualifies using PHA subsidy standards. See Chapter 5 for information on the PHA's subsidy standards. For policies on establishing and updating utility allowances, see Chapter 16.

### **Reasonable Accommodation**

HCV program regulations require a PHA to approve a utility allowance amount higher than shown on the PHA's schedule if a higher allowance is needed as a reasonable accommodation for a family member with a disability. For example, if a family member with a disability requires such an accommodation, the PHA will approve an allowance for air-conditioning, even if the PHA has determined that an allowance for air-conditioning generally is not needed.

The family must request the higher allowance and provide the PHA with an explanation of the need for the reasonable accommodation and information about the amount of additional allowance required [HCV GB, p. 18-8].

### **Utility Allowance Revisions**

At reexamination, the PHA must use the PHA current utility allowance schedule [24 CFR 982.517(d)(2)].

#### PHA Policy

Revised utility allowances will be applied to a family's rent and subsidy calculations at the first annual reexamination that is effective after the allowance is adopted.

**6-III.E. PRORATED ASSISTANCE FOR MIXED FAMILIES [24 CFR 5.520]**

HUD regulations prohibit assistance to ineligible family members. A *mixed family* is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible family members. The PHA must prorate the assistance provided to a mixed family. The PHA will first determine assistance as if all family members were eligible and then prorate the assistance based upon the percentage of family members that actually are eligible. For example, if the PHA subsidy for a family is calculated at \$500 and two of four family members are ineligible, the PHA subsidy would be reduced to \$250.



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## EXHIBIT 6-1: ANNUAL INCOME INCLUSIONS

### 24 CFR 5.609

*(a) Annual income means all amounts, monetary or not, which:*

- (1) Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or
- (2) Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
- (3) Which are not specifically excluded in paragraph (c) of this section.
- (4) Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

*(b) Annual income includes, but is not limited to:*

- (1) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
- (2) The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family;

- (3) Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (b)(2) of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, 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;
- (4) The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except as provided in paragraph (c)(14) of this section);
- (5) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (except as provided in paragraph (c)(3) of this section);

(6) Welfare assistance payments.

(i) Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) program are included in annual income only to the extent such payments:

(A) Qualify as assistance under the TANF program definition at 45 CFR 260.31<sup>1</sup>; and

(B) Are not otherwise excluded under paragraph (c) of this section.

(ii) If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:

(A) The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus

(B) The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage.

(7) Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling;

(8) All regular pay, special pay and allowances of a member of the Armed Forces (except as provided in paragraph (c)(7) of this section)

(9) For section 8 programs only and as provided in 24 CFR 5.612, any financial assistance, in excess of amounts received for tuition, that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), from private sources, or from an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except that financial assistance described in this paragraph is not considered annual income for persons over the age of 23 with dependent children. For purposes of this paragraph, "financial assistance" does not include loan proceeds for the purpose of determining income.

<p style="text-align: center;"><b>HHS DEFINITION OF "ASSISTANCE"</b></p>
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**45 CFR: GENERAL TEMPORARY ASSISTANCE FOR NEEDY FAMILIES**

**260.31 What does the term "assistance" mean?**

(a)(1) The term "assistance" includes cash, payments, vouchers, and other forms of benefits designed to meet a family's ongoing basic needs (i.e., for food, clothing, shelter, utilities, household goods, personal care items, and general incidental expenses).

(2) It includes such benefits even when they are:

(i) Provided in the form of payments by a TANF agency, or other agency on its behalf, to individual recipients; and

(ii) Conditioned on participation in work experience or community service (or any other work activity under 261.30 of this chapter).

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<sup>1</sup> Text of 45 CFR 260.31 follows.

(3) Except where excluded under paragraph (b) of this section, it also includes supportive services such as transportation and child care provided to families who are not employed.

(b) [The definition of “assistance”] excludes: (1) Nonrecurrent, short-term benefits that:

(i) Are designed to deal with a specific crisis situation or episode of need;

(ii) Are not intended to meet recurrent or ongoing needs; and

(iii) Will not extend beyond four months.

(2) Work subsidies (i.e., payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, and training);

(3) Supportive services such as child care and transportation provided to families who are employed;

(4) Refundable earned income tax credits;

(5) Contributions to, and distributions from, Individual Development Accounts;

(6) Services 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; and

(7) Transportation benefits provided under a Job Access or Reverse Commute project, pursuant to section 404(k) of [the Social Security] Act, to an individual who is not otherwise receiving assistance.

## EXHIBIT 6-2: ANNUAL INCOME EXCLUSIONS

### 24 CFR 5.609

*(c) Annual income does not include the following:*

- (1) Income from employment of children (including foster children) under the age of 18 years;
- (2) 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);
- (3) 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 (except as provided in paragraph (b)(5) of this section);
- (4) Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
- (5) Income of a live-in aide, as defined in Sec. 5.403;
- (6) Subject to paragraph (b)(9) of this section, the full amount of student financial assistance paid directly to the student or to the educational institution;
  - (7) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- (8)
  - (i) Amounts received under training programs funded by HUD;
  - (ii) 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);

(iii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;

(iv) Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time;

(v) 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 a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program;

(9) Temporary, nonrecurring or sporadic income (including gifts);

(10) 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;

- (11) Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);
- (12) Adoption assistance payments in excess of \$480 per adopted child;
- (13) [Reserved]
- (14) Deferred periodic amounts from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts.
- (15) 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;
- (16) 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; or
- (17) 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. A notice will be published in the Federal Register and distributed to PHAs and housing owners identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary. [See the following chart for a list of benefits that qualify for this exclusion.]

<p>Sources of Income Excluded by Federal Statute from Consideration as Income for Purposes of Determining Eligibility or Benefits</p>
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- 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 \$2000 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 \$2000 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) Amounts of scholarships funded under title IV of the Higher Education Act of 1965, including awards under federal work-study program or under the Bureau of Indian Affairs student assistance programs (20 U.S.C. 1087uu);

j) Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056(f));

k) 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.);

l) Payments received under the Maine Indian Claims Settlement Act of 1980 (25 U.S.C. 1721);

m) 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);

n) Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 U.S.C. 32(j));

o) 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);

p) Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d));

q) 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);

r) 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); and

s) Allowances, earnings and payments to individuals participating in programs under the Workforce Investment Act of 1998 (29 U.S.C. 2931).

## EXHIBIT 6-3: TREATMENT OF FAMILY ASSETS

### 24 CFR 5.603(b) Net Family Assets

(1) Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.

(2) In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income under Sec. 5.609.

(3) In determining net family assets, PHAs or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefor.

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

(4) For purposes of determining annual income under Sec. 5.609, the term "net family assets" does not include the value of a home currently being purchased with assistance under part 982, subpart M of this title. This exclusion is limited to the first 10 years after the purchase date of the home.

**EXHIBIT 6-4: EARNED INCOME DISALLOWANCE FOR PERSONS WITH DISABILITIES**

**24 CFR 5.617 Self-sufficiency incentives for persons with disabilities—Disallowance of increase in annual income.**

*(a) Applicable programs.* The disallowance of increase in annual income provided by this section is applicable only to the following programs: HOME Investment Partnerships Program (24 CFR part 92); Housing Opportunities for Persons with AIDS (24 CFR part 574); Supportive Housing Program (24 CFR part 583); and the Housing Choice Voucher Program (24 CFR part 982).

*(b) Definitions.* The following definitions apply for purposes of this section.

*Disallowance.* Exclusion from annual income.

*Previously unemployed* includes a person with disabilities 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.

*Qualified family.* A family residing in housing assisted under one of the programs listed in paragraph (a) of this section or receiving tenant-based rental assistance under one of the programs listed in paragraph (a) of this section.

(1) Whose annual income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment;

(2) Whose annual income increases as a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; or

(3) Whose annual income increases, as 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 temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the responsible entity in consultation with the local agencies administering temporary assistance for needy families (TANF) and Welfare-to-Work (WTW) programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance-- provided that the total amount over a six-month period is at least \$500.

*(c) Disallowance of increase in annual income—*

(1) 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 responsible entity must exclude from annual income (as defined in the regulations governing the applicable program listed in paragraph (a) of this section) of a qualified family any increase in income of the family member who is a person with disabilities as a result of employment over prior income of that family member.

(2) Second twelve month exclusion and phase-in. During the second cumulative twelve month period after 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 responsible entity must exclude from annual income of a qualified family fifty percent of any increase in income of such family member as a result of employment over income of that family member prior to the beginning of such employment.

(3) Maximum four year disallowance. The disallowance of increased income of an individual family member who is a person with disabilities as provided in paragraph (c)(1) or (c)(2) is limited to a lifetime 48 month period. The disallowance only applies for a maximum of twelve months for disallowance under paragraph (c)(1) and a maximum of twelve months for disallowance under paragraph (c)(2), during the 48 month period starting from the initial exclusion under paragraph (c)(1) of this section.

(d) *Inapplicability to admission.* The disallowance of increases in income as a result of employment of persons with disabilities under this section does not apply for purposes of admission to the program (including the determination of income eligibility or any income targeting that may be applicable).

## EXHIBIT 6-5: THE EFFECT OF WELFARE BENEFIT REDUCTION

### 24 CFR 5.615

#### Public housing program and Section 8 tenant-based assistance program: How welfare benefit reduction affects family income.

(a) *Applicability.* This section applies to covered families who reside in public housing (part 960 of this title) or receive Section 8 tenant-based assistance (part 982 of this title).

(b) *Definitions.* The following definitions apply for purposes of this section:

*Covered families.* Families who receive welfare assistance or other public assistance benefits ("welfare benefits") from a State or other public agency ("welfare 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 such assistance.

*Economic self-sufficiency program.* See definition at Sec. 5.603.

*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 for purposes of determining rent.

*Specified welfare benefit reduction.*

(1) 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.

(2) "Specified welfare benefit reduction" does not include a reduction or termination of welfare benefits by the welfare agency:

(i) at expiration of a lifetime or other time limit on the payment of welfare benefits;

(ii) because a family member is not able to obtain employment, even though the family member has complied with welfare agency economic self-sufficiency or work activities requirements; or

(iii) because a family member has not complied with other welfare agency requirements.

(c) *Imputed welfare income.*

(1) A family's annual income includes the amount of imputed welfare income (because of a specified welfare benefits reduction, as specified in notice to the PHA by the welfare agency), plus the total amount of other annual income as determined in accordance with Sec. 5.609.

(2) At the request of the PHA, the welfare agency will inform the PHA in writing of the amount and term of any specified welfare benefit reduction for a family member, and the reason for such reduction, and will also inform the PHA of any subsequent changes in the term or amount of such specified welfare benefit reduction. The PHA will use this information to determine the amount of imputed welfare income for a family.

(3) A family's annual income includes imputed welfare income in family annual income, as determined at the PHA's interim or regular reexamination of family income and composition, during the term of the welfare benefits reduction (as specified in information provided to the PHA by the welfare agency).

(4) The amount of the imputed welfare income is offset by the amount of additional income a family receives that commences after the time the sanction was imposed. When such additional income from other sources is at least equal to the imputed

(5) The PHA may not include imputed welfare income in annual income if the family was not an assisted resident at the time of sanction.

*(d) Review of PHA decision.*

(1) Public housing. If a public housing tenant claims that the PHA has not correctly calculated the amount of imputed welfare income in accordance with HUD requirements, and if the PHA denies the family's request to modify such amount, the PHA shall give the tenant written notice of such denial, with a brief explanation of the basis for the PHA determination of the amount of imputed welfare income. The PHA notice shall also state that if the tenant does not agree with the PHA determination, the tenant may request a grievance hearing in accordance with part 966, subpart B of this title to review the PHA determination. The tenant is not required to pay an escrow deposit pursuant to Sec. 966.55(e) for the portion of tenant rent attributable to the imputed welfare income in order to obtain a grievance hearing on the PHA determination.

(2) Section 8 participant. A participant in the Section 8 tenant-based assistance program may request an informal hearing, in accordance with Sec. 982.555 of this title, to review the PHA determination of the amount of imputed welfare income that must be included in the family's annual income in accordance with this section. If the family claims that such amount is not correctly calculated in accordance with HUD requirements, and if the PHA denies the family's request to modify such amount, the PHA shall give the family written notice of such denial, with a brief explanation of the basis for the PHA determination of the amount of imputed welfare income. Such notice shall also state that if the family does not agree with the PHA determination, the family may request an informal hearing on the determination under the PHA hearing procedure.

*(e) PHA relation with welfare agency.*

(1) The PHA must ask welfare agencies to inform the PHA of any specified welfare benefits reduction for a family member, the reason for such reduction, the term of any such reduction, and any subsequent welfare agency determination affecting the amount or term of a specified welfare benefits reduction. If the welfare agency determines a specified welfare benefits reduction for a family member, and gives the PHA written notice of such reduction, the family's annual incomes shall include the imputed welfare income because of the specified welfare benefits reduction.

(2) The PHA is responsible for determining the amount of imputed welfare income that is included in the family's annual income as a result of a specified welfare benefits reduction as determined by the welfare agency, and specified in the notice by the welfare agency to the PHA. However, the PHA is not responsible for determining whether a reduction of welfare benefits by the welfare agency was correctly determined by the welfare agency in accordance with welfare program requirements and procedures, nor for providing the opportunity for review or hearing on such welfare agency determinations.

(3) Such welfare agency determinations are the responsibility of the welfare agency, and the family may seek appeal of such determinations through the welfare agency's normal due process procedures. The PHA shall be entitled to rely on the welfare agency notice to the PHA of the welfare agency's determination of a specified welfare benefits reduction.

CONFIDENTIAL

## Chapter 7

### VERIFICATION

[24 CFR 982.516, 24 CFR 982.551, 24 CFR 5.230]

#### INTRODUCTION

The PHA must verify all information that is used to establish the family's eligibility and level of assistance and is required to obtain the family's consent to collect the information. Applicants and program participants must cooperate with the verification process as a condition of receiving assistance. The PHA must not pass on the cost of verification to the family.

The PHA will follow the verification guidance provided by HUD in PIH Notice 2004-01 Verification Guidance and any subsequent guidance issued by HUD. This chapter summarizes those requirements and provides supplementary PHA policies.

Part I describes the general verification process. More detailed requirements related to individual factors are provided in subsequent parts including family information (Part II), income and assets (Part III), and mandatory deductions (Part IV).

Verification policies, rules and procedures will be modified as needed to accommodate persons with disabilities. All information obtained through the verification process will be handled in accordance with the records management policies of the PHA.

#### PART I: GENERAL VERIFICATION REQUIREMENTS

##### **7-I.A. FAMILY CONSENT TO RELEASE OF INFORMATION [24 CFR 982.516 AND 982.551, 24 CFR 5.230]**

The family must supply any information that the PHA or HUD determines is necessary to the administration of the program and must consent to PHA verification of that information [24 CFR 982.551].

##### **Consent Forms**

It is required that all adult applicants and participants sign form HUD-9886, Authorization for Release of Information. The purpose of form HUD-9886 is to facilitate automated data collection and computer matching from specific sources and provides the family's consent only for the specific purposes listed on the form. HUD and the PHA may collect information from State Wage Information Collection Agencies (SWICAs) and current and former employers of adult family members. Only HUD is authorized to collect information directly from the Internal Revenue Service (IRS) and the Social Security Administration (SSA). Adult family members must sign other consent forms as needed to collect information relevant to the family's eligibility and level of assistance.

##### **Penalties for Failing to Consent [24 CFR 5.232]**

If any family member who is required to sign a consent form fails to do so, the PHA will deny admission to applicants and terminate assistance of participants. The family may request an informal review (applicants) or informal hearing (participants) in accordance with PHA procedures.

## **7-I.B. OVERVIEW OF VERIFICATION REQUIREMENTS**

### **HUD's Verification Hierarchy**

HUD authorizes the PHA to use five methods to verify family information and specifies the circumstances in which each method will be used. In general HUD requires the PHA to use the most reliable form of verification that is available and to document the reasons when the PHA uses a lesser form of verification.

#### PHA Policy

In order of priority, the forms of verification that the PHA will use are:

Up-front Income Verification (UIV) whenever available

Third-party Written Verification

Third-party Oral Verification

Review of Documents

Self-Certification

Each of the verification methods is discussed in subsequent sections below. Exhibit 7-1 at the end of the chapter contains an excerpt from the notice that provides guidance with respect to how each method may be used.

### **Requirements for Acceptable Documents**

#### PHA Policy

Any documents used for verification must be the original (not photocopies) and generally must be dated within 60 calendar days of the date they are provided to the PHA. The documents must not be damaged, altered or in any way illegible.

The PHA will accept documents dated up to 6 months before the effective date of the family's reexamination if the document represents the most recent scheduled report from a source. For example, if the holder of a pension annuity provides semi-annual reports, the PHA would accept the most recent report.

Print-outs from web pages are considered original documents.

The PHA staff member who views the original document must make a photocopy, annotate the copy with the name of the person who provided the document and the date the original was viewed, and sign the copy.

Any family self-certifications must be made in a format acceptable to the PHA and must be signed in the presence of a PHA representative or PHA notary public.

## **File Documentation**

The PHA must document in the file how the figures used in income and rent calculations were determined. All verification attempts, information obtained, and decisions reached during the verification process will be recorded in the family's file in sufficient detail to demonstrate that the PHA has followed all of the verification policies set forth in this plan. The record should be sufficient to enable a staff member or HUD reviewer to understand the process followed and conclusions reached.

### PHA Policy

The PHA will document, in the family file, the following:

- Reported family annual income
- Value of assets
- Expenses related to deductions from annual income
- Other factors influencing the adjusted income or income-based rent determination

When the PHA is unable to obtain 3rd party verification, the PHA will document in the family file the reason that third-party verification was not available and will place a photocopy of any original document(s) in the family file. [24 CFR 960.259(c)(1); VG, p.15]

## **7-I.C. UP FRONT INCOME VERIFICATION (UIV)**

Up-front income verification (UIV) refers to the PHA's use of the verification tools available from independent sources that maintain computerized information about earnings and benefits. UIV will be used to the extent that these systems are available to the PHA.

### PHA Policy

The PHA will inform all applicants and participants of its use of the following UIV resources during the admission and reexamination process:

- HUD's EIV system (when it is available to the PHA)

**[Insert any additional UIV sources used by the PHA]**

The PHA must restrict access to and safeguard UIV data in accordance with HUD guidance on security procedures, as issued and made available by HUD.

There may be legitimate differences between the information provided by the family and UIV-generated information. No adverse action can be taken against a family until the PHA has independently verified the UIV information and the family has been granted an opportunity to contest any adverse findings through the informal review/hearing process of the PHA.

### **Definition of Substantial Difference**

UIV information is used differently depending upon whether there is a *substantial difference* between information provided by the family and the UIV information. In "HUD Guidelines for Projecting Annual Income When UIV Data is Available" [HUD website, April 2004], HUD recommends using \$200 per month as the threshold for a substantial difference. The PHA will therefore use \$200 per month as the threshold for a substantial difference.

See Chapter 6 for the PHA's policy on the use of UIV to project annual income and for the PHA's threshold for substantial difference.

### **When No Substantial Difference Exists**

If UIV information does not differ substantially from family information, the UIV documentation may serve as third-party written verification.

### **When a Substantial Difference Exists**

When there is a substantial difference between the information provided by the UIV source and the family, the PHA must request another form of third-party written verification and use any other verification methods (in priority order) to reconcile the difference(s).

### **Use of HUD's Enterprise Income Verification (EIV) System**

HUD's EIV system contains data showing earned income, unemployment benefits, Social Security and SSI benefits for participant families. HUD requires the PHA to use the EIV system when available. The following policies will apply when the PHA has access to HUD's EIV system.

The EIV system contains two main components: tenant income data reports and "exceeds threshold" reports.

### ***Tenant Income Data (TID) Reports***

The data shown on TID reports is updated quarterly. Data may be between 3 and 6 months old at the time reports are generated.

#### PHA Policy

The PHA will obtain TID reports for annual reexaminations on a monthly basis. Reports will be generated as part of the regular reexamination process.

TID reports will be compared to family-provided information as part of the annual reexamination process. TID reports may be used in the calculation of annual income, as described in Chapter 6.I.C. TID reports may also be used to meet the regulatory requirement for third party verification, as described above. Policies for resolving discrepancies between TID reports and family-provided information will be resolved as described in Chapter 6.I.C. and in this chapter.

TID reports will be used in interim reexaminations when it is necessary to verify and calculate earned income, unemployment benefits, Social Security and/or SSI benefits, and to verify that families claiming zero income are not receiving income from any of these sources.

TID reports will be retained in participant files with the applicable annual or interim reexamination documents.

When the PHA determines through TID reports and third party verification that a family has concealed or under-reported income, corrective action will be taken pursuant to the policies in Chapter 14, Program Integrity.

### ***Exceeds Threshold Reports (ETRs)***

The ETR is a tool for identifying families who may have concealed or under-reported income. Data in the ETR represents income for past reporting periods and may be between 6 months and 30 months old at the time ETRs are generated.

Families who have not concealed or under-reported income may appear on the ETR in some circumstances, such as loss of a job or addition of new family members.

#### **PHA Policy**

The PHA will generate and review ETRs on a monthly basis. The ETR threshold percentage will be adjusted as necessary based on the findings in the ETRs.

In reviewing ETRs, the PHA will begin with the largest discrepancies.

When the PHA determines that a participant appearing on the ETR has not concealed or under-reported income, the participant's name will be placed on a list of "false positive" reviews. To avoid multiple reviews in this situation, participants appearing on this list will be eliminated from ETR processing until a subsequent interim or annual reexamination has been completed.

When it appears that a family may have concealed or under-reported income, the PHA will request third-party written verification of the income in question.

When the PHA determines through ETR review and third party verification that a family has concealed or under-reported income, corrective action will be taken pursuant to the policies in Chapter 14, Program Integrity.

### ***EIV Identity Verification***

The EIV system verifies tenant identities against SSA records. These records are compared to PIC data for a match on Social Security number, name, and date of birth.

When identity verification for a participant fails, a message will be displayed within the EIV system and no income information will be displayed.

#### **PHA Policy**

The PHA will identify participants whose identity verification has failed as part of the annual reexamination process.

The PHA will attempt to resolve PIC/SSA discrepancies by reviewing file documents. When the PHA determines that discrepancies exist due to PHA errors such as spelling errors or incorrect birth dates, the errors will be corrected promptly.

## **7-I.D. THIRD-PARTY WRITTEN AND ORAL VERIFICATION**

### **Reasonable Effort and Timing**

Unless third-party verification is not required as described below, HUD requires the PHA to make at least two unsuccessful attempts to obtain third-party verification before using another form of verification [VG, p. 15].

#### PHA Policy

The PHA will diligently seek third-party verification using a combination of written and oral requests to verification sources. Information received orally from third parties may be used either to clarify information provided in writing by the third party or as independent verification when written third-party verification is not received in a timely fashion.

The PHA may mail, fax, e-mail, or hand deliver third-party written verification requests and will accept third-party responses using any of these methods. The PHA will send a written request for verification to each required source within 5 business days of securing a family's authorization for the release of the information and give the source 10 business days to respond in writing. If a response has not been received by the 11<sup>th</sup> business day, the PHA will request third-party oral verification.

The PHA will make a minimum of two attempts, one of which may be oral, to obtain third-party verification. A record of each attempt to contact the third-party source (including no-answer calls) and all contacts with the source will be documented in the file. Regarding third-party oral verification, PHA staff will record in the family's file the name and title of the person contacted, the date and time of the conversation (or attempt), the telephone number used, and the facts provided.

When any source responds verbally to the initial written request for verification the PHA will accept the verbal response as oral verification but will also request that the source complete and return any verification forms that were provided.

If a third party agrees to confirm in writing the information provided orally, the PHA will wait no more than 5 business days for the information to be provided. If the information is not provided by the 6<sup>th</sup> business day, the PHA will use any information provided orally in combination with reviewing family-provided documents.

### **When Third-Party Information is Late**

When third-party verification has been requested and the timeframes for submission have been exceeded, the PHA will use the information from documents on a provisional basis. If the PHA later receives third-party verification that differs from the amounts used in income and rent determinations and it is past the deadline for processing the reexamination, the PHA will conduct an interim reexamination to adjust the figures used for the reexamination, regardless of the PHA's interim reexamination policy.

### **When Third-Party Verification is Not Required**

#### ***Primary Documents***

Third-party verification is not required when legal documents are the primary source, such as a birth certificate or other legal documentation of birth.

#### ***Certain Assets and Expenses***

The PHA will accept a self-certification from a family as verification of assets disposed of for less than fair market value [HCV GB, p. 5-28].

The PHA will determine that third-party verification is not available if the asset or expense involves an insignificant amount, making it not cost-effective or reasonable to obtain third-party verification [VG, p. 15].

#### **PHA Policy**

The PHA will use review of documents in lieu of requesting third-party verification when the market value of an individual asset or an expense is less than \$500 annually *and* the family has original documents that support the declared amount.

### ***Certain Income, Asset and Expense Sources***

The PHA will determine that third-party verification is not available when it is known that an income source does not have the ability to provide written or oral third-party verification [VG, p. 15]. For example, the PHA will rely upon review of documents when the PHA determines that a third party's privacy rules prohibit the source from disclosing information.

#### **PHA Policy**

The PHA also will determine that third-party verification is not available when there is a service charge for verifying an asset or expense *and* the family has original documents that provide the necessary information.

The PHA will document in the family file the reason that the third-party verification was not available and will place a photocopy of the original document(s) in the family file. [VG, p. 15]

If the family cannot provide original documents, the PHA will pay the service charge required to obtain third-party verification, unless it is not cost effective in which case a self-certification will be acceptable as the only means of verification. The cost of verification will not be passed on to the family.

The cost of postage and envelopes to obtain third-party verification of income, assets, and expenses is not an unreasonable cost [VG, p. 18].

## **7-I.E. REVIEW OF DOCUMENTS**

### **Using Review of Documents as Verification**

#### PHA Policy

If the PHA has determined that third-party verification is not available or not required, the PHA will use documents provided by the family as verification.

The PHA may also review documents when necessary to help clarify information provided by third parties. In such cases the PHA will document in the file how the PHA arrived at a final conclusion about the income or expense to include in its calculations.

## **7-I.F. SELF-CERTIFICATION**

#### PHA Policy

When information cannot be verified by a third party or by review of documents, family members will be required to submit self-certifications attesting to the accuracy of the information they have provided to the PHA.

The PHA may require a family to certify that a family member does not receive a particular type of income or benefit.

The self-certification must be made in a format acceptable to the PHA and must be signed by the family member whose information or status is being verified. All self-certifications must be signed in the presence of a PHA representative or PHA notary public.



## PART II: VERIFYING FAMILY INFORMATION

### 7-II.A. VERIFICATION OF LEGAL IDENTITY

#### PHA Policy

The PHA will require families to furnish verification of legal identity for each household member.

<b>Verification of Legal Identity for Adults</b>	<b>Verification of Legal Identity for Children</b>
Certificate of birth, naturalization papers Church issued baptismal certificate Current, valid driver's license or Department of Motor Vehicles identification card U.S. military discharge (DD 214) U.S. passport Employer identification card	Certificate of birth Adoption papers Custody agreement Health and Human Services ID School records

If a document submitted by a family is illegible or otherwise questionable, more than one of these documents may be required.

If none of these documents can be provided and at the PHA's discretion, a third party who knows the person may attest to the person's identity. The certification must be provided in a format acceptable to the PHA and be signed in the presence of a PHA representative or PHA notary public.

Legal identity will be verified on an as needed basis.

## **7-II.B. SOCIAL SECURITY NUMBERS [24 CFR 5.216 and HCV GB, p. 5-12]**

For every family member age 6 or older, the family must provide documentation of a valid social security number (SSN), or a self-certification stating that no SSN has been issued. The self-certification must be executed personally by any family member 18 or older, or by a parent or guardian for a minor.

### PHA Policy

The PHA will also accept the following documents as evidence if the SSN is provided on the document:

- Driver's license

- Other identification card issued by a federal, state, or local agency, a medical insurance company or provider, or employer or trade union

- Payroll stubs

- Benefit award letters from government agencies; retirement benefit letters; life insurance policies

- Court records (real estate, tax notices, marriage and divorce, judgment or bankruptcy records)

If the family reports an SSN but cannot provide acceptable documentation of the number, the PHA will require a self-certification stating that documentation of the SSN cannot be provided at this time. The PHA will require documentation of the SSN within 60 calendar days from the date of the family member's self-certification mentioned above. If the family is an applicant, assistance cannot be provided until proper documentation of the SSN is provided.

### PHA Policy

The PHA will instruct the family to obtain a duplicate card from the local Social Security Administration (SSA) office.

For individuals who are at least 62 years of age and are unable to submit the required documentation of their SSN within the initial 60-day period, the PHA will grant an additional 60 calendar days to provide documentation.

Social security numbers must be verified only once during continuously-assisted occupancy. If any family member obtains an SSN after admission to the program, the new SSN must be disclosed at the next regularly scheduled reexamination. In addition, if a child reaches the age of 6 and has no SSN, the parent or guardian must execute a self-certification stating that the child has no SSN at the next regularly scheduled reexamination.

The social security numbers of household members, such as live-in aids, must be verified for the purpose of conducting criminal background checks.

### **7-II.C. DOCUMENTATION OF AGE**

A birth certificate or other official record of birth is the preferred form of age verification for all family members. For elderly family members an original document that provides evidence of the receipt of social security retirement benefits is acceptable.

#### PHA Policy

If an official record of birth or evidence of social security retirement benefits cannot be provided, the PHA will require the family to submit other documents that support the reported age of the family member (e.g., school records, driver's license if birth year is recorded) and to provide a self-certification.

Age must be verified only once during continuously-assisted occupancy.

## **7-II.D. FAMILY RELATIONSHIPS**

Applicants and program participants are required to identify the relationship of each household member to the head of household. Definitions of the primary household relationships are provided in the Eligibility chapter.

### PHA Policy

Family relationships are verified only to the extent necessary to determine a family's eligibility and level of assistance. Certification by the head of household normally is sufficient verification of family relationships.

### **Marriage**

#### PHA Policy

Certification by the head of household is normally sufficient verification. If the PHA has reasonable doubts about a marital relationship, the PHA will require the family to document the marriage.

A marriage certificate generally is required to verify that a couple is married.

In the case of a common law marriage, the couple must demonstrate that they hold themselves to be married (e.g., by telling the community they are married, calling each other husband and wife, using the same last name, filing joint income tax returns).

### **Separation or Divorce**

#### PHA Policy

Certification by the head of household is normally sufficient verification. If the PHA has reasonable doubts about a separation or divorce, the PHA will require the family to document the divorce, or separation.

A certified copy of a divorce decree, signed by a court officer, is required to document that a couple is divorced.

A copy of a court-ordered maintenance or other court record is required to document a separation.

If no court document is available, documentation from a community-based agency will be accepted.

**Absence of Adult Member**

PHA Policy

If an adult member who was formerly a member of the household is reported to be permanently absent, the family must provide evidence to support that the person is no longer a member of the family (e.g., documentation of another address at which the person resides such as a lease or utility bill).

**Foster Children and Foster Adults**

PHA Policy

Third-party verification from the state or local government agency responsible for the placement of the individual with the family is required.

## 7-II.E. VERIFICATION OF STUDENT STATUS

### General Requirements

#### PHA Policy

The PHA requires families to provide information about the student status of all students who are 18 years of age or older. This information will be verified only if:

The family reports full-time student status for an adult other than the head, spouse, or cohead.

The family reports child care expenses to enable a family member to further his or her education.

The family includes a student enrolled in an *institution of higher education*.

### Restrictions on Assistance to Students Enrolled in Institutions of Higher Education

This section applies only to students who are seeking assistance on their own, separately from their parents. It does not apply to students residing with parents who are seeking or receiving HCV assistance.

#### PHA Policy

In accordance with the verification hierarchy described in Section 7-1.B, the PHA will determine whether the student is exempt from the restrictions in 24 CFR 5.612 by verifying any one of the following exemption criteria:

The student is enrolled at an educational institution that does not meet the definition of *institution of higher education* in the Higher Education Act of 1965 (see Section Exhibit 3-2).

The student is at least 24 years old.

The student is a veteran, as defined in Section 3-II.E.

The student is married.

The student has at least one dependent child, as defined in Section 3-II.E.

If the PHA cannot verify at least one of these exemption criteria, the PHA will conclude that the student is subject to the restrictions on assistance at 24 CFR 5.612. In addition to verifying the student's income eligibility, the PHA will then proceed to verify either the student's parents' income eligibility (see Section 7-III.J) or the student's independence from his/her parents (see below).

## ***Independent Student***

### **PHA Policy**

The PHA will verify a student's independence from his/her parents to determine that the student's parents' income is not relevant for determining the student's eligibility by doing all of the following:

Either reviewing and verifying previous address information to determine whether the student has established a household separate from his/her parents for at least one year or reviewing and verifying documentation relevant to determining whether the student meets the U.S. Department of Education's definition of *independent student* (see Section 3-II.E)

Reviewing prior year income tax returns to verify whether a parent has claimed the student as a dependent

Requesting and obtaining written certification directly from the student's parents identifying the amount of support they will be providing to the student, even if the amount of support is \$0.

## **7-II.F. DOCUMENTATION OF DISABILITY**

The PHA must verify the existence of a disability in order to allow certain income disallowances and deductions from income. The PHA is not permitted to inquire about the nature or extent of a person's disability [24 CFR 100.202(c)]. The PHA may not inquire about a person's diagnosis or details of treatment for a disability or medical condition. If the PHA receives a verification document that provides such information, the PHA will not place this information in the tenant file. Under no circumstances will the PHA request a participant's medical record(s). For more information on health care privacy laws, see the Department of Health and Human Services' website at [www.os.dhhs.gov](http://www.os.dhhs.gov).

The above cited regulation does not prohibit the following inquiries, provided these inquiries are made of all applicants, whether or not they are persons with disabilities [VG, p. 24]:

Inquiry into an applicant's ability to meet the requirements of ownership or tenancy

Inquiry to determine whether an applicant is qualified for a dwelling available only to persons with disabilities or to persons with a particular type of disability

Inquiry to determine whether an applicant for a dwelling is qualified for a priority available to persons with disabilities or to persons with a particular type of disability

Inquiring whether an applicant for a dwelling is a current illegal abuser or addict of a controlled substance

Inquiring whether an applicant has been convicted of the illegal manufacture or distribution of a controlled substance

### **Family Members Receiving SSA Disability Benefits**

Verification of the receipt of disability benefits from the Social Security Administration (SSA) is sufficient verification of disability for the purpose of qualifying for waiting list preferences (if applicable) or certain income disallowances and deductions [VG, p. 23].

#### PHA Policy

For family members claiming disability who receive disability benefits from the SSA, the PHA will attempt to obtain information about disability benefits through the HUD Enterprise Income Verification (EIV) system when it is available, or HUD's Tenant Assessment Subsystem (TASS). If documentation from HUD's EIV System or TASS is not available, the PHA will request a current (dated within the last 60 days) SSA benefit verification letter from each family member claiming disability status. If the family is unable to provide the document(s), the PHA will ask the family to request a benefit verification letter by either calling SSA at 1-800-772-1213, or by requesting it from [www.ssa.gov](http://www.ssa.gov). Once the applicant or participant receives the benefit verification letter they will be required to provide it to the PHA.

### **Family Members Not Receiving SSA Disability Benefits**

Receipt of veteran's disability benefits, worker's compensation, or other non-SSA benefits based on the individual's claimed disability are not sufficient verification that the individual meets HUD's definition of disability in 24 CFR 5.603.

#### PHA Policy

For family members claiming disability who do not receive disability benefits from the SSA, a knowledgeable professional must provide third-party verification that the family member meets the HUD definition of disability. See the Eligibility chapter for the HUD definition of disability. The knowledgeable professional will verify whether the family member does or does not meet the HUD definition.

## **7-II.G. CITIZENSHIP OR ELIGIBLE IMMIGRATION STATUS [24 CFR 5.508]**

### **Overview**

Housing assistance is not available to persons who are not citizens, nationals, or eligible immigrants. Prorated assistance is provided for "mixed families" containing both eligible and ineligible persons. A detailed discussion of eligibility requirements is in the Eligibility chapter. This verifications chapter discusses HUD and PHA verification requirements related to citizenship status.

The family must provide a certification that identifies each family member as a U.S. citizen, a U.S. national, an eligible noncitizen or an ineligible noncitizen and submit the documents discussed below for each family member. Once eligibility to receive assistance has been verified for an individual it need not be collected or verified again during continuously-assisted occupancy. [24 CFR 5.508(g)(5)]

### **U.S. Citizens and Nationals**

HUD requires a declaration for each family member who claims to be a U.S. citizen or national. The declaration must be signed personally by any family member 18 or older and by a guardian for minors.

The PHA may request verification of the declaration by requiring presentation of a birth certificate, United States passport or other appropriate documentation.

#### PHA Policy

Family members who claim U.S. citizenship or national status will not be required to provide additional documentation unless the PHA receives information indicating that an individual's declaration may not be accurate.

## **Eligible Immigrants**

### ***Documents Required***

All family members claiming eligible immigration status must declare their status in the same manner as U.S. citizens and nationals.

The documentation required for eligible noncitizens varies depending upon factors such as the date the person entered the U.S., the conditions under which eligible immigration status has been granted, age, and the date on which the family began receiving HUD-funded assistance. Exhibit 7-2 at the end of this chapter summarizes documents family members must provide.

### ***PHA Verification*** [HCV GB, pp. 5-3 and 5-7]

For family members age 62 or older who claim to be eligible immigrants, proof of age is required in the manner described in 7-II.C. of this plan. No further verification of eligible immigration status is required.

For family members under the age of 62 who claim to be eligible immigrants, the PHA must verify immigration status with the United States Citizenship and Immigration Services (USCIS). The PHA will follow all USCIS protocols for verification of eligible immigration status.

## **7-II.H. VERIFICATION OF PREFERENCE STATUS**

The PHA must verify any preferences claimed by an applicant.

### **PHA Policy**

The PHA will offer a preference to any family that has been terminated from its HCV program due to insufficient program funding. The PHA will verify this preference using the PHA's termination records.

### **PART III: VERIFYING INCOME AND ASSETS**

Chapter 6, Part I of this plan describes in detail the types of income that are included and excluded and how assets and income from assets are handled. Any assets and income reported by the family must be verified. This part provides PHA policies that supplement the general verification procedures specified in Part I of this chapter.

#### **7-III.A. EARNED INCOME**

##### **Tips**

###### PHA Policy

Unless tip income is included in a family member's W-2 by the employer, persons who work in industries where tips are standard will be required to sign a certified estimate of tips received for the prior year and tips anticipated to be received in the coming year.

#### **7-III.B. BUSINESS AND SELF EMPLOYMENT INCOME**

###### PHA Policy

Business owners and self-employed persons will be required to provide:

An audited financial statement for the previous fiscal year if an audit was conducted. If an audit was not conducted, a statement of income and expenses must be submitted and the business owner or self-employed person must certify to its accuracy.

All schedules completed for filing federal and local taxes in the preceding year. 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.

The PHA will provide a format for any person who is unable to provide such a statement to record income and expenses for the coming year. The business owner/self-employed person will be required to submit the information requested and to certify to its accuracy at all future reexaminations.

At any reexamination the PHA may request documents that support submitted financial statements such as manifests, appointment books, cash books, or bank statements.

If a family member has been self-employed less than three (3) months, the PHA will accept the family member's certified estimate of income and schedule an interim reexamination in three (3) months. If the family member has been self-employed for three (3) to twelve (12) months the PHA will require the family to provide documentation of income and expenses for this period and use that information to project income.

### **7-III.C. PERIODIC PAYMENTS AND PAYMENTS IN LIEU OF EARNINGS**

#### **Social Security/SSI Benefits**

##### PHA Policy

To verify the SS/SSI benefits of applicants, the PHA will request a current (dated within the last 60 days) SSA benefit verification letter from each family member that receives social security benefits. If the family is unable to provide the document(s), the PHA will ask the family to request a benefit verification letter by either calling SSA at 1-800-772-1213, or by requesting it from [www.ssa.gov](http://www.ssa.gov). Once the applicant has received the benefit verification letter they will be required to provide it to the PHA.

To verify the SS/SSI benefits of participants, the PHA will obtain information about social security/SSI benefits through the HUD EIV System or the Tenant Assessment Subsystem (TASS). If benefit information is not available in HUD systems, the PHA will request a current SSA benefit verification letter from each family member that receives social security benefits. If the family is unable to provide the document(s) the PHA will ask the family to request a benefit verification letter by either calling SSA at 1-800-772-1213, or by requesting it from [www.ssa.gov](http://www.ssa.gov). Once the participant has received the benefit verification letter they will be required to provide it to the PHA.

### 7-III.D. ALIMONY OR CHILD SUPPORT

#### PHA Policy

The way the PHA will seek verification for alimony and child support differs depending on whether the family declares that it receives regular payments.

If the family declares that it ***receives regular payments***, verification will be sought in the following order.

If payments are made through a state or local entity, the PHA will request a record of payments for the past 12 months and request that the entity disclose any known information about the likelihood of future payments.

Third-party verification from the person paying the support

Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules

Copy of the latest check and/or payment stubs

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.

If the family declares that it ***receives irregular or no payments***, in addition to the verification process listed above, the family must provide evidence that it has taken all reasonable efforts to collect amounts due. This may include:

A statement from any agency responsible for enforcing payment that shows the family has requested enforcement and is cooperating with all enforcement efforts

If the family has made independent efforts at collection, a written statement from the attorney or other collection entity that has assisted the family in these efforts

Note: Families are not required to undertake independent enforcement action.

### **7-III.E. ASSETS AND INCOME FROM ASSETS**

#### **Assets Disposed of for Less than Fair Market Value**

The family must certify whether any assets have been disposed of for less than fair market value in the preceding two years. The PHA needs to verify only those certifications that warrant documentation [HCV GB, p. 5-28].

##### PHA Policy

The PHA will verify the value of assets disposed of only if:

The PHA does not already have a reasonable estimation of its value from previously collected information, or

The amount reported by the family in the certification appears obviously in error.

Example 1: An elderly participant reported a \$10,000 certificate of deposit at the last annual reexamination and the PHA verified this amount. Now the person reports that she has given this \$10,000 to her son. The PHA has a reasonable estimate of the value of the asset; therefore, reverification of the value of the asset is not necessary.

Example 2: A family member has disposed of its 1/4 share of real property located in a desirable area and has valued her share at approximately 5,000. Based upon market conditions, this declaration does not seem realistic. Therefore, the PHA will verify the value of this asset.

### **7-III.F. NET INCOME FROM RENTAL PROPERTY**

##### PHA Policy

The family must provide:

A current executed lease for the property that shows the rental amount or certification from the current tenant

A self-certification from the family members engaged in the rental of property providing an estimate of expenses for the coming year and the most recent IRS Form 1040 with Schedule E (Rental Income). If schedule E was not prepared, the PHA will require the family members involved in the rental of property to provide a self-certification of income and expenses for the previous year and may request documentation to support the statement including: tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.

### **7-III.G. RETIREMENT ACCOUNTS**

#### PHA Policy

When third-party verification is not available the type of original document that will be accepted depends upon the family member's retirement status.

*Before* retirement, the PHA will accept an original document from the entity holding the account with a date that shows it is the most recently scheduled statement for the account but in no case earlier than 6 months from the effective date of the examination.

*Upon* retirement, the PHA will accept an original document from the entity holding the account that reflects any distributions of the account balance, any lump sums taken and any regular payments.

*After* retirement, the PHA will accept an original document from the entity holding the account dated no earlier than 12 months before that reflects any distributions of the account balance, any lump sums taken and any regular payments.

### **7-III.H. INCOME FROM EXCLUDED SOURCES**

A detailed discussion of excluded income is provided in Chapter 6, Part I.

The PHA must obtain verification for income exclusions only if, without verification, the PHA would not be able to determine whether the income is to be excluded. For example: If a family's 16 year old has a job at a fast food restaurant, the PHA will confirm that PHA records verify the child's age but will not send a verification request to the restaurant. However, if a family claims the earned income disallowance for a source of income, both the source and the income must be verified.

#### PHA Policy

The PHA will reconcile differences in amounts reported by the third party and the family only when the excluded amount is used to calculate the family share (as is the case with the earned income disallowance). In all other cases, the PHA will report the amount to be excluded as indicated on documents provided by the family.

### **7-III.I. ZERO ANNUAL INCOME STATUS**

#### PHA Policy

The PHA will check UIV sources and/or request information from third-party sources to verify that certain forms of income such as unemployment benefits, TANF, SSI, etc., are not being received by families claiming to have zero annual income.

### **7-III.J. STUDENT FINANCIAL ASSISTANCE**

Any financial assistance, in excess of amounts received for tuition, that a person attending an institution of higher education receives under the Higher Education Act of 1965, from private sources, or from an institution of higher education must be considered income unless the student is over the age of 23 with dependent children or is residing with parents who are seeking or receiving HCV assistance [24 CFR 5.609(b)(9) and FR 4/10/06].

For students over the age of 23 with dependent children or students residing with parents who are seeking or receiving HCV assistance, the full amount of student financial assistance is excluded from annual income [24 CFR 5.609(c)(6)]. The full amount of student financial assistance is also excluded for students attending schools that do not qualify as institutions of higher education (as defined in Exhibit 3-2). Excluded amounts are verified only if, without verification, the PHA would not be able to determine whether or to what extent the income is to be excluded (see Section 7-III.H).

#### **PHA Policy**

For a student subject to having a portion of his/her student financial assistance included in annual income in accordance with 24 CFR 5.609(b)(9), the PHA will request third-party written verification of both the source and the amount from the educational institution attended by the student as well as from any other person or entity providing such assistance, as reported by the student.

In addition, the PHA will request written verification from the institution of higher education regarding the student's tuition amount.

If the PHA is unable to obtain third-party written verification of the requested information, the PHA will pursue other forms of verification following the verification hierarchy in Section 7-I.B.

### **7-III.K. PARENTAL INCOME OF STUDENTS SUBJECT TO ELIGIBILITY RESTRICTIONS**

If a student enrolled at an institution of higher education is under the age of 24, is not a veteran, is not married, and does not have a dependent child, the income of the student's parents must be considered when determining income eligibility, unless the student is determined independent from his or her parents in accordance with PHA policy [24 CFR 5.612 and FR 4/10/06, p. 18146].

This provision does not apply to students residing with parents who are seeking or receiving HCV assistance. It is limited to students who are seeking or receiving assistance on their own, separately from their parents.

#### PHA Policy

If the PHA is required to determine the income eligibility of a student's parents, the PHA will request an income declaration and certification of income from the appropriate parent(s) (as determined in Section 3-II.E). The PHA will send the request directly to the parents, who will be required to certify to their income under penalty of perjury. The parents will be required to submit the information directly to the PHA. The required information must be submitted (postmarked) within 10 business days of the date of the PHA's request or within any extended timeframe approved by the PHA.

The PHA reserves the right to request and review supporting documentation at any time if it questions the declaration or certification. Supporting documentation may include, but is not limited to, Internal Revenue Service (IRS) tax returns, consecutive and original pay stubs, bank statements, pension benefit statements, benefit award letters, and other official and authentic documents from a federal, state, or local agency.

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## **PART IV: VERIFYING MANDATORY DEDUCTIONS**

### **7-IV.A. DEPENDENT AND ELDERLY/DISABLED HOUSEHOLD DEDUCTIONS**

The dependent and elderly/disabled family deductions require only that the PHA verify that the family members identified as dependents or elderly/disabled persons meet the statutory definitions. No further verifications are required.

#### **Dependent Deduction**

See Chapter 6 (6-II.B.) for a full discussion of this deduction. The PHA must verify that:

- Any person under the age of 18 for whom the dependent deduction is claimed is not the head, spouse, or cohead of the family and is not a foster child
- Any person age 18 or older for whom the dependent deduction is claimed is not a foster adult or live-in aide, and is a person with a disability or a full time student

#### **Elderly/Disabled Family Deduction**

See Eligibility chapter for a definition of elderly and disabled families and Chapter 6 (6-II.C.) for a discussion of the deduction. The PHA must verify that the head, spouse, or cohead is 62 years of age or older or a person with disabilities.

#### **7-IV.B. MEDICAL EXPENSE DEDUCTION**

Policies related to medical expenses are found in 6-II.D. The amount of the deduction will be verified following the standard verification procedures described in Part I.

##### **Amount of Expense**

###### PHA Policy

The PHA will provide a third-party verification form directly to the medical provider requesting the needed information.

Medical expenses will be verified through:

Third-party verification form signed by the provider, when possible

If third-party is not possible, copies of cancelled checks used to make medical expense payments and/or printouts or receipts from the source will be used. In this case the PHA will make a best effort to determine what expenses from the past are likely to continue to occur in the future. The PHA will also accept evidence of monthly payments or total payments that will be due for medical expenses during the upcoming 12 months.

If third-party or document review is not possible, written family certification as to costs anticipated to be incurred during the upcoming 12 months

In addition, the PHA must verify that:

- The household is eligible for the deduction.
- The costs to be deducted are qualified medical expenses.
- The expenses are not paid for or reimbursed by any other source.
- Costs incurred in past years are counted only once.

**Eligible Household**

The medical expense deduction is permitted only for households in which the head, spouse, or cohead is at least 62, or a person with disabilities. The PHA must verify that the family meets the definition of an elderly or disabled family provided in the Eligibility chapter and as described in Chapter 7 (7-IV.A.) of this plan.

**Qualified Expenses**

To be eligible for the medical expenses deduction, the costs must qualify as medical expenses. See Chapter 6 (6-II.D.) for the PHA's policy on what counts as a medical expense.

**Unreimbursed Expenses**

To be eligible for the medical expenses deduction, the costs must not be reimbursed by another source.

PHA Policy

The family will be required to certify that the medical expenses are not paid or reimbursed to the family from any source.

**Expenses Incurred in Past Years**PHA Policy

When anticipated costs are related to on-going payment of medical bills incurred in past years, the PHA will verify:

The anticipated repayment schedule

The amounts paid in the past, and

Whether the amounts to be repaid have been deducted from the family's annual income in past years

#### **7-IV.C. DISABILITY ASSISTANCE EXPENSES**

Policies related to disability assistance expenses are found in 6-II.E. The amount of the deduction will be verified following the standard verification procedures described in Part I.

##### **Amount of Expense**

###### ***Attendant Care***

###### PHA Policy

The PHA will provide a third-party verification form directly to the care provider requesting the needed information.

Expenses for attendant care will be verified through:

Third-party verification form signed by the provider, when possible

If third-party is not possible, copies of cancelled checks used to make attendant care payments and/or receipts from care source

If third-party or document review is not possible, written family certification as to costs anticipated to be incurred for the upcoming 12 months

###### ***Auxiliary Apparatus***

###### PHA Policy

Expenses for auxiliary apparatus will be verified through:

Third-party verification of anticipated purchase costs of auxiliary apparatus

If third-party is not possible, billing statements for purchase of auxiliary apparatus, or other evidence of monthly payments or total payments that will be due for the apparatus during the upcoming 12 months

If third-party or document review is not possible, written family certification of estimated apparatus costs for the upcoming 12 months

In addition, the PHA must verify that:

- The family member for whom the expense is incurred is a person with disabilities (as described in 7-II.F above).
- The expense permits a family member, or members, to work (as described in 6-II.E.).
- The expense is not reimbursed from another source (as described in 6-II.E.).

### **Family Member is a Person with Disabilities**

To be eligible for the disability assistance expense deduction, the costs must be incurred for attendant care or auxiliary apparatus expense associated with a person with disabilities. The PHA will verify that the expense is incurred for a person with disabilities (See 7-II.F.).

### **Family Member(s) Permitted to Work**

The PHA must verify that the expenses claimed actually enable a family member, or members, (including the person with disabilities) to work.

#### PHA Policy

The PHA will seek third-party verification from a Rehabilitation Agency or knowledgeable medical professional indicating that the person with disabilities requires attendant care or an auxiliary apparatus to be employed, or that the attendant care or auxiliary apparatus enables another family member, or members, to work (See 6-II.E.). If third-party and document review verification has been attempted and is either unavailable or proves unsuccessful, the family must certify that the disability assistance expense frees a family member, or members (possibly including the family member receiving the assistance), to work.

### **Unreimbursed Expenses**

To be eligible for the disability expenses deduction, the costs must not be reimbursed by another source.

#### PHA Policy

An attendant care provider will be asked to certify that, to the best of the provider's knowledge, the expenses are not paid by or reimbursed to the family from any source. The family will be required to certify that attendant care or auxiliary apparatus expenses are not paid by or reimbursed to the family from any source.

#### **7-IV.D. CHILD CARE EXPENSES**

Policies related to child care expenses are found in Chapter 6 (6 II.F). The amount of the deduction will be verified following the standard verification procedures described in Part I of this chapter. In addition, the PHA must verify that:

- The child is eligible for care.
- The costs claimed are not reimbursed.
- The costs enable a family member to pursue an eligible activity.
- The costs are for an allowable type of child care.
- The costs are reasonable.

#### **Eligible Child**

To be eligible for the child care deduction, the costs must be incurred for the care of a child under the age of 13. The PHA will verify that the child being cared for (including foster children) is under the age of 13 (See 7-II.C.).

#### **Unreimbursed Expense**

To be eligible for the child care deduction, the costs must not be reimbursed by another source.

##### PHA Policy

The child care provider will be asked to certify that, to the best of the provider's knowledge, the child care expenses are not paid by or reimbursed to the family from any source.

The family will be required to certify that the child care expenses are not paid by or reimbursed to the family from any source.

## **Pursuing an Eligible Activity**

The PHA must verify that the family member(s) that the family has identified as being enabled to seek work, pursue education, or be gainfully employed, are actually pursuing those activities.

### PHA Policy

#### *Information to be Gathered*

The PHA will verify information about how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the time required for study (for students), the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.

#### *Seeking Work*

Whenever possible the PHA will use documentation from a state or local agency that monitors work-related requirements (e.g., welfare or unemployment). In such cases the PHA will request verification from the agency of the member's job seeking efforts to date and require the family to submit to the PHA any reports provided to the other agency. In the event third-party verification is not available, the PHA will provide the family with a form on which the family member must record job search efforts. The PHA will review this information at each subsequent reexamination for which this deduction is claimed.

#### *Furthering Education*

The PHA will ask that the academic or vocational educational institution verify that the person permitted to further his or her education by the child care is enrolled and provide information about the timing of classes for which the person is registered.

#### *Gainful Employment*

The PHA will seek verification from the employer of the work schedule of the person who is permitted to work by the child care. In cases in which two or more family members could be permitted to work, the work schedules for all relevant family members may be verified.

### **Allowable Type of Child Care**

The type of care to be provided is determined by the family, but must fall within certain guidelines, as discussed in Chapter 6.

#### PHA Policy

The PHA will verify that the type of child care selected by the family is allowable, as described in Chapter 6 (6-II.F).

The PHA will verify that the fees paid to the child care provider cover only child care costs (e.g., no housekeeping services or personal services) and are paid only for the care of an eligible child (e.g., prorate costs if some of the care is provided for ineligible family members).

The PHA will verify that the child care provider is not an assisted family member. Verification will be made through the head of household's declaration of family members who are expected to reside in the unit.

### **Reasonableness of Expenses**

Only reasonable child care costs can be deducted.

#### PHA Policy

The actual costs the family incurs will be compared with the PHA's established standards of reasonableness for the type of care in the locality to ensure that the costs are reasonable.

If the family presents a justification for costs that exceed typical costs in the area, the PHA will request additional documentation, as required, to support a determination that the higher cost is appropriate.

**EXHIBIT 7-1: EXCERPT FROM HUD VERIFICATION GUIDANCE  
NOTICE (PIH 2004-01, pp. 11-14)**

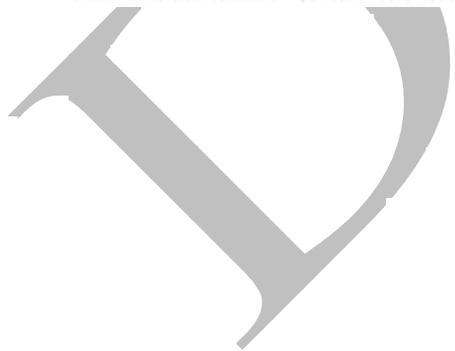
<b>Upright (UIV)</b>	<b>Highest (Highly Recommended, highest level of third party verification)</b>
<b>Written 3<sup>rd</sup> Party</b>	<b>High (Mandatory if upfront income verification is not available or if UIV data differs substantially from tenant-reported information)</b>
<b>Oral 3<sup>rd</sup> Party</b>	<b>Medium (Mandatory if written third party verification is not available)</b>
<b>Document Review</b>	<b>Medium-Low (Use on provisional basis)</b>
<b>Tenant Declaration</b>	<b>Low (Use as a last resort)</b>

Income Type	Upright	Written Third Party	Oral Third Party	Document Review	Tenant Declaration
	(LEVEL 5)	(LEVEL 4)	(LEVEL 3)	(LEVEL 2)	(LEVEL 1)
Wages/Salaries	Use of computer matching agencies with State Wage Information Collection Agency (SWICA) to obtain wage information electronically, by mail or fax or in person.	The PTA may fax or e-mail a verification form directly to the independent sources to obtain wage information.	In the event the independent source does not respond to the PTA's written request for information, the PTA may contact the independent source by phone or mail or in person visit to obtain the requested information.	When neither form of third party verification can be obtained, the PTA may accept original documents such as consecutive pay stubs, HUD recommendations, the PTA review of less than 6 months of pay stubs, if employed by the same employer for three months or more; W-2 forms, etc. from the tenant. Note: The PTA must document in the tenant file the reason third party verification was not available.	The PTA may accept a notarized statement or affidavit from the tenant that reflects the family's total annual income from earnings. Note: The PTA must document in the tenant file the reason third party verification was not available.
	Agreements with private employer agencies such as The Work Number or CheckPoint, to obtain wage and salary information.	The PTA may have the tenant sign a Request for Tenant's Statement from the SSA to confirm past earnings. The PTA may file the form to SSA and the statement will be sent to the address the PTA specifies on the form.			
	Use of HUD systems when available.				
<p><b>Verification of Employment Income:</b> The PTA should always obtain as much information as possible about the employment, such as start date, new employer, termination date (previous employment), pay frequency, pay rate, unreported pay increases in the next twelve months, year-to-date earnings, bonuses, overtime, company name, address and telephone number, name and position of the person completing the employment verification form.</p> <p><b>Effective Date of Employment:</b> The PTA should always confirm start and termination dates of employment.</p>					

Income Type	Uplift	Written Third Party	Oral Third Party	Document Review	Tenant Declaration
	(LEVEL 5)	(LEVEL 4)	(LEVEL 3)	(LEVEL 2)	(LEVEL 1)
Self-Employment	Not Available	The PITA must obtain a verification form directly or indirectly by the family to obtain accurate information.	The PITA may call the tenant to obtain accurate information.	The PITA may accept any documents (i.e. tax returns, IRS tax and letters from customers) provided by the tenant to verify self-employment income. <b>Note:</b> The PITA must document in the tenant file the reason third party verification was not obtained.	The PITA may accept a notarized statement or affidavit from the tenant that declares the family's total annual income from self-employment. <b>Note:</b> The PITA must document in the tenant file, the reason third party verification was not available.
<b>Verification of Self-Employment Income:</b> Typically, it is a challenge for PITAs to obtain third party verification of self-employment income. When third party verification is not available, the PITA should always request a notarized tenant declaration that includes a jurat statement.					
Social Security Benefits	Use of HUD Tenant Assessment System (TASS) to obtain current benefit history and disability reports.	The PITA must obtain a verification form directly or indirectly from the local SSA office to obtain social security benefit information. <b>(Not Available in some areas because SSA makes this data available through TASS. SSA encourages PITAs to use TASS.)</b>	The PITA may call SSA with the tenant or the tenant to obtain current benefit amount. <b>(Not Available in some areas because SSA makes this data available through TASS. SSA encourages PITAs to use TASS.)</b>	The PITA may accept an original SSA Notice from the tenant. <b>Note:</b> The PITA must document in the tenant file the reason third party verification was not available.	The PITA may accept a notarized statement or affidavit from the tenant that declares monthly social security benefits. <b>Note:</b> The PITA must document in the tenant file, the reason third party verification was not available.
Welfare Benefits	Use of computer matching agreements with the local Social Services Agency to obtain current benefit amount electronically, by mail or fax or in person.	The PITA must fax or e-mail a verification form directly to the local Social Services Agency to obtain welfare benefit information.	The PITA may call the local Social Services Agency to obtain current benefit amount.	The PITA may review an original award notice or printout from the local Social Services Agency provided by the tenant. <b>Note:</b> The PITA must document in the tenant file the reason third party verification was not available.	The PITA may accept a notarized statement or affidavit from the tenant that declares monthly welfare benefits. <b>Note:</b> The PITA must document in the tenant file, the reason third party verification was not available.

Income Type	Uplift	Written Third Party	Oral Third Party	Document Review	Tenant Declaration
	(LEVEL 5)	(LEVEL 4)	(LEVEL 3)	(LEVEL 2)	(LEVEL 1)
Child Support	Use of agreement with the local Child Support Enforcement Agency to obtain current child support amount and payment status electronically by mail or fax or in person.	The PHA must, fax or e-mail a verification form directly to the local Child Support Enforcement Agency or child support payer to obtain current child support amount and payment status.	The PHA may call the local Child Support Enforcement Agency or child support payer to obtain current child support amount and payment status.	The PHA may review an original court order, notice or printout from the local Child Support Enforcement Agency provided by the tenant or local Child Support Enforcement Agency provided by the tenant. Note: The PHA must document the tenant third party verification was not available.	The PHA may accept a notarized statement or affidavit from the tenant that declares current child support amount and payment status. Note: The PHA must document in the tenant file the tenant third party verification was not available.
Unemployment Benefits	Use of computer matching agreements with State Wage Information Collection Agency to obtain unemployment compensation electronically by mail or fax or in person.	The PHA must, fax or e-mail a verification form directly to the State Wage Information Collection Agency to obtain current unemployment compensation information.	The PHA may call the State Wage Information Collection Agency to obtain current benefit amount.	The PHA may review an original benefit notice or unemployment check stub, or printout from the local State Wage Information Collection Agency provided by the tenant. Note: The PHA must document in the tenant file the tenant third party verification was not available.	The PHA may accept a notarized statement or affidavit from the tenant that declares unemployment benefits. Note: The PHA must document in the tenant file the tenant third party verification was not available.
	Use of HUD systems when available.				
Pension	Use of computer matching agreements with a Federal, State, or Local Government Agency to obtain pension information electronically by mail or fax or in person.	The PHA must, fax or e-mail a verification form directly to the pension provider to obtain pension information.	The PHA may call the pension provider to obtain current benefit amount.	The PHA may review an original benefit notice from the pension provider provided by the tenant. Note: The PHA must document in the tenant file the tenant third party verification was not available.	The PHA may accept a notarized statement or affidavit from the tenant that declares monthly pension amounts. Note: The PHA must document in the tenant file the tenant third party verification was not available.

Income Type	Uplift	Written Third Party	Oral Third Party	Document Review	Tenant Declaration
	(LEVEL 5)	(LEVEL 4)	(LEVEL 3)	(LEVEL 2)	(LEVEL 1)
Assets	Use of cooperating agencies to share name and asset financial information electronically by mail or fax or in person.	The PHA mails, faxes, or mails a verification form directly to the source to obtain asset and asset income information.	The PHA may call the source to obtain asset and asset income information.	The PHA may review original documents provided by the tenant. <b>Note:</b> The PHA must document in the tenant file, the reason third party verification was not available.	The PHA may accept notarized asset or affidavit from the tenant that declares assets and asset income. <b>Note:</b> The PHA must document in the tenant file, the reason third party verification was not available.
Comments	Whenever PITA makes available wage, unemployment, and SSA information, the PITA should use the information as part of the reexamination process. This may result in a follow-up during a RIM review.	<b>Note:</b> The Independent source completes the form and returns the form directly to the PITA Agency. The tenant should not hand carry documents to or from the independent source.	The PHA should document in the report file, the date and time of the telephone call or in person visit, along with the name and title of the person that verified the current income amount.		The PHA should use this verification method as a last resort when other verification methods are not possible or have been unsuccessful. Notarized statement should include a perjury penalty statement.
<b>Note:</b> The PITA must not pass verification costs along to the participant.					
<b>Note:</b> In cases where the PHA cannot reliably project annual income, the PHA may elect to complete regular interim reexaminations (this policy should be part of the PITA's written policies.)					



**EXHIBIT 7-2: 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*



## Chapter 8

### HOUSING QUALITY STANDARDS AND RENT REASONABLENESS DETERMINATIONS

[24 CFR 982 Subpart I and 24 CFR 982.507]

#### INTRODUCTION

HUD requires that all units occupied by families receiving Housing Choice Voucher (HCV) assistance meet HUD's Housing Quality Standards (HQS) and permits the PHA to establish additional requirements. The use of the term "HQS" in this plan refers to the combination of both HUD and PHA-established requirements. HQS inspections are required before the Housing Assistance Payments (HAP) Contract is signed and at least annually during the term of the contract.

HUD also requires PHAs to determine that units rented by families assisted under the HCV program have rents that are reasonable when compared to comparable unassisted units in the market area.

This chapter explains HUD and PHA requirements related to housing quality and rent reasonableness as follows:

Part I. Physical Standards. This part discusses the physical standards required of units occupied by HCV-assisted families and identifies decisions about the acceptability of the unit that may be made by the family based upon the family's preference. It also identifies life-threatening conditions that must be addressed on an expedited basis.

Part II. The Inspection Process. This part describes the types of inspections the PHA will make and the steps that will be taken when units do not meet HQS.

Part III. Rent Reasonableness Determinations. This part discusses the policies the PHA will use to make rent reasonableness determinations.

Special HQS requirements for homeownership, manufactured homes, and other special housing types are discussed in Chapter 15 to the extent that they apply in this jurisdiction.

## **PART I: PHYSICAL STANDARDS**

### **8-I.A. GENERAL HUD REQUIREMENTS**

#### **HUD Performance and Acceptability Standards**

HUD's performance and acceptability standards for HCV-assisted housing are provided in 24 CFR 982.401. These standards cover the following areas:

- Sanitary facilities
- Food preparation and refuse disposal
- Space and Security
- Thermal Environment
- Illumination and electricity
- Structure and materials
- Interior Air Quality
- Water Supply
- Lead-based paint
- Access
- Site and neighborhood
- Sanitary condition
- Smoke Detectors

A summary of HUD performance criteria is provided in Attachment 8-1. Additional guidance on these requirements is found in the following HUD resources:

- Housing Choice Voucher Guidebook, Chapter 10.
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00)
- HUD Notice 2003-31, Accessibility Notice: Section 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Architectural Barriers Act of 1968 and the Fair Housing Act of 1988.

#### **Tenant Preference Items**

HUD requires the PHA to enforce minimum HQS but also requires that certain judgments about acceptability be left to the family. For example, the PHA must ensure that the unit contains the required sanitary facilities, but the family decides whether the cosmetic condition of the facilities is acceptable. Attachment 8-2 summarizes those items that are considered tenant preferences.

## **Modifications to Provide Accessibility**

Under the Fair Housing Act of 1988 an owner must not refuse the request of a family that contains a person with a disability to make necessary and reasonable modifications to the unit. Such modifications are at the family's expense. The owner may require restoration of the unit to its original condition if the modification would interfere with the owner or next occupant's full enjoyment of the premises. The owner may not increase a customarily required security deposit. However, the landlord may negotiate a restoration agreement that requires the family to restore the unit and, if necessary to ensure the likelihood of restoration, may require the tenant to pay a reasonable amount into an interest bearing escrow account over a reasonable period of time. The interest in any such account accrues to the benefit of the tenant. The owner may also require reasonable assurances that the quality of the work will be acceptable and that any required building permits will be obtained.[24 CFR 100.203; Notice 2003-31].

Modifications to units to provide access for a person with a disability must meet all applicable HQS requirements and conform to the design, construction, or alteration of facilities contained in the UFAS and the ADA Accessibility Guidelines (ADAAG) [28 CFR 35.151(c) and Notice 2003-31] See Chapter 2 of this plan for additional information on reasonable accommodations for persons with disabilities.

### PHA Policy

Any owner that intends to negotiate a restoration agreement or require an escrow account must submit the agreement(s) to the PHA for review.

## **8-I.B. ADDITIONAL LOCAL REQUIREMENTS**

The PHA may impose additional quality standards as long as the additional criteria are not likely to adversely affect the health or safety of participant families or severely restrict housing choice. HUD approval is required if more stringent standards are imposed. HUD approval is not required if the PHA additions are clarifications of HUD's acceptability criteria or performance standards [24 CFR 982.401(a)(4)].

### **Thermal Environment [HCV GB p.10-7]**

The PHA must define a “healthy living environment” for the local climate. This may be done by establishing a temperature that the heating system must be capable of maintaining, that is appropriate for the local climate.

#### PHA Policy

Please refer to the HQS addendum Attachment B to this policy.

## **Clarifications of HUD Requirements**

### PHA Policy

Please refer to the HQS addendum Attachment B to this policy.

### **8-I.C. LIFE THREATENING CONDITIONS [24 CFR 982.404(a)]**

HUD requires the PHA to define life threatening conditions and to notify the owner or the family (whichever is responsible) of the corrections required. The responsible party must correct life threatening conditions within 24 hours of PHA notification.

#### PHA Policy

The following are considered life threatening conditions:

- Any condition that jeopardizes the security of the unit
- Major plumbing leaks or flooding, waterlogged ceiling or floor in imminent danger of falling
- Natural or LPgas or fuel oil leaks
- Any electrical problem or condition that could result in shock or fire
- Absence of a working heating system when outside temperature is below 60 degrees Fahrenheit.
- Utilities not in service, including no running hot water
- Conditions that present the imminent possibility of injury
- Obstacles that prevent safe entrance or exit from the unit
- Absence of a functioning toilet in the unit
- Inoperable smoke detectors

If an owner fails to correct life threatening conditions as required by the PHA, the housing assistance payment will be abated and the HAP contract will be terminated. See 8-II-G.

If a family fails to correct a family caused life threatening condition as required by the PHA, the PHA may terminate the family's assistance. See 8-II.H.

The owner will be required to repair an inoperable smoke detector unless the PHA determines that the family has intentionally disconnected it (by removing batteries or other means). In this case, the family will be required to repair the smoke detector within 24 hours.

## **8-I.D. OWNER AND FAMILY RESPONSIBILITIES [24 CFR 982.404]**

### **Family Responsibilities**

The family is responsible for correcting the following HQS deficiencies:

- Tenant-paid utilities not in service
- Failure to provide or maintain family-supplied appliances
- Damage to the unit or premises caused by a household member or guest beyond normal wear and tear. "Normal wear and tear" is defined as items which could not be charged against the tenant's security deposit under state law or court practice.

### **Owner Responsibilities**

The owner is responsible for all HQS violations not listed as a family responsibility above, even if the violation is caused by the family's living habits (e.g., vermin infestation). However, if the family's actions constitute a serious or repeated lease violation the owner may take legal action to evict the family.

### **8-I.E. SPECIAL REQUIREMENTS FOR CHILDREN WITH ENVIRONMENTAL INTERVENTION BLOOD LEAD LEVEL [24 CFR 35.1225]**

If a PHA is notified by a public health department or other medical health care provider, or verifies information from a source other than a public health department or medical health care provider, that a child of less than 6 years of age, living in an HCV-assisted unit has been identified as having an environmental intervention blood lead level, the PHA must complete a risk assessment of the dwelling unit. The risk assessment must be completed in accordance with program requirements, and the result of the risk assessment must be immediately provided to the owner of the dwelling unit. In cases where the public health department has already completed an evaluation of the unit, this information must be provided to the owner.

Within 30 days after receiving the risk assessment report from the PHA, or the evaluation from the public health department, the owner is required to complete the reduction of identified lead-based paint hazards in accordance with the lead-based paint regulations [24 CFR 35.1325 and 35.1330]. If the owner does not complete the “hazard reduction” as required, the dwelling unit is in violation of HQS and the PHA will take action in accordance with Section 8-II.G.

PHA reporting requirements, and data collection and record keeping responsibilities related to children with an environmental intervention blood lead level are discussed in Chapter 16.

### **8-I.F. VIOLATION OF HQS SPACE STANDARDS [24 CFR 982.403]**

If the PHA determines that a unit does not meet the HQS space standards because of an increase in family size or a change in family composition, the PHA must issue the family a new voucher, and the family and PHA must try to find an acceptable unit as soon as possible. If an acceptable unit is available for rental by the family, the PHA must terminate the HAP contract in accordance with its terms.

## PART II: THE INSPECTION PROCESS

### 8-II.A. OVERVIEW [24 CFR 982.405]

#### Types of Inspections

The PHA conducts the following types of inspections as needed. Each type of inspection is discussed in the paragraphs that follow.

- *Initial Inspections.* The PHA conducts initial inspections in response to a request from the family to approve a unit for participation in the HCV program. The unit must pass the HQS inspection before the effective date of the HAP Contract.
- *Annual Inspections.* HUD requires the PHA to inspect each unit under lease at least annually to confirm that the unit still meets HQS. The inspection may be conducted in conjunction with the family's annual reexamination but also may be conducted separately.
- *Special Inspections.* A special inspection may be requested by the family or a local, state, or government agency as a result of problems identified with a unit between annual inspections.
- *Quality Control Inspections.* HUD requires that a sample of units be reinspected by a supervisor or other qualified individual to ensure that HQS are being enforced correctly and uniformly by all inspectors.

#### Inspection of PHA-owned Units [24 CFR 982.352(b)]

The PHA must obtain the services of an independent entity to perform all HQS inspections in cases where an HCV family is receiving assistance in a PHA-owned unit. A PHA-owned unit is defined as a unit that is owned by the PHA that administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by the PHA). The independent agency must communicate the results of each inspection to the family and the PHA. The independent agency must be approved by HUD, and may be the unit of general local government for the PHA jurisdiction (unless the PHA is itself the unit of general local government or an agency of such government).

#### Inspection Costs

The PHA may not charge the family or owner for unit inspections [24 CFR 982.405(e)]. In the case of inspections of PHA-owned units, the PHA may compensate the independent agency from ongoing administrative fee for inspections performed. The PHA and the independent agency may not charge the family any fee or charge for the inspection [24 CFR.982.352(b)].

## **Notice and Scheduling**

The family must allow the PHA to inspect the unit at reasonable times with reasonable notice [24 CFR 982.551(d)].

### PHA Policy

Both the family and the owner will be given reasonable notice of all inspections. Except in the case of a life threatening emergency, reasonable notice is considered to be not less than 48 hours. Inspections may be scheduled between 8:00 a.m. and 7:00 p.m. Generally inspections will be conducted on business days only. In the case of a life threatening emergency, the PHA will give as much notice as possible, given the nature of the emergency.

## **Owner and Family Inspection Attendance**

HUD permits the PHA to set policy regarding family and owner presence at the time of inspection [HCV GB p. 10-27].

### PHA Policy

When a family occupies the unit at the time of inspection, someone 18 years of age or older must be present to allow the inspector in at the scheduled date and time. Failure to gain entry may result in abatement & termination. The owner and family must determine who will be present.

At initial inspection of a vacant unit, the PHA will inspect the unit in the presence of the owner or owner's representative. The presence of a family representative is permitted, but is not required.

## **8-II.B. INITIAL HQS INSPECTION [24 CFR 982.401(a)]**

### **Timing of Initial Inspections**

HUD requires the unit to pass HQS before the effective date of the lease and HAP Contract. HUD requires PHAs with fewer than 1,250 budgeted units to complete the initial inspection, determine whether the unit satisfies HQS, and notify the owner and the family of the determination within 15 days of submission of the Request for Tenancy Approval (RTA). For PHAs with 1,250 or more budgeted units, to the extent practicable such inspection and determination must be completed within 15 days. The 15-day period is suspended for any period during which the unit is not available for inspection [982.305(b)(2)].

#### PHA Policy

The PHA will complete the initial inspection, determine whether the unit satisfies HQS, and notify the owner and the family of the determination within 15 business days of submission of the Request for Tenancy Approval (RTA) when possible.

### **Inspection Results and Reinspections**

#### PHA Policy

If any HQS violations are identified, the owner will be notified of the deficiencies and be given a time frame to correct them. If requested by the owner, the time frame for correcting the deficiencies may be extended by the PHA for good cause. The PHA will reinspect the unit in approximately 10 business days from the original inspection.

If the time period for correcting the deficiencies (or any PHA-approved extension) has elapsed, or the unit fails HQS at the time of the reinspection, the PHA will notify the owner and the family that the unit has been rejected and that the family must search for another unit. The PHA may agree to conduct a second reinspection, for good cause, at the request of the family and owner.

Following a failed reinspection, the family may submit a new Request for Tenancy Approval for the unit if the family has not found another unit by the time the owner completes all repairs and the family continues to wish to live in the unit.

## **Utilities**

Generally, at initial lease-up the owner is responsible for demonstrating that all utilities are in working order including those utilities that the family will be responsible for paying.

### PHA Policy

All utilities must be on at the time of any inspection.

The unit should be move-in ready at the time of the initial inspection. If the inspector finds 5 or more major fail items, FWHA will discontinue the inspection until the unit is move-in ready. No fail list will be issued in this circumstance.

## **Appliances**

### PHA Policy

If the family is responsible for supplying the stove and/or refrigerator, the PHA will allow the stove and refrigerator to be placed in the unit after the unit has met all other HQS requirements. The required appliances must be in place before the HAP contract is executed by the PHA. The PHA will execute the HAP contract based upon a certification from the family that the appliances have been installed and are working. A confirmatory inspection will be scheduled within 30 days of HAP contract approval.

## **8-II.C. ANNUAL HQS INSPECTIONS [24 CFR 982.405(a)]**

### **Scheduling the Inspection**

Each unit under HAP contract must have an annual inspection no more than 12 months after the most recent inspection.

#### PHA Policy

If someone 18 or older cannot be present on the scheduled date, the family should request that the PHA reschedule the inspection. The PHA will schedule another inspection date.

If the family misses the first scheduled appointment without requesting a new inspection date, the PHA will automatically schedule a second inspection. If the family misses two scheduled inspections without PHA approval, the PHA will consider the family to have violated its obligation to make the unit available for inspection and the owner in violation of his HAP contract. This may result in termination of the family's assistance in accordance with Chapter 12 and abatement of owner payments.

## **8-II.D. SPECIAL INSPECTIONS [HCV GB, p. 10-30]**

The PHA will conduct a special inspection if the owner, family, or another source reports HQS violations in the unit.

#### PHA Policy

During a special inspection, the PHA generally will inspect only those deficiencies that were reported. However, the inspector will record any additional health and safety related HQS deficiencies that are observed and will require the responsible party to make the necessary repairs.

If the annual inspection has been scheduled or is due within 90 days of the date the special inspection is scheduled the PHA may elect to conduct a full annual inspection.

## **8-II.E. QUALITY CONTROL INSPECTIONS [24 CFR 982.405(b); HCV GB, p. 10-32]**

HUD requires a PHA supervisor or other qualified person to conduct quality control inspections of a sample of units to ensure that each inspector is conducting accurate and complete inspections and that there is consistency in the application of the HQS.

The unit sample must include only units that have been inspected within the preceding 3 months. The selected sample will include (1) each type of inspection (initial, annual, and special), (2) inspections completed by each inspector, and (3) units from a cross-section of neighborhoods.

## **8-II.F. INSPECTION RESULTS AND REINSPECTIONS FOR UNITS UNDER HAP CONTRACT**

### **Notification of Corrective Actions**

The owner and the family will be notified in writing of the results of all inspections. When an inspection identifies HQS failures, the PHA will determine (1) whether or not the failure is a life threatening condition and (2) whether the family or owner is responsible.

#### PHA Policy

When life threatening conditions are identified, the PHA will immediately notify both parties by telephone, facsimile, or email. The notice will specify who is responsible for correcting the violation. The corrective actions must be taken within 24 hours of the PHA's notice.

When failures that are not life threatening are identified, the PHA will promptly send the owner and the family a written notification of the inspection results. The written notice will specify who is responsible for correcting the violation, and the time frame within which the failure must be corrected. Generally 30 days will be allowed for the correction.

The notice of inspection results will inform the owner that if life threatening conditions are not corrected within 24 hours, and non-life threatening conditions are not corrected within the specified time frame (or any PHA-approved extension), the owner's HAP will be abated in accordance with PHA policy (see 8-II.G.). Likewise, in the case of family caused deficiencies, the notice will inform the family that if corrections are not made within the specified time frame (or any PHA-approved extension, if applicable) the family's assistance will be terminated in accordance with PHA policy (see Chapter 12).

## **Extensions**

For conditions that are life-threatening, the PHA cannot grant an extension to the 24 hour corrective action period. For conditions that are not life-threatening, the PHA may grant an exception to the required time frames for correcting the violation, if the PHA determines that an extension is appropriate [24 CFR 982.404].

### PHA Policy

Extensions will be granted in cases where the PHA has determined that the owner has made a good faith effort to correct the deficiencies and is unable to for reasons beyond the owner's control. Reasons may include, but are not limited to:

- A repair cannot be completed because required parts or services are not available.
- A repair cannot be completed because of weather conditions.
- A reasonable accommodation is needed because the family includes a person with disabilities.

If an extension is granted, the length of the extension will be determined on a case by case basis; an extension will be granted until June 1<sup>st</sup> for exterior paint and mortar repairs on units original inspected from October 1<sup>st</sup> to June 1<sup>st</sup>.

## **Reinspections**

### PHA Policy

The PHA will conduct a reinspection immediately following the end of the corrective period, or any PHA approved extension.

The family and owner will be given reasonable notice of the reinspection appointment. If the deficiencies have not been corrected by the time of the reinspection, the PHA will send a notice of abatement to the owner, or in the case of family caused violations, a notice of termination to the family, in accordance with PHA policies. If the PHA is unable to gain entry to the unit in order to conduct the scheduled reinspection, the PHA will consider the family to have violated its obligation to make the unit available for inspection and the owner in violation of the HAP contract. This may result in termination of the family's assistance in accordance with Chapter 12 and abatement of HAP payments.

## **8-II.G. ENFORCING OWNER COMPLIANCE**

If the owner fails to maintain the dwelling unit in accordance with HQS, the PHA must take prompt and vigorous action to enforce the owner obligations.

### **HAP Abatement**

If an owner fails to correct HQS deficiencies by the time specified by the PHA, HUD requires the PHA to abate housing assistance payments no later than the first of the month following the specified correction period (including any approved extension) [24 CFR 985.3(f)]. No retroactive payments will be made to the owner for the period of time the rent was abated. Owner rents are not abated as a result of HQS failures that are the family's responsibility.

#### PHA Policy

The PHA will make all HAP abatements effective the day after re-inspection of the PHA specified correction period (including any extension).

The PHA will inspect abated units within 5 business days of the owner's notification that the work has been completed. Payment will resume effective on the day the unit passes inspection.

During any abatement period the family continues to be responsible for its share of the rent. The owner must not seek payment from the family for abated amounts and may not use the abatement as cause for eviction.

### **HAP Contract Termination**

The PHA must decide how long any abatement period will continue before the HAP contract will be terminated. The PHA should not terminate the contract until the family finds another unit, provided the family does so in a reasonable time [HCV GB p. 10-29] and must give the owner reasonable notice of the termination. The PHA will issue a voucher to permit the family to move to another unit as described in Chapter 10.

#### PHA Policy

The maximum length of time that a HAP may be abated is 60 days. However, if the owner completes corrections and notifies the PHA before the termination date of the HAP contract, the PHA may rescind the termination notice if (1) the family still resides in the unit and wishes to remain in the unit and (2) the unit passes inspection.

Reasonable notice of HAP contract termination by the PHA is 30 days.

## **8-II.H. ENFORCING FAMILY COMPLIANCE WITH HQS [24 CFR 982.404(b)]**

Families are responsible for correcting any HQS violations listed in paragraph 8.I.D. If the family fails to correct a violation within the period allowed by the PHA (and any extensions), the PHA will terminate the family's assistance, according to the policies described in Chapter 12.

If the owner carries out a repair for which the family is responsible under the lease, the owner may bill the family for the cost of the repair.

## **PART III: RENT REASONABLENESS [24 CFR 982.507]**

### **8-III.A. OVERVIEW**

No HAP contract can be approved until the PHA has determined that the rent for the unit is reasonable. The purpose of the rent reasonableness test is to ensure that a fair rent is paid for each unit rented under the HCV program.

HUD regulations define a reasonable rent as one that does not exceed the rent charged for comparable, unassisted units in the same market area. HUD also requires that owners not charge more for assisted units than for comparable units on the premises. This part explains the method used to determine whether a unit's rent is reasonable.

#### **PHA-owned Units [24 CFR 982.352(b)]**

In cases where an HCV family is receiving assistance in a PHA-owned unit, the PHA must obtain the services of an independent entity to determine rent reasonableness in accordance with program requirements, and to assist the family in negotiating the contract rent when the family requests assistance. A PHA-owned unit is defined as a unit that is owned by the PHA that administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by the PHA). The independent agency must communicate the results of the rent reasonableness determination to the family and the PHA. The independent agency must be approved by HUD, and may be the unit of general local government for the PHA jurisdiction (unless the PHA is itself the unit of general local government or an agency of such government).

## **8-III.B. WHEN RENT REASONABLENESS DETERMINATIONS ARE REQUIRED**

### **Owner-initiated Rent Determinations**

The PHA must make a rent reasonableness determination at initial occupancy and whenever the owner requests a rent adjustment.

The owner and family first negotiate the rent for a unit. The PHA (or independent agency in the case of PHA-owned units) will assist the family with the negotiations upon request. At initial occupancy the PHA must determine whether the proposed rent is reasonable before a HAP Contract is signed. The owner must not change the rent during the initial lease term. Subsequent requests for rent adjustments must be consistent with the lease between the owner and the family. Rent increases will not be approved unless any failed items identified by the most recent HQS inspection have been corrected.

#### PHA Policy

After the initial occupancy period, the owner may request a rent adjustment in accordance with the owner's lease. For rent increase requests after initial lease-up, the PHA may request owners to provide information about the rents charged for other units on the premises, if the premises include more than 4 units. In evaluating the proposed rents in comparison to other units on the premises the PHA will consider unit size and length of tenancy in the other units.

The PHA will determine whether the requested increase is reasonable after receiving the request from the owner. The owner will be notified of the determination in writing.

All rents adjustments will be effective the first of the month following 60 days after the PHA's receipt of the owner's request or on the date specified by the owner, whichever is later.

### **PHA- and HUD-Initiated Rent Reasonableness Determinations**

HUD requires the PHA to make a determination of rent reasonableness (even if the owner has not requested a change) if there is a 5 percent decrease in the Fair Market Rent that goes into effect at least 60 days before the contract anniversary date. HUD also may direct the PHA to make a determination at any other time. The PHA may decide that a new determination of rent reasonableness is needed at any time.

#### PHA Policy

In addition to the instances described above, the PHA will make a determination of rent reasonableness at any time after the initial occupancy period if: (1) the PHA determines that the initial rent reasonableness determination was in error or (2) the PHA determines that the information provided by the owner about the unit or other units on the same premises was incorrect.

## **8-III.C. HOW COMPARABILITY IS ESTABLISHED**

### **Factors to Consider**

HUD requires PHAs to take into consideration the factors listed below when determining rent comparability. The PHA may use these factors to make upward or downward adjustments to the rents of comparison units when the units are not identical to the HCV-assisted unit.

- Location and age
- Unit size including the number of rooms and square footage of rooms
- The type of unit including construction type (e.g., single family, duplex, garden, low-rise, high-rise)
- The quality of the units including the quality of the original construction, maintenance and improvements made.
- Amenities, services, and utilities included in the rent

### **Units that Must Not be Used as Comparables**

Comparable units must represent unrestricted market rents. Therefore, units that receive some form of federal, state, or local assistance that imposes rent restrictions cannot be considered comparable units. These include units assisted by HUD through any of the following programs: Section 8 project-based assistance, Section 236 and Section 221(d)(3) Below Market Interest Rate (BMIR) projects, HOME or Community Development Block Grant (CDBG) program-assisted units in which the rents are subsidized; units subsidized through federal, state, or local tax credits; units subsidized by the Department of Agriculture rural housing programs, and units that are rent-controlled by local ordinance.

### **Rents Charged for Other Units on the Premises**

The Request for Tenancy Approval (HUD-52517) requires owners to provide information, on the form itself, about the rent charged for other unassisted comparable units on the premises if the premises include more than 4 units.

By accepting the PHA payment each month the owner certifies that the rent is not more than the rent charged for comparable unassisted units on the premises. If asked to do so, the owner must give the PHA information regarding rents charged for other units on the premises.

## **8-III.D. PHA RENT REASONABLENESS METHODOLOGY**

### **How Market Data is Collected**

#### PHA Policy

The PHA will collect and maintain data on market rents in the PHA's jurisdiction. Information sources include newspapers, realtors, market surveys, inquiries of owners and other available sources. The data will be maintained by bedroom size and market areas. Market areas may be defined by zip codes, census tract, neighborhood, and identifiable natural or man-made boundaries. The data will be updated on an ongoing basis and rent information that is more than 12 months old will be eliminated from the database.

### **How Rents are Determined**

#### PHA Policy

The rent for a unit proposed for HCV assistance will be compared to the rent charged for comparable units in the same market area. The PHA will develop a range of prices for comparable units by bedroom size within defined market areas. Units proposed for HCV assistance will be compared to the units within this rent range. Because units may be similar, but not exactly like the unit proposed for HCV assistance, the PHA may make adjustments to the range of prices to account for these differences.

The adjustment must reflect the local market. Not all differences in units require adjustments (e.g., the presence or absence of a garbage disposal may not affect the rent in some market areas).

Adjustments may vary by unit type (e.g., a second bathroom may be more valuable in a three-bedroom unit than in a two-bedroom).

The adjustment must reflect the rental value of the difference – not its construction costs (e.g., it might cost \$20,000 to put on a new roof, but the new roof might not make any difference in what a tenant would be willing to pay because rents units are presumed to have functioning roofs).

When a comparable project offers rent concessions (e.g., first month rent-free, or reduced rent) reported monthly rents will be adjusted accordingly. For example, if a comparable project reports rents of \$500/month but new tenants receive the first month's rent free, the actual rent for the unit would be calculated as follows:  $\$500 \times 11 \text{ months} = 5500/12 \text{ months} = \text{actual monthly rent of } \$488$ .

## **EXHIBIT 8-1: OVERVIEW OF HUD HOUSING QUALITY STANDARDS**

Note: This document provides an overview of HQS. For more detailed information see the following documents:

- 24 CFR 982.401, Housing Quality Standards (HQS)
- Housing Choice Voucher Guidebook, Chapter 10.
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00)

### **Sanitary Facilities**

The dwelling unit must include sanitary facilities within the unit. The sanitary facilities must be usable in privacy and must be in proper operating condition and adequate for personal cleanliness and disposal of human waste.

### **Food Preparation and Refuse Disposal**

The dwelling unit must have space and equipment suitable for the family to store, prepare, and serve food in a sanitary manner.

### **Space and Security**

The dwelling unit must provide adequate space and security for the family. This includes having at least one bedroom or living/sleeping room for each two persons.

### **Thermal Environment**

The unit must have a safe system for heating the dwelling unit. Air conditioning is not required but if provided must be in proper operating condition. The dwelling unit must not contain unvented room heaters that burn gas, oil, or kerosene. Portable electric room heaters or kitchen stoves with built-in heating units are not acceptable as a primary source of heat for units located in climatic areas where permanent heat systems are required.

### **Illumination and Electricity**

Each room must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants. The dwelling unit must have sufficient electrical sources so occupants can use essential electrical appliances. Minimum standards are set for different types of rooms. Once the minimum standards are met, the number, type and location of electrical sources are a matter of tenant preference.

### **Structure and Materials**

The dwelling unit must be structurally sound. Handrails are required when four or more steps (risers) are present, and protective railings are required when porches, balconies, and stoops are thirty inches or more off the ground. The elevator servicing the unit must be working [if there is one]. Manufactured homes must have proper tie down devices capable of surviving wind loads common to the area.

## **Interior Air Quality**

The dwelling unit must be free of air pollutant levels that threaten the occupants' health. There must be adequate air circulation in the dwelling unit. Bathroom areas must have one openable window or other adequate ventilation. Any sleeping room must have at least one window. If a window was designed to be opened, it must be in proper working order.

## **Water Supply**

The dwelling unit must be served by an approved public or private water supply that is sanitary and free from contamination. Plumbing fixtures and pipes must be free of leaks and threats to health and safety.

## **Lead-Based Paint**

Lead-based paint requirements apply to dwelling units built prior to 1978 that are occupied or can be occupied by families with children under six years of age, excluding zero bedroom dwellings. Owners must:

- Disclose known lead-based paint hazards to prospective tenants before the lease is signed,
- provide all prospective families with "Protect Your Family from Lead in Your Home",
- Stabilize deteriorated painted surfaces and conduct hazard reduction activities when identified by the PHA
- Notify tenants each time such an activity is performed
- Conduct all work in accordance with HUD safe practices
- As part of ongoing maintenance ask each family to report deteriorated paint.

For units occupied by environmental intervention blood lead level (lead poisoned) children under six years of age, a risk assessment must be conducted (paid for by the PHA). If lead hazards are identified during the risk assessment, the owner must complete hazard reduction activities.

See HCV GB p. 10-15 for a detailed description of these requirements. For additional information on lead-based paint requirements see 24 CFR 35, Subparts A, B, M, and R.

## **Access**

Use and maintenance of the unit must be possible without unauthorized use of other private properties. The building must provide an alternate means of exit in case of fire.

## **Site and Neighborhood**

The site and neighborhood must be reasonably free from disturbing noises and reverberations, excessive trash or vermin, or other dangers to the health, safety, and general welfare of the occupants.

### **Sanitary Condition**

The dwelling unit and its equipment must be in sanitary condition and free of vermin and rodent infestation. The unit must have adequate barriers to prevent infestation.

### **Smoke Detectors**

Smoke detectors must be installed in accordance with and meet the requirements of the National Fire Protection Association Standard (NFPA) 74 (or its successor standards). If the dwelling unit is occupied by any person with a hearing impairment, smoke detectors must have an appropriate alarm system as specified in NFPA 74 (or successor standards).

### **Hazards and Health/Safety**

The unit, interior and exterior common areas accessible to the family, the site, and the surrounding neighborhood must be free of hazards to the family's health and safety.

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## EXHIBIT 8-2: SUMMARY OF TENANT PREFERENCE AREAS RELATED TO HOUSING QUALITY

Note: This document provides an overview of unit and site characteristics and conditions for which the family determines acceptability. For more detailed information see the following documents:

- Housing Choice Voucher Guidebook, Chapter 10.
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00)

Provided the minimum housing quality standards have been met, HUD permits the family to determine whether the unit is acceptable with regard to the following characteristics.

- *Sanitary Facilities.* The family may determine the adequacy of the cosmetic condition and quality of the sanitary facilities, including the size of the lavatory, tub, or shower; the location of the sanitary facilities within the unit; and the adequacy of the water heater.
- *Food Preparation and Refuse Disposal.* The family selects size and type of equipment it finds acceptable. When the family is responsible for supplying cooking appliances, the family may choose to use a microwave oven in place of a conventional oven, stove, or range. When the owner is responsible for providing cooking appliances, the owner may offer a microwave oven in place of an oven, stove, or range only if other subsidized and unsubsidized units on the premises are furnished with microwave ovens only. The adequacy of the amount and type of storage space, the cosmetic conditions of all equipment, and the size and location of the kitchen are all determined by the family.
- *Space and Security.* The family may determine the adequacy of room sizes and room locations. The family is also responsible for deciding the acceptability of the type of door and window locks.
- *Energy conservation items.* The family may determine whether the amount of insulation, presence of absence of storm doors and windows and other energy conservation items are acceptable.
- *Illumination and Electricity.* The family may determine whether the location and the number of outlets and fixtures (over and above those required to meet HQS standards) are acceptable or if the amount of electrical service is adequate for the use of appliances, computers, or stereo equipment.

- (6) *Structure and Materials*. Families may determine whether minor defects, such as lack of paint, or worn flooring or carpeting will affect the livability of the unit.
- (7) *Indoor Air*. Families may determine whether window and door screens, filters, fans, or other devices for proper ventilation are adequate to meet the family's needs. However, if screens are present they must be in good condition.
- (8) *Sanitary Conditions*. The family determines whether the sanitary conditions in the unit, including minor infestations, are acceptable.
- (9) *Neighborhood conditions*. Families may determine whether neighborhood conditions such as the presence of drug activity, commercial enterprises, and convenience to shopping will affect the livability of the unit.

Families have no discretion with respect to lead-based paint standards and smoke detectors.

## Chapter 9

### GENERAL LEASING POLICIES

#### INTRODUCTION

Chapter 9 covers the lease-up process from the family's submission of a Request for Tenancy Approval to execution of the HAP contract.

In order for the PHA to assist a family in a particular dwelling unit, or execute a Housing Assistance Payments (HAP) contract with the owner of a dwelling unit, the PHA must determine that all the following program requirements are met:

- The unit itself must qualify as an eligible unit [24 CFR 982.305(a)]
- The unit must be inspected by the PHA and meet the Housing Quality Standards (HQS) [24 CFR 982.305(a)]
- The lease offered by the owner must be approvable and must include the required Tenancy Addendum [24 CFR 982.305(a)]
- The rent to be charged by the owner for the unit must be reasonable [24 CFR 982.305(a)]
- The owner must be an eligible owner, approvable by the PHA, with no conflicts of interest [24 CFR 982.306]
- For families initially leasing a unit only: Where the gross rent of the unit exceeds the applicable payment standard for the family, the share of rent to be paid by the family cannot exceed 40 percent of the family's monthly adjusted income [24 CFR 982.305(a)]

## **9-I.A. TENANT SCREENING**

The PHA has no liability or responsibility to the owner or other persons for the family's behavior or suitability for tenancy [24 CFR 982.307(a)(1)].

The PHA may elect to screen applicants for family behavior or suitability for tenancy. See Chapter 3 for a discussion of the PHA's policies with regard to screening applicant families for program eligibility [24 CFR 982.307(a)(1)]. FWHA assigns this responsibility to the landlord.

The owner is responsible for screening and selection of the family to occupy the owner's unit. At or before PHA approval of the tenancy, the PHA must inform the owner that screening and selection for tenancy is the responsibility of the owner [24 CFR 982.307(a)(2)]. The PHA must also inform the owner or manager of their responsibility to comply with VAWA. [Pub.L. 109-162]

The PHA must provide the owner with the family's current and prior address (as shown in the PHA records); and the name and address (if known to the PHA) of the landlord at the family's current and prior address. [24 CFR 982.307 (b)(1)].

The PHA is permitted, but not required, to offer the owner other information in the PHA's possession about the family's tenancy [24 CFR 982.307(b)(2)].

The PHA's policy on providing information to the owner must be included in the family's briefing packet [24 CFR 982.307(b)(3)].

### PHA Policy

The PHA will not screen applicants for family behavior or suitability for tenancy.

The PHA will not provide additional screening information to the owner.

### **9-I.B. REQUESTING TENANCY APPROVAL [Form HUD-52517]**

After the family is issued a voucher, the family must locate an eligible unit, with an owner or landlord willing to participate in the voucher program. Once a family finds a suitable unit and the owner is willing to lease the unit under the program, the owner and the family must request the PHA to approve the assisted tenancy in the selected unit.

The owner and the family must submit two documents to the PHA:

- Completed Request for Tenancy Approval (RTA) – Form HUD-52517
- Copy of the proposed lease, including the HUD-prescribed Tenancy Addendum – Form HUD-52641-A

The RTA contains important information about the rental unit selected by the family, including the unit address, number of bedrooms, structure type, year constructed, utilities included in the rent, and the requested beginning date of the lease, necessary for the PHA to determine whether to approve the assisted tenancy in this unit.

Owners must certify to the most recent amount of rent charged for the unit and provide an explanation for any difference between the prior rent and the proposed rent.

Owners must certify that they are not the parent, child, grandparent, grandchild, sister or brother of any member of the family, unless the PHA has granted a request for reasonable accommodation for a person with disabilities who is a member of the tenant household.

For units constructed prior to 1978, owners must either 1) certify that the unit, common areas, and exterior have been found to be free of lead-based paint by a certified inspector; or 2) attach a lead-based paint disclosure statement.

Both the RTA and the proposed lease must be submitted no later than the expiration date stated on the voucher. [HCV GB p.8-15].

### PHA Policy

The RTA must be signed by both the family and the owner.

The owner may submit the RTA on behalf of the family.

Completed RTA (including the proposed dwelling lease) must be submitted as hard copies, in-person, by mail, or by fax.

The family may not submit, and the PHA will not process, more than one (1) RTA at a time.

When the family submits the RTA the PHA will review the RTA for completeness.

If the RTA is incomplete (including lack of signature by family, owner, or both), or if the dwelling lease is not submitted with the RTA, the PHA will notify the family and the owner of the deficiencies.

Missing information and/or missing documents will only be accepted as hard copies, in-person, by mail, or by fax. The PHA will not accept missing information over the phone.

When the family submits the RTA and proposed lease, the PHA will also review the terms of the RTA for consistency with the terms of the proposed lease.

If the terms of the RTA are not consistent with the terms of the proposed lease, the PHA will notify the family and the owner of the discrepancies.

Corrections to the terms of the RTA and/or the proposed lease will only be accepted as hard copies, in-person, by mail or by fax. The PHA will not accept corrections by phone.

Because of the time sensitive nature of the tenancy approval process, the PHA will attempt to communicate with the owner and family by phone, fax, or email. The PHA will use mail when the parties can't be reached by phone, fax, or email.

### **9-I.C. OWNER PARTICIPATION**

The PHA does not formally approve an owner to participate in the HCV program. However, there are a number of criteria where the PHA may deny approval of an assisted tenancy based on past owner behavior, conflict of interest, or other owner-related issues. No owner has a right to participate in the HCV program [24 CFR 982.306(e)]

See Chapter 13 for a full discussion of owner qualification to participate in the HCV program.

## **9-I.D. ELIGIBLE UNITS**

There are a number of criteria that a dwelling unit must meet in order to be eligible for assistance under the voucher program. Generally, a voucher-holder family may choose any available rental dwelling unit on the market in the PHA's jurisdiction. This includes the dwelling unit they are currently occupying.

### **Ineligible Units [24 CFR 982.352(a)]**

The PHA may not assist a unit under the voucher program if the unit is a public housing or Indian housing unit; a unit receiving project-based assistance under section 8 of the 1937 Act (42 U.S.C. 1437f); nursing homes, board and care homes, or facilities providing continual psychiatric, medical, or nursing services; college or other school dormitories; units on the grounds of penal, reformatory, medical, mental, and similar public or private institutions; a unit occupied by its owner or by a person with any interest in the unit.

### **PHA-Owned Units [24 CFR 982.352(b)]**

Otherwise eligible units that are owned or substantially controlled by the PHA issuing the voucher may also be leased in the voucher program. In order for a PHA-owned unit to be leased under the voucher program, the unit must not be ineligible housing and the PHA must inform the family, both orally and in writing, that the family has the right to select any eligible unit available for lease and that the family is free to select a PHA-owned unit without any pressure or steering by the PHA.

#### PHA Policy

The PHA does have eligible PHA-owned units available for leasing under the voucher program. All applicable rules and regulations will be enforced.

### **Special Housing Types [24 CFR 982 Subpart M]**

HUD regulations permit, but do not generally require, the PHA to permit families to use voucher assistance in a number of special housing types in accordance with the specific requirements applicable to those programs. These special housing types include single room occupancy (SRO) housing, congregate housing, group home, shared housing, manufactured home space (where the family owns the manufactured home and leases only the space), cooperative housing and homeownership option. See Chapter 15 for specific information and policies on any of these housing types that the PHA has chosen to allow.

The regulations do require the PHA to permit use of any special housing type if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

### **Duplicative Assistance [24 CFR 982.352(c)]**

A family may not receive the benefit of HCV tenant-based assistance while receiving the benefit of any of the following forms of other housing subsidy, for the same unit or for a different unit:

- Public or Indian housing assistance;
- Other Section 8 assistance (including other tenant-based assistance);
- Assistance under former Section 23 of the United States Housing Act of 1937 (before amendment by the Housing and Community Development Act of 1974);
- Section 101 rent supplements;
- Section 236 rental assistance payments;
- Tenant-based assistance under the HOME Program;
- Rental assistance payments under Section 521 of the Housing Act of 1949 (a program of the Rural Development Administration);
- Any local or State rent subsidy;
- Section 202 supportive housing for the elderly;
- Section 811 supportive housing for persons with disabilities; (11) Section 202 projects for non-elderly persons with disabilities (Section 162 assistance); or
- Any other duplicative federal, State, or local housing subsidy, as determined by HUD. For this purpose, 'housing subsidy' does not include the housing component of a welfare payment, a social security payment received by the family, or a rent reduction because of a tax credit.

### **Housing Quality Standards (HQS) [24 CFR 982.305 and 24 CFR 982.401]**

In order to be eligible, the dwelling unit must be in decent, safe and sanitary condition. This determination is made using HUD's Housing Quality Standards (HQS) and/or equivalent state or local standards approved by HUD. See Chapter 8 for a full discussion of the HQS standards, as well as the process for HQS inspection at initial lease-up.

## **Unit Size**

In order to be eligible, the dwelling unit must be appropriate for the number of persons in the household. A family must be allowed to lease an otherwise acceptable dwelling unit with fewer bedrooms than the number of bedrooms stated on the voucher issued to the family, provided the unit meets the applicable HQS space requirements [24 CFR 982.402(d)]. The family must be allowed to lease an otherwise acceptable dwelling unit with more bedrooms than the number of bedrooms stated on the voucher issued to the family. See Chapter 5 for a full discussion of subsidy standards.

## **Rent Reasonableness [24 CFR 982.305 and 24 CFR 982.507]**

In order to be eligible, the dwelling unit must have a reasonable rent. The rent must be reasonable in relation to comparable unassisted units in the area and must not be in excess of rents charged by the owner for comparable, unassisted units on the premises. See Chapter 8 for a full discussion of rent reasonableness and the rent reasonableness determination process.

## **Rent Burden [24 CFR 982.508]**

Where a family is initially leasing a unit and the gross rent of the unit exceeds the applicable payment standard for the family, the dwelling unit rent must be at a level where the family's share of rent does not exceed 40 percent of the family's monthly adjusted income. See Chapter 6 for a discussion of calculation of gross rent, the use of payment standards, and calculation of family income, family share of rent and HAP.

## **9-I.E. LEASE AND TENANCY ADDENDUM**

The family and the owner must execute and enter into a written dwelling lease for the assisted unit. This written lease is a contract between the tenant family and the owner; the PHA is not a party to this contract.

The tenant must have legal capacity to enter a lease under State and local law. 'Legal capacity' means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner [24 CFR 982.308(a)]

### **Lease Form and Tenancy Addendum [24 CFR 982.308]**

If the owner uses a standard lease form for rental to unassisted tenants in the locality or the premises, the lease must be in such standard form. If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease. The HAP contract prescribed by HUD contains the owner's certification that if the owner uses a standard lease form for rental to unassisted tenants, the lease is in such standard form.

All provisions in the HUD-required Tenancy Addendum must also be added word-for-word to the owner's standard lease form, for use with the assisted family. The Tenancy Addendum includes the tenancy requirements for the program and the composition of the household as approved by the PHA. As a part of the lease, the tenant shall have the right to enforce the Tenancy Addendum against the owner and the terms of the Tenancy Addendum shall prevail over any other provisions of the lease.

#### PHA Policy

The PHA does not provide a model or standard dwelling lease for owners to use in the HCV program.

### **Lease Information [24 CFR 982.308(d)]**

The assisted dwelling lease must contain all of the required information as listed below:

- The names of the owner and the tenant:
- The unit rented (address, apartment number, and any other information needed to identify the contract unit)
- The term of the lease (initial term and any provisions for renewal)
- The amount of the monthly rent to owner
- A specification of what utilities and appliances are to be supplied by the owner, and what utilities and appliances are to be supplied by the family

## **Term of Assisted Tenancy**

The initial term of the assisted dwelling lease must be for at least one year [24 CFR 982.309]. The initial lease term is also stated in the HAP contract.

The HUD program regulations permit the PHA to approve a shorter initial lease term if certain conditions are met.

### PHA Policy

The PHA will not approve an initial lease term of less than one (1) year nor greater than two (2) years.

During the initial term of the lease, the owner may not raise the rent to owner [24 CFR 982.309].

Any provisions for renewal of the dwelling lease will be stated in the dwelling lease [HCV Guidebook, pg. 8-22]. There are no HUD requirements regarding any renewal extension terms, except that they must be in the dwelling lease if they exist.

The PHA may execute the HAP contract even if there is less than one year remaining from the beginning of the initial lease term to the end of the last expiring funding increment under the consolidated ACC. [24 CFR 982.309(b)].

## **Security Deposit [24 CFR 982.313 (a) and (b)]**

The owner may collect a security deposit from the tenant. The PHA may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants. However, if the PHA chooses to do so, language to this effect must be added to Part A of the HAP contract [Form HUD-52641].

### PHA Policy

The PHA will allow the owner to collect any security deposit amount the owner determines is appropriate. Therefore, no modifications to the HAP contract will be necessary.

## **Separate Non-Lease Agreements between Owner and Tenant**

Owners may not demand or accept any rent payment from the family in excess of the rent to the owner minus the PHA's housing assistance payments to the owner [24 CFR 982.451(b)(4)].

The owner may not charge the tenant extra amounts for items customarily included in rent in the locality, or provided at no additional cost to unsubsidized tenants in the premises [24 CFR 982.510(c)].

### PHA Policy

The PHA permits owners and families to execute separate, non-lease agreements for services, appliances (other than range and refrigerator) and other items that are not included in the lease.

Any items, appliances, or other services that are customarily provided to unassisted families as part of the dwelling lease with those families, or are permanently installed in the dwelling unit must be included in the dwelling lease for the assisted family. These items, appliances or services cannot be placed under a separate non-lease agreement between the owner and family. Side payments for additional rent, or for items, appliances or services customarily provided to unassisted families as part of the dwelling lease for those families, are prohibited.

Any items, appliances, or other services that are not customarily provided to unassisted families as part of the dwelling lease with those families, are not permanently installed in the dwelling unit and where the family has the sole option of not utilizing the item, appliance or service, may be included in a separate non-lease agreement between the owner and the family.

The family is not liable and cannot be held responsible under the terms of the assisted dwelling lease for any charges pursuant to a separate non-lease agreement between the owner and the family. Non-payment of any charges pursuant to a separate non-lease agreement between the owner and the family cannot be a cause for eviction or termination of tenancy under the terms of the assisted dwelling lease.

Separate non-lease agreements that involve additional items, appliances or other services may be considered amenities offered by the owner and may be taken into consideration when determining the reasonableness of the rent for the property.

## **PHA Review of Lease**

The PHA will review the dwelling lease for compliance with all applicable requirements.

### PHA Policy

If the dwelling lease is incomplete or incorrect, the PHA will notify the family and the owner of the deficiencies. Missing and corrected lease information will only be accepted as hard copies, in-person, by mail, or by fax. The PHA will not accept missing and corrected information over the phone

Because the initial leasing process is time-sensitive, the PHA will attempt to communicate with the owner and family by phone, fax, or email. The PHA will use mail when the parties can't be reached by phone, fax, or email.

The PHA is permitted, but is not required, to review the lease to determine if the lease complies with State and local law and is permitted to decline to approve the tenancy if the PHA determines that the lease does not comply with State or local law [24 CFR 982.308(c)]

### PHA Policy

The PHA will not review the owner's lease for compliance with state/local law.

## **9-I.F. TENANCY APPROVAL [24 CFR 982.305]**

After receiving the family's Request for Tenancy Approval, with proposed dwelling lease, the PHA must promptly notify the family and owner whether the assisted tenancy is approved.

Prior to approving the assisted tenancy and execution of a HAP contract, the PHA must ensure that all required actions and determinations, discussed in Part I of this chapter have been completed.

These actions include ensuring that the unit is eligible; the unit has been inspected by the PHA and meets the Housing Quality Standards (HQS); the lease offered by the owner is approvable and includes the required Tenancy Addendum; the rent to be charged by the owner for the unit must be reasonable; where the family is initially leasing a unit and the gross rent of the unit exceeds the applicable payment standard for the family, the share of rent to be paid by the family does not exceed 40 percent of the family's monthly adjusted income [24 CFR 982.305(a)]; the owner is an eligible owner, not disapproved by the PHA, with no conflicts of interest [24 CFR 982.306]; the family and the owner have executed the lease, including the Tenancy Addendum, and the lead-based paint disclosure information [24 CFR 982.305(b)].

### PHA Policy

The PHA will complete its determination within 10 business days of receiving all required information.

If the terms of the RTA/proposed lease are changed for any reason, including but not limited to negotiation with the PHA, the PHA will obtain corrected copies of the RTA and proposed lease, signed by the family and the owner.

Corrections to the RTA/proposed lease will only be accepted as hard copies, in-person, by mail, or by fax. The PHA will not accept corrections over the phone.

If the PHA determines that the tenancy cannot be approved for any reason, the owner and the family will be notified in writing and given the opportunity to address any reasons for disapproval. The PHA will instruct the owner and family of the steps that are necessary to approve the tenancy.

Where the tenancy is not approvable because the unit is not approvable, the family must continue to search for eligible housing within the timeframe of the issued voucher.

If the tenancy is not approvable due to rent affordability (including rent burden and rent reasonableness), the PHA will attempt to negotiate the rent with the owner. If a new, approvable rent is negotiated, the tenancy will be approved. If the owner is not willing to negotiate an approvable rent, the family must continue to search for eligible housing within the timeframe of the issued voucher.

## **9-I.G. HAP CONTRACT EXECUTION [24 CFR 982.305]**

The HAP contract is a written agreement between the PHA and the owner of the dwelling unit occupied by a housing choice voucher assisted family. Under the HAP contract, the PHA agrees to make housing assistance payments to the owner on behalf of a specific family occupying a specific unit and obliges the owner to comply with all program requirements.

The HAP contract format is prescribed by HUD.

If the PHA has given approval for the family of the assisted tenancy, the owner and the PHA execute the HAP contract.

The term of the HAP contract must be the same as the term of the lease [24 CFR 982.451(a)(2)].

The PHA is permitted to execute a HAP contract even if the funding currently available does not extend for the full term of the HAP contract.

The PHA must make a best effort to ensure that the HAP contract is executed before the beginning of the lease term. Regardless, the HAP contract must be executed no later than 60 calendar days from the beginning of the lease term.

The PHA may not pay any housing assistance payment to the owner until the HAP contract has been executed. If the HAP contract is executed during the period of 60 calendar days from the beginning of the lease term, the PHA will pay housing assistance payments after execution of the HAP contract (in accordance with the terms of the HAP contract), to cover the portion of the lease term before execution of the HAP contract (a maximum of 60 days).

Any HAP contract executed after the 60 day period is void, and the PHA may not pay any housing assistance payment to the owner.

### PHA Policy

Owners who have not previously participated in the HCV program must attend a meeting with the PHA in which the terms of the Tenancy Addendum and the HAP contract will be explained. The PHA may waive this requirement on a case-by case basis, if it determines that the owner is sufficiently familiar with the requirements and responsibilities under the HCV program.

The owner and the assisted family will execute the dwelling lease and the owner must provide a copy to the PHA. The PHA will ensure that both the owner and the assisted family receive copies of the dwelling lease.

The owner and the PHA will execute the HAP contract. The PHA will not execute the HAP contract until the owner has submitted IRS form W-9 and the ACH agreement. The PHA will ensure that the owner receives a copy of the executed HAP contract.

See Chapter 13 for a discussion of the HAP contract and contract provisions.

## **9-I.H. CHANGES IN LEASE OR RENT [24 CFR 982.308]**

If the tenant and the owner agree to any changes in the lease, such changes must be in writing, and the owner must immediately give the PHA a copy of such changes. The lease, including any changes, must remain in accordance with the requirements of this chapter.

Generally, PHA approval of tenancy and execution of a new HAP contract are not required for changes in the lease. However, under certain circumstances, voucher assistance in the unit shall not be continued unless the PHA has approved a new tenancy in accordance with program requirements and has executed a new HAP contract with the owner. These circumstances include:

- Changes in lease requirements governing tenant or owner responsibilities for utilities or appliances
- Changes in lease provisions governing the term of the lease
- The family moves to a new unit, even if the unit is in the same building or complex

In these cases, if the HCV assistance is to continue, the family must submit a new Request for Tenancy Approval (RTA) along with a new dwelling lease containing the altered terms. A new tenancy must then be approved in accordance with this chapter.

Where the owner is changing the amount of rent, the owner must notify the PHA of any changes in the amount of the rent to owner at least 60 days before any such changes go into effect [24 CFR 982.308(g)(4)]. The PHA will agree to such an increase only if the amount of the rent to owner is considered reasonable according to the rent reasonableness standards discussed in Chapter 8. If the requested rent is not found to be reasonable, the owner must either reduce the requested rent increase, or give the family notice in accordance with the terms of the lease.

No rent increase is permitted during the initial term of the lease [24 CFR 982.309(a)(3)].

### PHA Policy

Where the owner is requesting a rent increase, the PHA will determine whether the requested increase is reasonable within 10 business days of receiving the request from the owner. The owner will be notified of the determination in writing.

Rent increases will go into effect on the first of the month following the 60 day period after the owner notifies the PHA of the rent change or on the date specified by the owner, whichever is later.

## Chapter 10

### MOVING WITH CONTINUED ASSISTANCE AND PORTABILITY

#### INTRODUCTION

Freedom of choice is a hallmark of the housing choice voucher (HCV) program. In general, therefore, HUD regulations impose few restrictions on where families may live or move with HCV assistance. This chapter sets forth HUD regulations and PHA policies governing moves within or outside the PHA's jurisdiction in two parts:

Part I: Moving with Continued Assistance. This part covers the general rules that apply to all moves by a family assisted under the PHA's HCV program, whether the family moves to another unit within the PHA's jurisdiction or to a unit outside the PHA's jurisdiction under portability.

Part II: Portability. This part covers the special rules that apply to moves by a family under portability, whether the family moves out of or into the PHA's jurisdiction. This part also covers the special responsibilities that the PHA has under portability regulations and procedures.

#### PART I: MOVING WITH CONTINUED ASSISTANCE

##### 10-I.A. ALLOWABLE MOVES

HUD lists five regulatory conditions and the statutory condition under VAWA in which an assisted family is allowed to move to a new unit with continued assistance. Permission to move is subject to the restrictions set forth in section 10-I.B.

- The family has a right to terminate the lease on notice to the owner (for the owner's breach or otherwise) and has given a notice of termination to the owner in accordance with the lease [24 CFR 982.314(b)(3)]. If the family terminates the lease on notice to the owner, the family must give the PHA a copy of the notice at the same time [24 CFR 982.314(d)(1)].
- The Violence Against Women Reauthorization Act of 2005 provides that "a family may receive a voucher from a public housing agency and move to another jurisdiction under the tenant-based assistance program if the family has complied with all other obligations of the section 8 program and has moved out of the assisted dwelling unit in order to protect the health or safety of an individual who is or has been a victim of domestic violence, dating violence, or stalking and who reasonably believed he or she was imminently threatened by harm from further violence if he or she remained in the assisted dwelling unit" [Pub.L. 109-162]
- The lease for the family's unit has been terminated by mutual agreement of the owner and the family [24 CFR 982.314(b)(1)(ii)].

##### PHA Policy

If the family and the owner mutually agree to terminate the lease for the family's unit, the family must give the PHA a copy of the termination agreement.

- The owner has given the family a notice to vacate, has commenced an action to evict the family, or has obtained a court judgment or other process allowing the owner to evict the family [24 CFR 982.314(b)(2)]. The family must give the PHA a copy of any owner eviction notice if the eviction is through no fault of the family or guest [24 CFR 982.551(g)].
- The PHA has terminated the assisted lease for the family's unit for the owner's breach [24 CFR 982.314(b)(1)(i)].
- The PHA determines that the family's current unit does not meet the HQS space standards because of an increase in family size or a change in family composition. In such cases, the PHA must issue the family a new voucher, and the family and PHA must try to find an acceptable unit as soon as possible. If an acceptable unit is available for the family, the PHA must terminate the HAP contract for the family's old unit in accordance with the HAP contract terms and must notify both the family and the owner of the termination. The HAP contract terminates at the end of the calendar month that follows the calendar month in which the PHA gives notice to the owner. [24 CFR 982.403(a) and (c)]

## **10-I.B. RESTRICTIONS ON MOVES**

A family's right to move is generally contingent upon the family's compliance with program requirements [24 CFR 982.1(b)(2)]. HUD specifies two conditions under which a PHA may deny a family permission to move and two ways in which a PHA may restrict moves by a family.

### **Denial of Moves**

HUD regulations permit the PHA to deny a family permission to move under the following conditions:

#### ***Insufficient Funding***

The PHA may deny a family permission to move if the PHA does not have sufficient funding for continued assistance [24 CFR 982.314(e)(1)].

##### PHA Policy

The PHA will deny a family permission to move on grounds that the PHA does not have sufficient funding for continued assistance if (a) the move is initiated by the family, not the owner or the PHA; (b) the PHA can demonstrate that the move will, in fact, result in higher subsidy costs and (c) the PHA can demonstrate, in accordance with the policies in Part VIII of Chapter 16, that it does not have sufficient funding in its annual budget to accommodate the higher subsidy costs. This policy applies to moves within the PHA's jurisdiction as well as to moves outside it under portability.

#### ***Grounds for Denial or Termination of Assistance***

The PHA has grounds for denying or terminating the family's assistance [24 CFR 982.314(e)(2)]. VAWA creates an exception to these restrictions for families who are otherwise in compliance with program obligations, but have moved to protect the health or safety of an individual who is or has been a victim of domestic violence, dating violence or stalking, and who reasonably believed he or she was imminently threatened by harm from further violence if they remained in the unit. [Pub.L. 109-162]

##### PHA Policy

If the PHA has grounds for denying or terminating a family's assistance, the PHA will act on those grounds in accordance with the regulations and policies set forth in Chapters 3 and 12, respectively. In general, it will not deny a family permission to move for this reason; however, it retains the discretion to do so under special circumstances. Refer to sections 3-III.G and 12-II.E for VAWA provisions.

## **Restrictions on Elective Moves [24 CFR 982.314(c)]**

HUD regulations permit the PHA to prohibit any elective move by a participant family during the family's initial lease term. They also permit the PHA to prohibit more than one elective move by a participant family during any 12-month period.

### PHA Policy

The PHA will deny a family permission to make an elective move during the family's initial lease term. This policy applies to moves within the PHA's jurisdiction or outside it under portability.

The PHA will also deny a family permission to make more than one elective move during any 12-month period. This policy applies to all assisted families residing in the PHA's jurisdiction.

The PHA will consider exceptions to these policies for the following reasons: to protect the health or safety of a family member (e.g., lead-based paint hazards, domestic violence, and witness protection programs).

In addition, the PHA will allow exceptions to these policies for purposes of reasonable accommodation of a family member who is a person with disabilities (see Chapter 2).

## **10-I.C. MOVING PROCESS**

### **Notification**

If a family wishes to move to a new unit, the family must notify the PHA and the owner before moving out of the old unit or terminating the lease on notice to the owner [24 CFR 982.314(d)(2)]. If the family wishes to move to a unit outside the PHA's jurisdiction under portability, the notice to the PHA must specify the area where the family wishes to move [24 CFR 982.314(d)(2), Notice PIH 2004-12]. The notices must be in writing [24 CFR 982.5].

### **Approval**

#### PHA Policy

Upon receipt of a family's notification that it wishes to move, the PHA will determine whether the move is approvable in accordance with the regulations and policies set forth in sections 10-I.A and 10-I.B. The PHA will notify the family in writing of its determination within 10 business days following receipt of the family's notification.

### **Reexamination of Family Income and Composition**

#### PHA Policy

FWHA will not perform a new annual reexamination when a family moves to a new unit.

### **Voucher Issuance and Briefing**

#### PHA Policy

For families approved to move to a new unit within the PHA's jurisdiction a briefing is required. The PHA will follow the policies set forth in Chapter 5 on voucher term, extension, and expiration. If a family does not locate a new unit within the term of the voucher and any extensions, the family may remain in its current unit with continued voucher assistance if the owner agrees and the PHA approves. Otherwise, the family will lose its assistance.

For families moving into or families approved to move out of the PHA's jurisdiction under portability, the PHA will follow the policies set forth in Part II of this chapter.

### **Housing Assistance Payments [24 CFR 982.311(d)]**

When a family moves out of an assisted unit, the PHA may not make any housing assistance payment to the owner for any month **after** the month the family moves out. The owner may keep the housing assistance payment for the month when the family moves out of the unit.

If a participant family moves from an assisted unit with continued tenant-based assistance, the term of the assisted lease for the new assisted unit may begin during the month the family moves out of the first assisted unit. Overlap of the last housing assistance payment (for the month when the family moves out of the old unit) and the first assistance payment for the new unit, is not considered to constitute a duplicative housing subsidy.

## PART II: PORTABILITY

### 10-II.A. OVERVIEW

Within the limitations of the regulations and this plan, a participant family or an applicant family that has been issued a voucher has the right to use tenant-based voucher assistance to lease a unit anywhere in the United States providing that the unit is located within the jurisdiction of a PHA administering a tenant-based voucher program [24 CFR 982.353(b)]. The process by which a family obtains a voucher from one PHA and uses it to lease a unit in the jurisdiction of another PHA is known as portability. The first PHA is called the **initial PHA**. The second is called the **receiving PHA**.

The receiving PHA has the option of administering the family's voucher for the initial PHA or absorbing the family into its own program. Under the first option, the receiving PHA bills the initial PHA for the family's housing assistance payments and the fees for administering the family's voucher. Under the second option, the receiving PHA pays for the family's assistance out of its own program funds, and the initial PHA has no further relationship with the family.

The same PHA commonly acts as the initial PHA for some families and as the receiving PHA for others. Each role involves different responsibilities. The PHA will follow the rules and policies in section 10-II.B when it is acting as the initial PHA for a family. It will follow the rules and policies in section 10-II.C when it is acting as the receiving PHA for a family.

## **10-II.B. INITIAL PHA ROLE**

### **Allowable Moves under Portability**

A family may move with voucher assistance only to an area where there is at least one PHA administering a voucher program [24 CFR 982.353(b)]. If there is more than one PHA in the area, the initial PHA may choose the receiving PHA [24 CFR 982.355(b)].

Applicant families that have been issued vouchers as well as participant families may qualify to lease a unit outside the PHA's jurisdiction under portability. The initial PHA, in accordance with HUD regulations and PHA policy, determines whether a family qualifies.

### ***Applicant Families***

Under HUD regulations, most applicant families qualify to lease a unit outside the PHA's jurisdiction under portability. However, HUD gives the PHA discretion to deny a portability move by an applicant family for the same two reasons that it may deny any move by a participant family: insufficient funding and grounds for denial or termination of assistance.

#### PHA Policy

In determining whether or not to deny an applicant family permission to move under portability because the PHA lacks sufficient funding or has grounds for denying assistance to the family, the initial PHA will follow the policies established in section 10-I.B of this chapter.

In addition, the PHA may establish a policy denying the right to portability to nonresident applicants during the first 12 months after they are admitted to the program [24 CFR 982.353(c)].

#### PHA Policy

If neither the head of household nor the spouse/cohead of an applicant family had a domicile (legal residence) in the PHA's jurisdiction at the time the family's application for assistance was submitted, the family must live in the PHA's jurisdiction with voucher assistance for at least 12 months before requesting portability.

The PHA will consider exceptions to this policy for purposes of reasonable accommodation (see Chapter 2). However, any exception to this policy is subject to the approval of the receiving PHA [24 CFR 982.353(c)(3)].

### ***Participant Families***

The Initial PHA must not provide portable assistance for a participant if a family has moved out of its assisted unit in violation of the lease [24 CFR 982.353(b)]. VAWA creates an exception to this prohibition for families who are otherwise in compliance with program obligations but have moved to protect the health or safety of an individual who is or has been a victim of domestic violence, dating violence or stalking and who reasonably believed he or she was imminently threatened by harm from further violence if they remained in the unit.

#### **PHA Policy**

The PHA will determine whether a participant family may move out of the PHA's jurisdiction with continued assistance in accordance with the regulations and policies set forth here and in sections 10-I.A and 10-I.B of this chapter. The PHA will notify the family of its determination in accordance with the approval policy set forth in section 10-I.C of this chapter.

### **Determining Income Eligibility**

#### ***Applicant Families***

An applicant family may lease a unit in a particular area under portability only if the family is income eligible for admission to the voucher program in that area [24 CFR 982.353(d)(3)]. The family must specify the area to which the family wishes to move [Notice 2004-12].

The initial PHA is responsible for determining whether the family is income eligible in the area to which the family wishes to move [24 CFR 982.355(c)(1)]. If the applicant family is not income eligible in that area, the PHA must inform the family that it may not move there and receive voucher assistance [Notice PIH 2004-12].

#### ***Participant Families***

The income eligibility of a participant family is not redetermined if the family moves to a new jurisdiction under portability [24 CFR 982.353(d)(2), 24 CFR 982.355(c)(1)].

### **Reexamination of Family Income and Composition**

No new reexamination of family income and composition is required for an applicant family.

#### **PHA Policy**

For a participant family approved to move out of its jurisdiction under portability, the PHA generally will conduct a reexamination of family income and composition only if the family's annual reexamination must be completed on or before expiration date specified on the voucher, Family Portability Information.

The PHA will make any exceptions to this policy necessary to remain in compliance with HUD regulations.

## **Briefing**

The regulations and policies on briefings set forth in Chapter 5 of this plan require the PHA to provide information on portability to all applicant families that qualify to lease a unit outside the PHA's jurisdiction under the portability procedures. Therefore, no special briefing is required for these families.

### PHA Policy

A briefing will be required for a participant family wishing to move outside the PHA's jurisdiction under portability. However, the PHA will provide the family with the same oral and written explanation of portability that it provides to applicant families selected for admission to the program (see Chapter 5). The PHA will provide the name, address, and phone of the contact for the PHA in the jurisdiction to which they wish to move. The PHA will advise the family that they will be under the PHA's policies and procedures, including subsidy standards and voucher extension policies.

## **Voucher Issuance and Term**

An applicant family has no right to portability until after the family has been issued a voucher [24 CFR 982.353(b)]. In issuing vouchers to applicant families, the PHA will follow the regulations and procedures set forth in Chapter 5. A new voucher is not required for portability purposes.

### PHA Policy

The initial term of the voucher will be 60 days.

## **Voucher Extensions and Expiration**

### PHA Policy

The PHA will approve **no** extensions to a voucher issued to an applicant or participant family porting out of the PHA's jurisdiction except under the following circumstances: (a) the initial term of the voucher will expire before the portable family will be issued a voucher by the receiving PHA, (b) the family decides to return to the initial PHA's jurisdiction and search for a unit there, or (c) the family decides to search for a unit in a third PHA's jurisdiction. In such cases, the policies on voucher extensions set forth in Chapter 5, section 5-II.E, of this plan will apply, including the requirement that the family apply for an extension in writing prior to the expiration of the initial voucher term.

To receive or continue receiving assistance under the initial PHA's voucher program, a family that moves to another PHA's jurisdiction under portability must be under HAP contract in the receiving PHA's jurisdiction within 60 days following the expiration date of the initial PHA's voucher term (including any extensions). (See below under "Initial Billing Deadline" for one exception to this policy.)

## **Initial Contact with the Receiving PHA**

After approving a family's request to move under portability, the initial PHA must promptly notify the receiving PHA to expect the family [24 CFR 982.355(c)(2)]. This means that the initial PHA must contact the receiving PHA directly on the family's behalf [Notice PIH 2004-12]. The initial PHA must also advise the family how to contact and request assistance from the receiving PHA [24 CFR 982.355(c)(2)].

### PHA Policy

Because the portability process is time-sensitive, the PHA will notify the receiving PHA by phone, fax, or e-mail to expect the family. The initial PHA will also ask the receiving PHA to provide any information the family may need upon arrival, including the name, fax, email and telephone number of the staff person responsible for business with incoming portable families and procedures related to appointments for voucher issuance. The PHA will pass this information along to the family. The PHA will also ask for the name, address, telephone number, fax and email of the person responsible for processing the billing information.

## **Sending Documentation to the Receiving PHA**

The initial PHA is required to send the receiving PHA the following documents:

- Form HUD-52665, Family Portability Information, with Part I filled out [Notice PIH 2004-12]
- A copy of the family's voucher [Notice PIH 2004-12]
- A copy of the family's most recent form HUD-50058, Family Report, or, if necessary in the case of an applicant family, family and income information in a format similar to that of form HUD-50058 [24 CFR 982.355(c)(4), Notice PIH 2004-12]
- Copies of the income verifications backing up the form HUD-50058 [24 CFR 982.355(c)(4), Notice PIH 2004-12]

### PHA Policy

In addition to these documents, the PHA will provide the following information, if available, to the receiving PHA:

- Social security numbers (SSNs)
- Documentation of SSNs for all family members age 6 and over
- Documentation of legal identity
- Documentation of citizenship or eligible immigration status
- Documentation of participation in the earned income disallowance (EID) benefit
- Documentation of participation in a family self-sufficiency (FSS) program

### **Initial Billing Deadline [Notice PIH 2004-12]**

When the initial PHA sends form HUD-52665 to the receiving PHA, it specifies in Part I the deadline by which it must receive the initial billing notice from the receiving PHA. This deadline is 60 days following the expiration date of the voucher issued to the family by the initial PHA. If the initial PHA does not receive a billing notice by the deadline and does not intend to honor a late billing submission, it must contact the receiving PHA to determine the status of the family. If the receiving PHA reports that the family is not yet under HAP contract, the initial PHA may refuse to accept a late billing submission. If the receiving PHA reports that the family is under HAP contract and the receiving PHA cannot absorb the family, the initial PHA must accept a late billing submission; however, it may report to HUD the receiving PHA's failure to comply with the deadline.

#### PHA Policy

If the PHA has not received an initial billing notice from the receiving PHA by the deadline specified on form HUD-52665, it will contact the receiving PHA by phone, fax, or e-mail. If the PHA reports that the family is not yet under HAP contract, the PHA will inform the receiving PHA that it will not honor a late billing submission and will return any subsequent billings that it receives on behalf of the family. The PHA will send the receiving PHA a written confirmation of its decision by mail.

The PHA will allow an exception to this policy if the family includes a person with disabilities and the late billing is a result of a reasonable accommodation granted to the family by the receiving PHA.

### **Monthly Billing Payments [24 CFR 982.355(e), Notice PIH 2004-12]**

If the receiving PHA is administering the family's voucher, the initial PHA is responsible for making billing payments in a timely manner. The first billing amount is due within 30 calendar days after the initial PHA receives Part II of form HUD-52665 from the receiving PHA. Subsequent payments must be **received** by the receiving PHA no later than the fifth business day of each month. The payments must be provided in a form and manner that the receiving PHA is able and willing to accept.

The initial PHA may not terminate or delay making payments under existing portability billing arrangements as a result of overleasing or funding shortfalls. The PHA must manage its tenant-based program in a manner that ensures that it has the financial ability to provide assistance for families that move out of its jurisdiction under portability and are not absorbed by receiving PHAs as well as for families that remain within its jurisdiction.

#### PHA Policy

The initial PHA will utilize direct deposit to ensure that the payment is received by the deadline unless the receiving PHA notifies the initial PHA that direct deposit is not acceptable to them.

## **Annual Updates of Form HUD-50058**

If the initial PHA is being billed on behalf of a portable family, it should receive an updated form HUD-50058 each year from the receiving PHA. If the initial PHA fails to receive an updated 50058 by the family's annual reexamination date, the initial PHA should contact the receiving PHA to verify the status of the family.

## **Subsequent Family Moves**

### ***Within the Receiving PHA's Jurisdiction [24 CFR 314(e)(1), Notice PIH 2005-1]***

The initial PHA has the authority to deny subsequent moves by portable families whom it is assisting under portability billing arrangements if it does not have sufficient funding for continued assistance.

#### **PHA Policy**

If the PHA determines that it must deny moves on the grounds that it lacks sufficient funding (see section 10-I.B), it will notify all receiving PHAs with which it has entered into portability billing arrangements that they, too, must deny moves to higher cost units by portable families from the PHA's jurisdiction.

The PHA will allow exceptions to this policy for purposes of reasonable accommodation of a family member who is a person with disabilities.

### ***Outside the Receiving PHA's Jurisdiction [Notice PIH 2004-12]***

If the initial PHA is assisting a portable family under a billing arrangement and the family subsequently decides to move out of the receiving PHA's jurisdiction, the initial PHA is responsible for issuing the family a voucher while the family is either being assisted or has a voucher from the receiving PHA and, if the family wishes to port to another jurisdiction, sending form HUD-52665 and supporting documentation to the new receiving PHA. Any extensions of the initial PHA voucher necessary to allow the family additional search-time to return to the initial PHA's jurisdiction or to move to another jurisdiction would be at the discretion of the initial PHA.

### ***Denial or Termination of Assistance [24 CFR 982.355(c)(9)]***

If the initial PHA has grounds for denying or terminating assistance for a portable family that has not been absorbed by the receiving PHA, the initial PHA may act on those grounds at any time. (For PHA policies on denial and termination, see Chapters 3 and 12, respectively.)

## **10-II.C. RECEIVING PHA ROLE**

If a family has a right to lease a unit in the receiving PHA's jurisdiction under portability, the receiving PHA must provide assistance for the family [24 CFR 982.355(10)].

The receiving PHA's procedures and preferences for selection among eligible applicants do not apply, and the receiving PHA's waiting list is not used [24 CFR 982.355(10)]. However, the family's unit, or voucher, size is determined in accordance with the subsidy standards of the receiving PHA [24 CFR 982.355(7)], and the amount of the family's housing assistance payment is determined in the same manner as for other families in the receiving PHA's voucher program [24 CFR 982.355(e)(2)].

### **Initial Contact with Family**

When a family moves into the PHA's jurisdiction under portability, the family is responsible for promptly contacting the PHA and complying with the PHA's procedures for incoming portable families [24 CFR 982.355(c)(3)].

If the voucher issued to the family by the initial PHA has expired, the receiving PHA does not process the family's paperwork but instead refers the family back to the initial PHA [Notice PIH 2004-12].

When a portable family requests assistance from the receiving PHA, the receiving PHA must promptly inform the initial PHA whether the receiving PHA will bill the initial PHA for assistance on behalf of the portable family or will absorb the family into its own program [24 CFR 982.355(c)(5)]. If the PHA initially bills the initial PHA for the family's assistance, it may later decide to absorb the family into its own program [Notice PIH 2004-12]. (See later under "Absorbing a Portable Family" for more on this topic.)

#### PHA Policy

Within 10 business days after a portable family requests assistance, the receiving PHA will notify the initial PHA whether it intends to bill the receiving PHA on behalf of the portable family or absorb the family into its own program.

If for any reason the receiving PHA refuses to process or provide assistance to a family under the portability procedures, the family must be given the opportunity for an informal review or hearing [Notice PIH 2004-12]. (For more on this topic, see later under "Denial or Termination of Assistance.")

## **Briefing**

HUD allows the receiving PHA to require a briefing for an incoming portable family as long as the requirement does not unduly delay the family's search [Notice PIH 2004-12].

### PHA Policy

If a group briefing is scheduled within 14 days of receipt of the incoming portable family, the family will be required to attend. The PHA will provide the family with a briefing packet (as described in Chapter 5) and will orally inform the family about the PHA's payment and subsidy standards, procedures for requesting approval of a unit, the unit inspection process, and the leasing process. Otherwise, the FWHA will conduct an individual briefing with the family.

## **Income Eligibility and Reexamination**

HUD allows the receiving PHA to conduct its own income reexamination of a portable family [24 CFR 982.355(c)(4)]. However, the receiving PHA may not delay voucher issuance or unit approval until the reexamination process is complete unless the reexamination is necessary to determine that an applicant family is income eligible for admission to the program in the area where the family wishes to lease a unit [Notice PIH 2004-12, 24 CFR 982.201(b)(4)]. The receiving PHA does not redetermine income eligibility for a portable family that was already receiving assistance in the initial PHA's voucher program [24 CFR 982.355(c)(1)].

### PHA Policy

For any family moving into its jurisdiction under portability, the PHA will conduct a new reexamination of family income and composition. However, the PHA will not delay issuing the family a voucher for this reason. Nor will the PHA delay approving a unit for the family until the reexamination process is complete unless the family is an applicant and the PHA cannot otherwise confirm that the family is income eligible for admission to the program in the area where the unit is located.

## **Voucher Issuance**

When a family moves into its jurisdiction under portability, the receiving PHA is required to issue the family a voucher [24 CFR 982.355(b)(6)]. The family must submit a request for tenancy approval to the receiving PHA during the term of the receiving PHA's voucher [24 CFR 982.355(c)(6)].

### ***Timing of Voucher Issuance***

HUD expects the receiving PHA to issue the voucher within two weeks after receiving the family's paperwork from the initial PHA if the information is in order, the family has contacted the receiving PHA, and the family complies with the receiving PHA's procedures [Notice PIH 2004-12].

#### PHA Policy

When a family ports into its jurisdiction, the PHA will issue the family a voucher based on the paperwork provided by the initial PHA unless the family's paperwork from the initial PHA is incomplete, the family's voucher from the initial PHA has expired or the family does not comply with the PHA's procedures.

### ***Voucher Term***

The term of the receiving PHA's voucher may not expire before the term of the initial PHA's voucher [24 CFR 982.355(c)(6)].

#### PHA Policy

The receiving PHA's voucher will expire on the same date as the initial PHA's voucher.

### ***Voucher Extensions [24 CFR 982.355(c)(6), Notice 2004-12]***

The receiving PHA may provide additional search time to the family beyond the expiration date of the initial PHA's voucher; however, if it does so, it must inform the initial PHA of the extension. It must also bear in mind the billing deadline provided by the initial PHA. Unless willing and able to absorb the family, the receiving PHA should ensure that any voucher expiration date would leave sufficient time to process a request for tenancy approval, execute a HAP contract, and deliver the initial billing to the initial PHA.

#### PHA Policy

The PHA generally will not extend the term of the voucher that it issues to an incoming portable family unless the PHA plans to absorb the family into its own program, in which case it will follow the policies on voucher extension set forth in section 5-II.E.

The PHA will consider an exception to this policy as a reasonable accommodation to a person with disabilities (see Chapter 2).

## **Notifying the Initial PHA**

The receiving PHA must promptly notify the initial PHA if the family has leased an eligible unit under the program or if the family fails to submit a request for tenancy approval for an eligible unit within the term of the receiving PHA's voucher [24 CFR 982.355(c)(8)]. The receiving PHA is required to use Part II of form HUD-52665, Family Portability Information, for this purpose [24 CFR 982.355(e)(5), Notice PIH 2004-12]. (For more on this topic and the deadline for notification, see below under "Administering a Portable Family's Voucher.")

If an incoming portable family ultimately decides not to lease in the jurisdiction of the receiving PHA but instead wishes to return to the initial PHA's jurisdiction or to search in another jurisdiction, the receiving PHA must refer the family back to the initial PHA. In such a case the voucher of record for the family is once again the voucher originally issued by the initial PHA. Any extension of search time provided by the receiving PHA's voucher is only valid for the family's search in the receiving PHA's jurisdiction. [Notice PIH 2004-12]

## **Administering a Portable Family's Voucher**

### ***Initial Billing Deadline***

If a portable family's search for a unit is successful and the receiving PHA intends to administer the family's voucher, the receiving PHA must submit its initial billing notice (Part II of form HUD-52665) (a) no later than 10 business days following the date the receiving PHA **executes** a HAP contract on behalf of the family **and** (b) in time that the notice will be **received** no later than 60 days following the expiration date of the family's voucher issued by the initial PHA [Notice PIH 2004-12]. A copy of the family's form HUD-50058, Family Report, completed by the receiving PHA must be attached to the initial billing notice. The receiving PHA may send these documents by mail, fax, or e-mail.

### **PHA Policy**

The PHA will send its initial billing notice by fax or e-mail, if necessary, to meet the billing deadline but will also send the notice by regular mail.

If the receiving PHA fails to send the initial billing within 10 business days following the date the HAP contract is executed, it is required to absorb the family into its own program unless (a) the initial PHA is willing to accept the late submission or (b) HUD requires the initial PHA to honor the late submission (e.g., because the receiving PHA is overleased) [Notice PIH 2004-12].

### ***Ongoing Notification Responsibilities [Notice PIH 2004-12, HUD-52665]***

**Annual Reexamination.** The receiving PHA must send the initial PHA a copy of a portable family's updated form HUD-50058 after each annual reexamination for the duration of time the receiving PHA is billing the initial PHA on behalf of the family, regardless of whether there is a change in the billing amount.

#### PHA Policy

The PHA will send a copy of the updated HUD-50058 by regular mail at the same time the PHA and owner are notified of the reexamination results.

**Change in Billing Amount.** The receiving PHA is required to notify the initial PHA, using form HUD-52665, of any change in the billing amount for the family as a result of:

- A change in the HAP amount (because of a reexamination, a change in the applicable payment standard, a move to another unit, etc.)
- An abatement or subsequent resumption of the HAP payments
- Termination of the HAP contract
- Payment of a damage/vacancy loss claim for the family
- Termination of the family from the program

The timing of the notice of the change in the billing amount should correspond with the notification to the owner and the family in order to provide the initial PHA with advance notice of the change. Under no circumstances should the notification be later than 10 business days following the effective date of the change in the billing amount.

### ***Late Payments [Notice PIH 2004-12]***

If the initial PHA fails to make a monthly payment for a portable family by the fifth business day of the month, the receiving PHA must promptly notify the initial PHA in writing of the deficiency. The notice must identify the family, the amount of the billing payment, the date the billing payment was due, and the date the billing payment was received (if it arrived late). The receiving PHA must send a copy of the notification to the Office of Public Housing (OPH) in the HUD area office with jurisdiction over the receiving PHA. If the initial PHA fails to correct the problem by the second month following the notification, the receiving PHA may request by memorandum to the director of the OPH with jurisdiction over the receiving PHA that HUD transfer the unit in question. A copy of the initial notification and any subsequent correspondence between the PHAs on the matter must be attached. The receiving PHA must send a copy of the memorandum to the initial PHA. If the OPH decides to grant the transfer, the billing arrangement on behalf of the family ceases with the transfer, but the initial PHA is still responsible for any outstanding payments due to the receiving PHA.

### ***Overpayments [Notice PIH 2004-12]***

In all cases where the receiving PHA has received billing payments for billing arrangements no longer in effect, the receiving PHA is responsible for returning the full amount of the overpayment (including the portion provided for administrative fees) to the initial PHA.

In the event that HUD determines billing payments have continued for at least three months because the receiving PHA failed to notify the initial PHA that the billing arrangement was terminated, the receiving PHA must take the following steps:

- Return the full amount of the overpayment, including the portion provided for administrative fees, to the initial PHA.
- Once full payment has been returned, notify the Office of Public Housing in the HUD area office with jurisdiction over the receiving PHA of the date and the amount of reimbursement to the initial PHA.

At HUD's discretion, the receiving PHA will be subject to the sanctions spelled out in Notice PIH 2004-12.

### ***Denial or Termination of Assistance***

At any time, the receiving PHA may make a determination to deny or terminate assistance to a portable family for family action or inaction [24 CFR 982.355(c)(9), 24 CFR 982.355(c)(10)].

In the case of a termination, the PHA should provide adequate notice of the effective date to the initial PHA to avoid having to return a payment. In no event should the receiving PHA fail to notify the initial PHA later than 10 business days following the effective date of the termination of the billing arrangement. [Notice PIH 2004-12]

#### **PHA Policy**

If the PHA elects to deny or terminate assistance for a portable family, the PHA will notify the initial PHA within 30 business days after the informal review or hearing if the denial or termination is upheld. The PHA will base its denial or termination decision on the policies set forth in Chapter 3 or Chapter 12, respectively. The informal review or hearing will be held in accordance with the policies in Chapter 16. The receiving PHA will furnish the initial PHA with a copy of the review or hearing decision.

## **Absorbing a Portable Family**

The receiving PHA may absorb an incoming portable family into its own program when the PHA executes a HAP contract on behalf of the family or at any time thereafter providing that (a) the PHA has funding available under its annual contributions contract (ACC) and (b) absorbing the family will not result in overleasing [24 CFR 982.355(d)(1), Notice PIH 2004-12].

If the receiving PHA absorbs a family from the point of admission, the admission will be counted against the income targeting obligation of the receiving PHA [24 CFR 982.201(b)(2)(vii)].

If the receiving PHA absorbs a family after providing assistance for the family under a billing arrangement with the initial PHA, HUD encourages the receiving PHA to provide adequate advance notice to the initial PHA to avoid having to return an overpayment. The receiving PHA must specify the effective date of the absorption of the family. [Notice PIH 2004-12]

### PHA Policy

If the PHA decides to absorb a portable family upon the execution of a HAP contract on behalf of the family, the PHA will notify the initial PHA by the initial billing deadline specified on form HUD-52665. The effective date of the HAP contract will be the effective date of the absorption.

If the PHA decides to absorb a family after that, it will provide the initial PHA advance notice.

Following the absorption of an incoming portable family, the family is assisted with funds available under the consolidated ACC for the receiving PHA's voucher program [24 CFR 982.355(d)], and the receiving PHA becomes the initial PHA in any subsequent moves by the family under portability.

# Chapter 11

## REEXAMINATIONS

### INTRODUCTION

The PHA is required to reexamine each family's income and composition at least annually, and to adjust the family's level of assistance accordingly. Interim reexaminations are also needed in certain situations. This chapter discusses both annual and interim reexaminations, and the recalculation of family share and subsidy that occurs as a result. HUD regulations and PHA policies concerning reexaminations are presented in three parts:

Part I: Annual Reexaminations. This part discusses the process for conducting annual reexaminations.

Part II: Interim Reexaminations. This part details the requirements for families to report changes in family income and composition between annual reexaminations.

Part III: Recalculating Family Share and Subsidy Amount. This part discusses the recalculation of family share and subsidy amounts based on the results of annual and interim reexaminations.

Policies governing reasonable accommodation, family privacy, required family cooperation, and program abuse, as described elsewhere in this plan, apply to both annual and interim reexaminations.

### **PART I: ANNUAL REEXAMINATIONS [24 CFR 982.516]**

#### **11-I.A. OVERVIEW**

The PHA must conduct a reexamination of family income and composition at least annually. This includes gathering and verifying current information about family composition, income, and expenses. Based on this updated information, the family's income and rent must be recalculated. This part discusses the schedule for annual reexaminations, the information to be collected and verified, and annual reexamination effective dates.

### **11-I.B. SCHEDULING ANNUAL REEXAMINATIONS**

The PHA must establish a policy to ensure that the annual reexamination for each family is completed *within* a 12-month period, and may require reexaminations more frequently [HCV GB p. 12-1].

#### PHA Policy

The PHA will begin the annual reexamination process 120 days in advance of its scheduled effective date. Generally, the PHA will schedule annual reexamination effective dates to coincide with the family's anniversary date.

*Anniversary date* is defined as 12 months from the effective date of the family's last annual reexamination or, during a family's first year in the program, from the effective date of the family's initial examination (admission).

If the family moves to a new unit, the PHA will perform a new annual reexamination.

The PHA also may schedule an annual reexamination for completion prior to the anniversary date for administrative purposes.

#### **Notification of and Participation in the Annual Reexamination Process**

The PHA is required to obtain the information needed to conduct annual reexaminations. How that information will be collected is left to the discretion of the PHA.

#### PHA Policy

Families generally are required to participate in an annual reexamination briefing, which must be attended by the head of household, spouse, or cohead. If participation in an in-person briefing poses a hardship because of a family member's disability, the family should contact the PHA to request a reasonable accommodation (see Chapter 2).

Notification of annual reexamination briefing will be sent by first-class mail and will contain the date, time, and location of the briefing. In addition, it will inform the family of the information and documentation that must be brought to the briefing.

If the family is unable to attend a scheduled briefing, the family should contact the PHA in advance of the briefing to schedule a new appointment. If a family does not attend the scheduled briefing, the PHA will send a second notification with a new briefing appointment time.

If a family fails to attend two scheduled briefings without PHA approval, or if the notice is returned by the post office with no forwarding address, a notice of termination (see Chapter 12) will be sent to the family's address of record, and to any alternate address provided in the family's file.

An advocate, interpreter, or other assistant may assist the family in the briefing process. The family and the PHA must execute a certification attesting to the role and assistance of any such third party.

## **11-I.C. CONDUCTING ANNUAL REEXAMINATIONS**

As part of the annual reexamination process, families are required to provide updated information to the PHA regarding the family's income, expenses, and composition [24 CFR 982.551(b)].

### PHA Policy

Families will be asked to bring all required information (as described in the reexamination notice) to the reexamination appointment. The required information will include a PHA-designated reexamination form, an Authorization for the Release of Information/Privacy Act Notice, as well as supporting documentation related to the family's briefing must be provided within 10 business days of the briefing. If the family is unable to obtain the information or materials within the required time frame, the family may request an extension.

If the family does not provide the required documents or information within the required time frame (plus any extensions), the family will be sent a notice of termination (See Chapter 12).

The information provided by the family generally must be verified in accordance with the policies in Chapter 7. Unless the family reports a change, or the agency has reason to believe a change has occurred in information previously reported by the family, certain types of information that are verified at admission typically do not need to be re-verified on an annual basis. These include:

- Legal identity
- Age
- Social security numbers
- A person's disability status
- Citizenship or immigration status

If adding a new family member to the unit causes overcrowding according to the Housing Quality Standards (HQS) (see Chapter 8), the PHA must issue the family a new voucher, and the family and PHA must try to find an acceptable unit as soon as possible. If an acceptable unit is available for rental by the family, the PHA must terminate the HAP contract in accordance with its terms [24 CFR 982.403].

**11-I.D. DETERMINING ONGOING ELIGIBILITY OF CERTAIN STUDENTS**  
**[24 CFR 982.552(b)(5)]**

Section 327 of Public Law 109-115 established new restrictions on the ongoing eligibility of certain students (both part- and full-time) who are enrolled in institutions of higher education. If a student enrolled in an institution of higher education is under the age of 24, is not a veteran, is not married, and does not have a dependent child, the student's eligibility must be reexamined along with the income eligibility of the student's parents on an annual basis. In these cases, both the student and the student's parents must be income eligible for the student to continue to receive HCV assistance. If, however, a student in these circumstances is determined independent from his or her parents in accordance with PHA policy, the income of the student's parents will not be considered in determining the student's ongoing eligibility. Students who reside with parents in an HCV assisted unit are not subject to this provision. It is limited to students who are receiving assistance on their own, separately from their parents.

PHA Policy

During the annual reexamination process, the PHA will determine the ongoing eligibility of each student who is subject to the eligibility restrictions in 24 CFR 5.612 by reviewing the student's individual income as well as the income of the student's parents. If the student has been determined "independent" from his/her parents based on the policies in Sections 3-II.E and 7-II.E, the parents' income will not be reviewed.

If the student is no longer income eligible based on his/her own income or the income of his/her parents, the student's assistance will be terminated in accordance with the policies in Section 12-I.D.

If the student continues to be income eligible based on his/her own income and the income of his/her parents (if applicable), the PHA will process a reexamination in accordance with the policies in this chapter.

### **11-I.E. EFFECTIVE DATES**

The PHA must establish policies concerning the effective date of changes that result from an annual reexamination [24 CFR 982.516].

#### PHA Policy

In general, an *increase* in the family share of the rent that results from an annual reexamination will take effect on the family's anniversary date, and the family will be notified at least 30 days in advance.

If less than 30 days remain before the scheduled effective date, the increase will take effect on the first of the month following the end of the 30-day notice period.

If a family moves to a new unit, the increase will take effect on the effective date of the new lease and HAP contract, and no 30-day notice is required.

If the PHA chooses to schedule an annual reexamination for completion prior to the family's anniversary date for administrative purposes, the effective date will be determined by the PHA, but will always allow for the 30-day notice period.

If the family causes a delay in processing the annual reexamination, *increases* in the family share of the rent will be applied retroactively, to the scheduled effective date of the annual reexamination. The family will be responsible for any overpaid subsidy and may be offered a repayment agreement in accordance with the policies in Chapter 16.

In general, a *decrease* in the family share of the rent that results from an annual reexamination will take effect on the family's anniversary date.

If a family moves to a new unit, the decrease will take effect on the effective date of the new lease and HAP contract.

If the PHA chooses to schedule an annual reexamination for completion prior to the family's anniversary date for administrative purposes, the effective date will be determined by the PHA.

If the family causes a delay in processing the annual reexamination, *decreases* in the family share of the rent will be applied prospectively, from the first day of the month following completion of the reexamination processing.

Delays in reexamination processing are considered to be caused by the family if the family fails to provide information requested by the PHA by the date specified, and this delay prevents the PHA from completing the reexamination as scheduled.

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## **PART II: INTERIM REEXAMINATIONS [24 CFR 982.516]**

### **11-II.A. OVERVIEW**

Family circumstances may change throughout the period between annual reexaminations. HUD and PHA policies dictate what kinds of information about changes in family circumstances must be reported, and under what circumstances the PHA must process interim reexaminations to reflect those changes. HUD regulations also permit the PHA to conduct interim reexaminations of income or family composition at any time. When an interim reexamination is conducted, only those factors that have changed are verified and adjusted [HCV GB, p. 12-10].

In addition to specifying what information the family must report, HUD regulations permit the family to request an interim determination if other aspects of the family's income or composition changes. The PHA must complete the interim reexamination within a reasonable time after the family's request.

This part includes HUD and PHA policies describing what changes families are required to report, what changes families may choose to report, and how the PHA will process both PHA- and family-initiated interim reexaminations.

### **11-II.B. CHANGES IN FAMILY AND HOUSEHOLD COMPOSITION**

The PHA must adopt policies prescribing when and under what conditions the family must report changes in family composition. However, due to family obligations under the program, the PHA has limited discretion in this area.

#### PHA Policy

The PHA will conduct interim reexaminations to account for any changes in household composition that occur between annual reexaminations.

#### **New Family Members Not Requiring Approval**

The addition of a family member as a result of birth, adoption, or court-awarded custody does not require PHA approval. However, the family is required to promptly notify the PHA of the addition [24 CFR 982.551(h)(2)].

#### PHA Policy

The family must inform the PHA of the birth, adoption or court-awarded custody of a child within 10 business days.

### **New Family and Household Members Requiring Approval**

With the exception of children who join the family as a result of birth, adoption, or court-awarded custody, a family must request PHA approval to add a new family member [24 CFR 982.551(h)(2)] or other household member (live-in aide or foster child) [24 CFR 982.551(h)(4)]. When any new family member is added, the PHA must conduct a reexamination to determine any new income or deductions associated with the additional family member, and to make appropriate adjustments in the family share of the rent and the HAP payment [24 CFR 982.516(e)].

If a change in family size causes a violation of Housing Quality Standards (HQS) space standards (see Chapter 8), the PHA must issue the family a new voucher, and the family and PHA must try to find an acceptable unit as soon as possible. If an acceptable unit is available for rental by the family, the PHA must terminate the HAP contract in accordance with its terms [24 CFR 982.403].

#### PHA Policy

Families must request PHA approval to add a new family member, live-in aide, foster child, or foster adult. This includes any person not on the lease who is expected to stay in the unit for more than 30 consecutive days, or 90 cumulative days, within a twelve month period, and therefore no longer qualifies as a "guest." Requests must be made in writing and approved by the PHA prior to the individual moving in the unit.

The PHA will not approve the addition of a new family or household member unless the individual meets the PHA's eligibility criteria (see Chapter 3).

The PHA will not approve the addition of a foster child or foster adult if it will cause a violation of HQS space standards.

If the PHA determines an individual meets the PHA's eligibility criteria as defined in Chapter 3, the PHA will provide written approval to the family. If the approval of a new family member or live-in aide will cause overcrowding according to HQS standards, the approval letter will explain that the family will be issued another voucher and will be required to move.

If the PHA determines that an individual does not meet the PHA's eligibility criteria as defined in Chapter 3, the PHA will notify the family in writing of its decision to deny approval of the new family or household member and the reasons for the denial.

The PHA will make its determination within 10 business days of receiving all information required to verify the individual's eligibility.

### **Departure of a Family or Household Member**

Families must promptly notify the PHA if any family member no longer lives in the unit [24 CFR 982.551(h)(3)]. Because household members are considered when determining the family unit (voucher) size [24 CFR 982.402], the PHA also needs to know when any live-in aide, foster child, or foster adult ceases to reside in the unit.

#### PHA Policy

If a household member ceases to reside in the unit, the family must inform the PHA within 10 business days. This requirement also applies to a family member who has been considered temporarily absent at the point that the family concludes the individual is permanently absent.

If a live-in aide, foster child, or foster adult ceases to reside in the unit, the family must inform the PHA within 10 business days.

### **11-II.C. CHANGES AFFECTING INCOME OR EXPENSES**

Interim reexaminations can be scheduled either because the PHA has reason to believe that changes in income or expenses may have occurred, or because the family reports a change. When a family reports a change, the PHA may take different actions depending on whether the family reported the change voluntarily, or because it was required to do so.

#### **PHA-Initiated Interim Reexaminations**

PHA-initiated interim reexaminations are those that are scheduled based on circumstances or criteria defined by the PHA. They are not scheduled because of changes reported by the family.

##### PHA Policy

The PHA will conduct interim reexaminations in each of the following instances:

For families receiving the Earned Income Disallowance (EID), the PHA will conduct an interim reexamination at the start and conclusion of the second 12 month exclusion period (50 percent phase-in period).

If the family has reported zero income, the PHA will conduct an interim reexamination every 3 months as long as the family continues to report that they have no income.

If at the time of the annual reexamination, it is not feasible to anticipate a level of income for the next 12 months (e.g. seasonal or cyclic income), the PHA will schedule an interim reexamination to coincide with the end of the period for which it is feasible to project income.

If at the time of the annual reexamination, tenant-provided documents were used on a provisional basis due to the lack of third-party verification, and third-party verification becomes available, the PHA will conduct an interim reexamination.

The PHA may conduct an interim reexamination at any time in order to correct an error in a previous reexamination, or to investigate a tenant fraud complaint.

### **Family-Initiated Interim Reexaminations**

The PHA must adopt policies prescribing when and under what conditions the family must report changes in family income or expenses [24 CFR 982.516(c)]. In addition, HUD regulations require that the family be permitted to obtain an interim reexamination any time the family has experienced a change in circumstances since the last determination [24 CFR 982.516(b)(2)].

#### ***Required Reporting***

HUD regulations give the PHA the freedom to determine the circumstances under which families will be required to report changes affecting income.

##### PHA Policy

Families are required to report all increases in earned income, including new employment, within 10 business days of the date the change takes effect.

The PHA will only conduct interim reexaminations for families that qualify for the earned income disallowance (EID), and only when the EID family's share of rent will change as a result of the increase. In all other cases, the PHA will note the information in the tenant file, but will not conduct an interim reexamination.

Families are not required to report any other changes in income or expenses.

#### ***Optional Reporting***

The family may request an interim reexamination any time the family has experienced a change in circumstances since the last determination [24 CFR 982.516(b)(2)]. The PHA must process the request if the family reports a change that will result in a reduced family income [HCV GB, p. 12-9].

If a family reports a decrease in income from the loss of welfare benefits due to fraud or non-compliance with a welfare agency requirement to participate in an economic self-sufficiency program, the family's share of the rent will not be reduced [24 CFR 5.615]. For more information regarding the requirement to impute welfare income see Chapter 6.

##### PHA Policy

If a family reports a change that it was not required to report and that would result in an increase in the family share of the rent, the PHA will note the information in the tenant file, but will not conduct an interim reexamination.

If a family reports a change that it was not required to report and that would result in a decrease in the family share of rent, the PHA will conduct an interim reexamination. See Section 11-II.D. for effective dates.

Families may report changes in income or expenses at any time.

## **11-II.D. PROCESSING THE INTERIM REEXAMINATION**

### **Method of Reporting**

#### PHA Policy

The family may notify the PHA of changes in writing.

Generally, the family will not be required to attend an interview for an interim reexamination. However, if the PHA determines that an interview is warranted, the family may be required to attend.

Based on the type of change reported, the PHA will determine the documentation the family will be required to submit. The family must submit any required information or documents within 10 business days of receiving a request from the PHA. This time frame may be extended for good cause with PHA approval. The PHA will accept required documentation by mail, by fax, or in person.

### **Effective Dates**

The PHA must establish the time frames in which any changes that result from an interim reexamination will take effect [24 CFR 982.516(d)]. The changes may be applied either retroactively or prospectively, depending on whether there is to be an increase or a decrease in the family share of the rent, and whether the family reported any required information within the required time frames [HCV GB, p. 12-10].

#### PHA Policy

If the family share of the rent is to *increase*:

The increase generally will be effective on the first of the month following 30 days' notice to the family.

If a family fails to report a change within the required time frames, or fails to provide all required information within the required time frames, the increase will be applied retroactively, to the date it would have been effective had the information been provided on a timely basis. The family will be responsible for any overpaid subsidy and may be offered a repayment agreement in accordance with the policies in Chapter 16.

If the family share of the rent is to *decrease*:

The decrease will be effective on the first day of the month following the month in which the change was reported and all required documentation was submitted. In cases where the change cannot be verified until after the date the change would have become effective, the change will be made retroactively.

## **PART III: RECALCULATING FAMILY SHARE AND SUBSIDY AMOUNT**

### **11-III.A. OVERVIEW**

After gathering and verifying required information for an annual or interim reexamination, the PHA must recalculate the family share of the rent and the subsidy amount, and notify the family and owner of the changes [24 CFR 982.516(d)(2), HCV 12-6 and 12-10]. While the basic policies that govern these calculations are provided in Chapter 6, this part lays out policies that affect these calculations during a reexamination.

### **11-III.B. CHANGES IN PAYMENT STANDARDS AND UTILITY ALLOWANCES**

In order to calculate the family share of the rent and HAP amount correctly, changes in payment standards, subsidy standards, or utility allowances may need to be updated and included in the PHA's calculations.

Specific policies governing how subsidy standards, payment standards, and utility allowances are applied are discussed below.

#### **Payment Standards [24 CFR 982.505]**

The family share of the rent and HAP calculations must use the correct payment standard for the family, taking into consideration the family unit size, the size of unit, and the area in which the unit is located [HCV GB, p. 12-5]. See Chapter 6 for information on how to select the appropriate payment standard.

When the PHA changes its payment standards or the family's situation changes, new payment standards are applied at the following times:

- If the PHA's payment standard amount changes during the term of the HAP contract, the date on which the new standard is applied depends on whether the standard has increased or decreased:
  - If the payment standard amount has *increased*, the increased payment standard will be applied at the *first annual* reexamination following the effective date of the increase in the payment standard.
  - If the payment standard amount has *decreased*, the decreased payment standard will be applied at the *second annual* reexamination following the effective date of the decrease in the payment standard.
- If the family moves to a new unit, or a new HAP contract is executed due to changes in the lease (even if the family remains in place) the current payment standard applicable to the family will be used when the new HAP contract is processed.

### **Subsidy Standards [24 CFR 982.505(c)(4)]**

If there is a change in the family unit size that would apply to a family during the HAP contract term, either due to a change in family composition, or a change in the PHA's subsidy standards (see Chapter 5), the new family unit size must be used to determine the payment standard amount for the family at the family's *first annual* reexamination following the change in family unit size.

### **Utility Allowances [24 CFR 982.517(d)]**

The family share of the rent and HAP calculations must reflect any changes in the family's utility arrangement with the owner, or in the PHA's utility allowance schedule [HCV GB, p. 12-5].

Chapter 16 discusses how utility allowance schedules are established.

When there are changes in the utility arrangement with the owner, the PHA must use the utility allowances in effect at the time the new lease and HAP contract are executed.

At reexamination, the PHA must use the PHA current utility allowance schedule [24 CFR 982.517(d)(2)].

#### PHA Policy

Revised utility allowances will be applied to a family's rent and subsidy calculations at the first annual reexamination after the allowance is adopted.

### **11-III.C. NOTIFICATION OF NEW FAMILY SHARE AND HAP AMOUNT**

The PHA must notify the owner and family of any changes in the amount of the HAP payment [HUD-52641, HAP Contract]. The notice must include the following information [HCV GB, p. 12-6]:

- The amount and effective date of the new HAP payment
- The amount and effective date of the new family share of the rent
- The amount and effective date of the new tenant rent to owner

The family must be given an opportunity for an informal hearing regarding the PHA's determination of their annual or adjusted income, and the use of such income to compute the housing assistance payment [24 CFR 982.555(a)(1)(i)] (see Chapter 16).

#### PHA Policy

The notice to the family will include the annual and adjusted income amounts that were used to calculate the family share of the rent and the housing assistance payment. The notice also will state the procedures for requesting an informal hearing.

### **11-III.D. DISCREPANCIES**

During an annual or interim reexamination, the PHA may discover that information previously reported by the family was in error, or that the family intentionally misrepresented information. In addition, the PHA may discover errors made by the PHA. When errors resulting in the overpayment or underpayment of subsidy are discovered, corrections will be made in accordance with the policies in Chapter 13.

## Chapter 12

### TERMINATION OF ASSISTANCE AND TENANCY

HUD regulations specify the reasons for which a PHA can terminate a family's assistance, and the ways in which such terminations must take place. They also dictate the circumstances under which an owner may terminate the tenancy of an assisted family. This chapter presents the policies that govern voluntary and involuntary terminations of assistance, and termination of tenancy by the owner. It is presented in three parts:

Part I: Grounds for Termination of Assistance. This part discusses various reasons that a family's assistance may be terminated, including voluntary termination by the family, termination because the family no longer qualifies to receive subsidy, and termination by the PHA based on the family's behavior.

Part II: Approach to Termination of Assistance. This part describes the policies that govern how an involuntary termination takes place. It specifies the alternatives that the PHA may consider in lieu of termination, the criteria the PHA must use when deciding what action to take, and the steps the PHA must take when terminating a family's assistance.

Part III: Termination of Tenancy by the Owner. This part presents the policies that govern the owner's right to terminate an assisted tenancy.

### PART I: GROUNDS FOR TERMINATION OF ASSISTANCE

#### 12-I.A. OVERVIEW

HUD requires the PHA to terminate assistance for certain offenses and when the family no longer requires assistance. HUD permits the PHA to terminate assistance for certain other actions family members take or fail to take. In addition, a family may decide to stop receiving HCV assistance at any time by notifying the PHA.

#### 12-I.B. FAMILY NO LONGER REQUIRES ASSISTANCE [24 CFR 982.455]

As a family's income increases, the amount of PHA subsidy goes down. If the amount of HCV assistance provided by the PHA drops to zero and remains at zero for 180 consecutive calendar days the family's assistance terminates automatically.

##### PHA Policy

If a participating family receiving zero assistance experiences a change in circumstances that would cause the HAP payment to rise above zero, the family must notify the PHA of the changed circumstances and request an interim reexamination before the expiration of the 180-day period.

### **12-I.C. FAMILY CHOOSES TO TERMINATE ASSISTANCE**

The family may request that the PHA terminate the family's assistance at any time.

#### PHA Policy

The request to terminate assistance should be made in writing and signed by the head of household, spouse, or cohead. Before terminating the family's assistance, the PHA will follow the notice requirements in Section 12-II.F.

### **12-I.D. MANDATORY TERMINATION OF ASSISTANCE**

HUD requires the PHA to terminate assistance in the following circumstances.

#### **Eviction [24 CFR 982.552(b)(2), Pub.L. 109-162]**

The PHA must terminate assistance whenever a family is evicted from a unit assisted under the HCV program for a serious or repeated violation of the lease. Incidents of actual or threatened violence, dating violence, or stalking may not be construed as serious or repeated violations of the lease by the victim or threatened victim of such violence or stalking.

#### PHA Policy

A family will be considered *evicted* if the family moves after a legal eviction order has been issued, whether or not physical enforcement of the order was necessary.

If a family moves after the owner has given the family an eviction notice for serious or repeated lease violations but before a legal eviction order has been issued, termination of assistance is not mandatory. However, the PHA will determine whether the family has committed serious or repeated violations of the lease based on available evidence and may terminate assistance or take any of the alternative measures described in Section 12-II.C and other factors as described in Sections 12-II.E. Upon consideration of such alternatives and factors, the PHA may, on a case-by case basis, choose not to terminate assistance.

Serious and repeated lease violations will include, but not be limited to, nonpayment of rent, disturbance of neighbors, destruction of property, or living or housekeeping habits that cause damage to the unit or premises and criminal activity. Generally, the criteria to be used is whether the reason for the eviction was through no fault of the tenant or guests.

#### **Failure to Provide Consent [24 CFR 982.552(b)(3)]**

The PHA must terminate assistance if any family member fails to sign and submit any consent form they are required to sign for a reexamination. See Chapter 7 for a complete discussion of consent requirements.

**Failure to Document Citizenship [24 CFR 982.552(b)(4) and [24 CFR 5.514(c)]**

The PHA must terminate assistance if (1) a family fails to submit required documentation within the required timeframe concerning any family member's citizenship or immigration status; (2) a family submits evidence of citizenship and eligible immigration status in a timely manner, but United States Citizenship and Immigration Services (USCIS) primary and secondary verification does not verify eligible immigration status of the family; or (3) a family member, as determined by the PHA, has knowingly permitted another individual who is not eligible for assistance to reside (on a permanent basis) in the unit.

For (3) above, such termination must be for a period of at least 24 months. This does not apply to ineligible noncitizens already in the household where the family's assistance has been prorated. See Chapter 7 for a complete discussion of documentation requirements.

**Failure to Provide Social Security Documentation [24 CFR 5.218(c)]**

The PHA must terminate assistance if a participant family fails to provide the documentation or certification required for any family member who obtains a social security number, joins the family, or reaches 6 years of age.

**Methamphetamine Manufacture or Production [24 CFR 982.553(b)(1)(ii)]**

The PHA must terminate assistance if any household member has ever been convicted of the manufacture or production of methamphetamine on the premises of federally-assisted housing.

**Failure of Students to Meet Ongoing Eligibility Requirements [24 CFR 982.552(b)(5) and FR 4/10/06]**

If a student enrolled at an institution of higher education is under the age of 24, is not a veteran, is not married, does not have dependent children, and is not residing with his/her parents in an HCV assisted household, the PHA must terminate the student's assistance if, at the time of reexamination, either the student's income or the income of the student's parents (if applicable) exceeds the applicable income limit.

If a participant household consists of both eligible and ineligible students, the eligible students shall not be terminated, but must be issued a voucher to move with continued assistance in accordance with program regulations and PHA policies, or must be given the opportunity to lease in place if the terminated ineligible student members elect to move out of the assisted unit.

## 12-I.E. MANDATORY POLICIES AND OTHER AUTHORIZED TERMINATIONS

### **Mandatory Policies [24 CFR 982.553(b) and 982.551(I)]**

HUD requires the PHA to establish policies that permit the PHA to terminate assistance if the PHA determines that:

Any household member is currently engaged in any illegal use of a drug, or has a pattern of illegal drug use that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents

Any household member's abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents

Any household member has violated the family's obligation not to engage in any drug-related criminal activity

Any household member has violated the family's obligation not to engage in violent criminal activity

### ***Use of Illegal Drugs and Alcohol Abuse***

#### **PHA Policy**

The PHA will terminate a family's assistance if any household member is currently engaged in any illegal use of a drug, or has a pattern of illegal drug use that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents. The PHA will terminate assistance if any household member's abuse or pattern of abuse of alcohol threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.

*Currently engaged in* is defined as any use of illegal drugs during the previous six months.

The PHA will consider all credible evidence, including but not limited to, any record of arrests, convictions, or eviction of household members related to the use of illegal drugs or abuse of alcohol.

In making its decision to terminate assistance, the PHA will consider alternatives as described in Section 12-II.C and other factors described in Section 12-II.D. Upon consideration of such alternatives and factors, the PHA may, on a case-by case basis, choose not to terminate assistance.

***Drug-Related and Violent Criminal Activity [24 CFR 5.100]***

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

*Drug-related criminal activity* is defined by HUD as 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.

*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.

**PHA Policy**

The PHA will terminate a family's assistance if any household member has violated the family's obligation not to engage in any drug-related or violent criminal activity during participation in the HCV program.

The PHA will consider all credible evidence, including but not limited to, any record of arrests and/or convictions of household members related to drug-related or violent criminal activity, and any eviction or notice to evict based on drug-related or violent criminal activity.

In making its decision to terminate assistance, the PHA will consider alternatives as described in Section 12-II.C and other factors described in Section 12-II.D. Upon consideration of such alternatives and factors, the PHA may, on a case-by case basis, choose not to terminate assistance.

**Other Authorized Reasons for Termination of Assistance**  
**[24 CFR 982.552(c), Pub.L. 109-162]**

HUD permits the PHA to terminate assistance under a number of other circumstances. It is left to the discretion of the PHA whether such circumstances in general warrant consideration for the termination of assistance. The Violence Against Women Reauthorization Act of 2005 explicitly prohibits PHAs from considering incidents or actual threatened domestic violence, dating violence, or stalking as reasons for terminating the assistance of a victim of such violence.

PHA Policy

The PHA **will not** terminate a family's assistance because of the family's failure to meet its obligations under the Family Self-Sufficiency program.

The PHA **will** terminate a family's assistance if:

The family has failed to comply with any family obligations under the program. See Exhibit 12-1 for a listing of family obligations and related PHA policies.

Any family member has been evicted from federally-assisted housing in the last five years.

Any PHA has ever terminated assistance under the program for any member of the family.

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

The family currently owes rent or other amounts to any PHA in connection with the HCV, Certificate, Moderate Rehabilitation or public housing programs.

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

The family has breached the terms of a repayment agreement entered into with the PHA.

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

*Abusive or violent behavior towards PHA personnel* includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior.

*Threatening* refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

In making its decision to terminate assistance, the PHA will consider alternatives as described in Section 12-II.C and other factors described in Section 12-II.D and Section 12-II.E. Upon consideration of such alternatives and factors, the PHA may, on a case-by case basis, choose not to terminate assistance.

***Family Absence from the Unit [24 CFR 982.312]***

The family may be absent from the unit for brief periods. The PHA must establish a policy on how long the family may be absent from the assisted unit. However, the family may not be absent from the unit for a period of more than 180 consecutive calendar days for any reason. Absence in this context means that no member of the family is residing in the unit.

**PHA Policy**

If the family is absent from the unit for more than 180 consecutive calendar days, the family's assistance will be terminated. Notice of termination will be sent in accordance with Section 12-II.E.

***Insufficient Funding [24 CFR 982.454]***

The PHA may terminate HAP contracts if the PHA determines, in accordance with HUD requirements, that funding under the consolidated ACC is insufficient to support continued assistance for families in the program.

**PHA Policy**

The PHA will determine whether there is sufficient funding to pay for currently assisted families according to the policies in Part VIII of Chapter 16. If the PHA determines there is a shortage of funding, prior to terminating any HAP contracts, the PHA will determine if any other actions can be taken to reduce program costs. If after implementing all reasonable cost cutting measures there is not enough funding available to provide continued assistance for current participants, the PHA will terminate HAP contracts as a last resort.

Prior to terminating any HAP contracts, the PHA will inform the local HUD field office. The PHA will terminate the minimum number needed in order to reduce HAP costs to a level within the PHA's annual budget authority.

If the PHA must terminate HAP contracts due to insufficient funding, the PHA will do so in accordance with the following criteria and instructions:

***[Insert policy for HAP terminations due to insufficient funding]***

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## **PART II: APPROACH TO TERMINATION OF ASSISTANCE**

### **12-II.A. OVERVIEW**

The PHA is required by regulation to terminate a family's assistance if certain program rules are violated. For other types of offenses, the regulations give the PHA the discretion to either terminate the family's assistance or to take another action. This part discusses the various actions the PHA may choose to take when it has discretion, and outlines the criteria the PHA will use to make its decision about whether or not to terminate assistance. It also specifies the requirements for the notice that must be provided before terminating assistance.

### **12-II.B. METHOD OF TERMINATION [24 CFR 982.552(a)(3)]**

The way in which the PHA terminates assistance depends upon individual circumstances. HUD permits the PHA to terminate assistance by:

Terminating housing assistance payments under a current HAP contract,  
Refusing to approve a request for tenancy or to enter into a new HAP contract, or  
Refusing to process a request for or to provide assistance under portability procedures.

### **12-II.C. ALTERNATIVES TO TERMINATION OF ASSISTANCE**

#### **Change in Household Composition**

As a condition of continued assistance, the PHA may require that any household member who participated in or was responsible for an offense no longer resides in the unit [24 CFR 982.552(c)(2)(ii)].

##### PHA Policy

As a condition of continued assistance, the head of household must certify that the culpable family member has vacated the unit and will not be permitted to visit or to stay as a guest in the assisted unit. The family must present evidence of the former family member's current address upon PHA request.

#### **Repayment of Family Debts**

##### PHA Policy

If a family owes amounts to the PHA, as a condition of continued assistance, the PHA will require the family to repay the full amount or to enter into a repayment agreement, within 30 days of receiving notice from the PHA of the amount owed. See Chapter 16 for policies on repayment agreements.

## **12-II.D. CRITERIA FOR DECIDING TO TERMINATE ASSISTANCE**

### **Evidence**

For criminal activity, HUD permits the PHA to terminate assistance if a *preponderance of the evidence* indicates that a household member has engaged in the activity, regardless of whether the household member has been arrested or convicted [24 CFR 982.553(c)].

#### PHA Policy

The PHA will use the concept of the preponderance of the evidence as the standard for making all termination decisions.

*Preponderance of the 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.

Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence

### **Consideration of Circumstances[24 CFR 982.552(c)(2)(i)]**

The PHA is permitted, but not required, to consider all relevant circumstances when determining whether a family's assistance should be terminated.

#### PHA Policy

The PHA will consider the following factors when making its decision to terminate assistance:

The seriousness of the case, especially with respect to how it would affect other residents

The effects that termination of assistance may have on other members of the family who were not involved in the action or failure

The extent of participation or culpability of individual family members, including whether the culpable family member is a minor or a person with disabilities or (as discussed further in section 12-II.E) a victim of domestic violence, dating violence, or stalking

The length of time since the violation occurred, the family's recent history and the likelihood of favorable conduct in the future

In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully

The PHA will require the participant to submit evidence of the household member's current participation in or successful completion of a supervised drug or alcohol rehabilitation program, or evidence of otherwise having been rehabilitated successfully.

In the case of program abuse, the dollar amount of the overpaid assistance and whether or not a false certification was signed by the family

**Reasonable Accommodation [24 CFR 982.552(c)(2)(iv)]**

If the family includes a person with disabilities, the PHA's decision to terminate the family's assistance is subject to consideration of reasonable accommodation in accordance with 24 CFR Part 8.

PHA Policy

If a family indicates that the behavior of a family member with a disability is the reason for a proposed termination of assistance, the PHA will determine whether the behavior is related to the disability. If so, upon the family's request, the PHA will determine whether alternative measures are appropriate as a reasonable accommodation. The PHA will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed termination of assistance. See Chapter 2 for a discussion of reasonable accommodation.

**12-II.E. TERMINATING THE ASSISTANCE OF DOMESTIC VIOLENCE, DATING VIOLENCE, OR STALKING VICTIMS AND PERPETRATORS [Pub.L. 109-162, Pub.L. 109-271]**

The Violence Against Women Reauthorization Act of 2005 (VAWA) provides that “criminal activity directly relating to domestic violence, dating violence, or stalking, engaged in by a member of a tenant’s household or any guest or other person under the tenant’s control shall not be a cause for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenant’s family is the victim or threatened victim of that domestic violence, dating violence, or stalking.”

VAWA also gives PHAs the authority to “terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others, without evicting, removing, terminating assistance to, or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant.”

VAWA does not limit the authority of the PHA to terminate the assistance of any participant if the PHA “can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if that tenant is not evicted or terminated from assistance.”

## **Victim Documentation**

### PHA Policy

When a participant family is facing assistance termination because of the actions of a participant, household member, guest, or other person under the participant's control and a participant or immediate family member of the participant's family claims that she or he is the victim of such actions and that the actions are related to domestic violence, dating violence, or stalking, the PHA will require the individual to submit documentation affirming that claim.

The documentation must include two elements:

A signed statement by the victim that provides the name of the perpetrator and certifies that the incidents in question are bona fide incidents of actual or threatened domestic violence, dating violence, or stalking, and

One of the following:

A police or court record documenting the actual or threatened abuse, or  
A statement signed by an employee, agent, or volunteer of a victim service provider; an attorney; a medical professional; or another knowledgeable professional from whom the victim has sought assistance in addressing the actual or threatened abuse. The professional must attest under penalty of perjury that the incidents in question are bona fide incidents of abuse, and the victim must sign or attest to the statement.

The required certification and supporting documentation must be submitted to the PHA within 14 business days after the PHA issues their written request. The 14-day deadline may be extended at the PHA's discretion. If the individual does not provide the required certification and supporting documentation within 14 business days, or the approved extension period, the PHA may proceed with assistance termination.

If the PHA can demonstrate an actual and imminent threat to other participants or those employed at or providing service to the property if the participant's tenancy is not terminated, the PHA will bypass the standard process and proceed with the immediate termination of the family's assistance.

### **Terminating the Assistance of a Domestic Violence Perpetrator**

Although VAWA provides assistance termination protection for victims of domestic violence, it does not provide protection for perpetrators. VAWA gives the PHA the explicit authority to “terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others...without terminating assistance to, or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant.” This authority supersedes any local, state, or other federal law to the contrary. However, if the PHA chooses to exercise this authority, it must follow any procedures prescribed by HUD or by applicable local, state, or federal law regarding termination of assistance [Pub.L. 109-271].

#### **PHA Policy**

When the actions of a participant or other family member result in a PHA decision to terminate the family’s assistance and another family member claims that the actions involve criminal acts of physical violence against family members or others, the PHA will request that the victim submit the above required certification and supporting documentation in accordance with the stated time frame. If the certification and supporting documentation are submitted within the required time frame, or any approved extension period, the PHA will terminate the perpetrator’s assistance. If the victim does not provide the certification and supporting documentation, as required, the PHA will proceed with termination of the family’s assistance.

If the PHA can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if the participant’s tenancy is not terminated, the PHA will bypass the standard process and proceed with the immediate termination of the family’s assistance.

#### **PHA Confidentiality Requirements**

All information provided to the PHA regarding domestic violence, dating violence, or stalking, including the fact that an individual is a victim of such violence or stalking, must be retained in confidence and may neither be entered into any shared data base nor provided to any related entity, except to the extent that the disclosure (a) is requested or consented to by the individual in writing, (b) is required for use in an eviction proceeding, or (c) is otherwise required by applicable law.

## **12-II.F. TERMINATION NOTICE [HCV GB, p. 15-7]**

If a family's assistance is to be terminated, whether voluntarily or involuntarily, the PHA must give the family and the owner written notice that specifies:

The reasons for which assistance has been terminated

The effective date of the termination

The family's right to an informal hearing as described in Chapter 16

If a criminal record is the basis of the termination, a copy of the record must accompany the notice. A copy of the criminal record also must be provided to the subject of the record [24 CFR 982.553(d)].

### PHA Policy

When termination is initiated by the PHA, the notice to terminate will be sent to the family and the owner at least 30 calendar days prior to the effective date of the termination. However, if a family vacates the unit without informing the PHA, 30 days notice will not be given. In these cases, the notice to terminate will be sent at the time the PHA learns the family has vacated the unit.

When a family requests to be terminated from the program they must do so in writing to the PHA (see section 12-I.C.). The PHA will then send a confirmation notice to the family and the owner within 10 business days of the family's request, but no later than the termination effective date (as requested by the family).

### **Notice of Termination Based on Citizenship Status [24 CFR 5.514 (c) and (d)]**

The PHA must terminate assistance if (1) a family fails to submit required documentation within the required timeframe concerning any family member's citizenship or eligible immigration status; (2) evidence of citizenship and eligible immigration status is submitted timely, but USCIS primary and secondary verification does not verify eligible immigration status of a family; or (3) the PHA determines that a family member has knowingly permitted another individual who is not eligible for assistance to reside (on a permanent basis) in the unit. For (3) above, such termination must be for a period of at least 24 months.

The notice of termination must advise the family of the reasons their assistance is being terminated, that they may be eligible for proration of assistance, the criteria and procedures for obtaining relief under the provisions for preservation of families, that they have the right to request an appeal to the USCIS of the results of secondary verification of immigration status and to submit additional documentation or a written explanation in support of the appeal, and that they have the right to request an informal hearing with the PHA either upon completion of the USCIS appeal or in lieu of the USCIS appeal. Informal hearing procedures are contained in Chapter 16.

#### PHA Policy

The notice to terminate will be sent to the family and the owner at least 30 calendar days prior to the effective date of the termination.

### **12-II.G. HOW TERMINATION OF ASSISTANCE AFFECTS THE HAP CONTRACT AND LEASE**

When the family's assistance is terminated, the lease and HAP contract terminate automatically [Form HUD-52641].

The owner may offer the family a separate unassisted lease [HCV GB, p. 15-8].

## PART III: TERMINATION OF TENANCY BY THE OWNER

### 12-III.A. OVERVIEW

Termination of an assisted tenancy is a matter between the owner and the family; the PHA is not directly involved. However, the owner is under some constraints when terminating an assisted tenancy, and the reasons for which a tenancy is terminated dictate whether assistance also will be terminated.

### 12-III.B. GROUNDS FOR OWNER TERMINATION OF TENANCY [24 CFR 982.310 and Form HUD-52641-A, Tenancy Addendum, Pub.L. 109-162]

During the term of the lease, the owner is not permitted to terminate the tenancy except for serious or repeated violations of the lease, certain violations of state or local law, or other good cause.

#### **Serious or Repeated Lease Violations**

The owner is permitted to terminate the family's tenancy for serious or repeated violations of the terms and conditions of the lease, including failure to pay rent or other amounts due under the lease, except when the violations are related to incidents of actual or threatened domestic violence, dating violence, or stalking against that participant. This includes failure to pay rent or other amounts due under the lease. However, the PHA's failure to make a HAP payment to the owner is not a violation of the lease between the family and the owner.

#### **Violation of Federal, State, or Local Law**

The owner is permitted to terminate the tenancy if a family member violates federal, state, or local law that imposes obligations in connection with the occupancy or use of the premises.

#### **Criminal Activity or Alcohol Abuse**

The owner may terminate tenancy during the term of the lease if any *covered person*, meaning any member of the household, a guest or another person under the tenant's control commits any of the following types of criminal activity (for applicable definitions see 24 CFR 5.100):

Any criminal activity that threatens the health or safety of, or the 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 or safety of, or the right to peaceful enjoyment of their residences by, persons residing in the immediate vicinity of the premises;

Any violent criminal activity on or near the premises; or

Any drug-related criminal activity on or near the premises.

The owner may terminate tenancy during the term of the lease if any member of the household is:

Fleeing to avoid prosecution, custody, or confinement after conviction for a crime or an attempt to commit a crime that is a felony under the laws of the place from which the individual flees, or that, in the case of the State of New Jersey, is a high misdemeanor; or

Violating a condition of probation or parole imposed under federal or state law.

The owner may terminate tenancy for criminal activity by a household member in accordance with this section if the owner determines that the household member has committed the criminal activity, regardless of whether the household member has been arrested or convicted for such activity.

The owner may terminate tenancy during the term of the lease if any member of the household has engaged in abuse of alcohol that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.

### ***Evidence of Criminal Activity***

The owner may terminate tenancy and evict by judicial action a family for criminal activity by a covered person if the owner determines they have engaged in the criminal activity, regardless of arrest or conviction and without satisfying the standard of proof used for a criminal conviction, except in certain incidents where the criminal activity directly relates to domestic violence, dating violence, or stalking and the tenant or an immediate member of the tenant's family is the victim or threatened victim of the domestic violence, dating violence, or stalking. (See Section 12-II.E.).

### **Other Good Cause**

During the initial lease term, 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. During the initial lease term or during any extension term, other good cause includes the disturbance of neighbors, destruction of property, or living or housekeeping habits that cause damage to the unit or premises.

After the initial lease term, "other good cause" for termination of tenancy by the owner includes:

Failure by the family to accept the offer of a new lease or revision;

The owner's desire to use the unit for personal or family use, or for a purpose other than as a residential rental unit; or

A business or economic reason for termination of the tenancy (such as sale of the property, renovation of the unit, or desire to lease the unit at a higher rent).

After the initial lease term, the owner may give the family notice at any time, in accordance with the terms of the lease.

**12-III.C. EVICTION [24 CFR 982.310(e) and (f) and Form HUD-52641-A, Tenancy Addendum]**

The owner must give the tenant a written notice that specifies the grounds for termination of tenancy during the term of the lease. The tenancy does not terminate before the owner has given this notice, and the notice must be given at or before commencement of the eviction action. The notice of grounds may be included in, or may be combined with, any owner eviction notice to the tenant.

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 may only evict the tenant from the unit by instituting a court action. The owner must give the PHA a copy of any eviction notice at the same time the owner notifies the family. The family is also required to give the PHA a copy of any eviction notice (see Chapter 5).

PHA Policy

If the eviction action is finalized in court, the owner must provide the PHA with documentation related to the eviction, including notice of the eviction date, as soon as possible, but no later than 5 business days following the court-ordered eviction.

**12-III.D. DECIDING WHETHER TO TERMINATE TENANCY [24 CFR 982.310(h), Pub.L. 109-162]**

An owner who has grounds to terminate a tenancy is not required to do so, and may consider all of the circumstances relevant to a particular case before making a decision. These might include:

The nature of the offending action

The seriousness of the offending action;

The effect on the community of the termination, or of the owner's failure to terminate the tenancy;

The extent of participation by the leaseholder in the offending action;

The effect of termination of tenancy on household members not involved in the offending activity;

The demand for assisted housing by families who will adhere to lease responsibilities;

The extent to which the leaseholder has shown personal responsibility and taken all reasonable steps to prevent or mitigate the offending action;

The effect of the owner's action on the integrity of the program.

The owner may require a family to exclude a household member in order to continue to reside in the assisted unit, where that household member has participated in or been culpable for action or failure to act that warrants termination.

In determining whether to terminate tenancy for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the owner may consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program, or has otherwise been rehabilitated successfully (42 U.S.C. 13661). For this purpose, the owner may require the tenant to submit evidence of the household member's current participation in, or successful completion of, a supervised drug or alcohol rehabilitation program or evidence of otherwise having been rehabilitated successfully.

The owner's termination of tenancy actions must be consistent with the fair housing and equal opportunity provisions in 24 CFR 105 .

An owner's decision to terminate tenancy for incidents related to domestic violence, dating violence, or stalking is limited by the Violence Against Women Reauthorization Act of 2005 (VAWA). (See Section 12-II.E.)

**12-III.E. EFFECT OF TENANCY TERMINATION ON THE FAMILY'S ASSISTANCE**

If a termination is not due to a serious or repeated violation of the lease, and if the PHA has no other grounds for termination of assistance, the PHA may issue a new voucher so that the family can move with continued assistance (see Chapter 10).

## EXHIBIT 12-1: STATEMENT OF FAMILY OBLIGATIONS

Following is a listing of a participant family's obligations under the HCV program:

- The family must supply any information that the PHA or HUD determines to be necessary, including submission of required evidence of citizenship or eligible immigration status.
- The family must supply any information requested by the PHA or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition.
- The family must disclose and verify social security numbers and sign and submit consent forms for obtaining information.
- Any information supplied by the family must be true and complete.
- The family is responsible for any Housing Quality Standards (HQS) breach by the family caused by failure to pay tenant-provided utilities or appliances, or damages to the dwelling unit or premises beyond normal wear and tear caused by any member of the household or guest.

### PHA Policy

Damages beyond normal wear and tear will be considered to be damages which could be assessed against the security deposit.

- The family must allow the PHA to inspect the unit at reasonable times and after reasonable notice, as described in Chapter 8 of this plan.
- The family must not commit any serious or repeated violation of the lease.  
PHA Policy  
The PHA will determine if a family has committed serious or repeated violations of the lease based on available evidence, including but not limited to, a court-ordered eviction, or an owner's notice to evict.  
Serious and repeated lease violations will include, but not be limited to, nonpayment of rent, disturbance of neighbors, destruction of property, or living or housekeeping habits that cause damage to the unit or premises and criminal activity. Generally, the criteria to be used is whether the reason for the eviction was through no fault of the tenant or guests.
- The family must notify the PHA and the owner before moving out of the unit or terminating the lease.  
PHA Policy  
The family must comply with lease requirements regarding written notice to the owner.  
The family must provide written notice to the PHA at the same time the owner is notified.
- The family must promptly give the PHA a copy of any owner eviction notice.
- The family must use the assisted unit for residence by the family. The unit must be the family's only residence.

- The composition of the assisted family residing in the unit must be approved by the PHA. The family must promptly notify the PHA in writing of the birth, adoption, or court-awarded custody of a child. The family must request PHA approval to add any other family member as an occupant of the unit.

PHA Policy

The request to add a family member must be submitted in writing and approved prior to the person moving into the unit. The PHA will determine eligibility of the new member in accordance with the policies in Chapter 3.

- The family must promptly notify the PHA in writing if any family member no longer lives in the unit.
- If the PHA has given approval, a foster child or a live-in aide may reside in the unit. The PHA has the discretion to adopt reasonable policies concerning residency by a foster child or a live-in aide, and to define when PHA consent may be given or denied. For policies related to the request and approval/disapproval of foster children, foster adults, and live-in aides, see Chapter 3 (Sections I.K and I.M), and Chapter 11 (Section II.B).
- The family must not sublease the unit, assign the lease, or transfer the unit.

PHA Policy

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 supply any information requested by the PHA to verify that the family is living in the unit or information related to family absence from the unit.
- The family must promptly notify the PHA when the family is absent from the unit.

PHA Policy

Notice is required under this provision only when all family members will be absent from the unit for an extended period. An extended period is defined as any period greater than 30 calendar days. Written notice must be provided to the PHA at the start of the extended absence.

- The family must pay utility bills and provide and maintain any appliances that the owner is not required to provide under the lease [Form HUD-52646, Voucher].
- The family must not own or have any interest in the unit, (other than in a cooperative and owners of a manufactured home leasing a manufactured home space).
- Family members must not commit fraud, bribery, or any other corrupt or criminal act in connection with the program. (See Chapter 14, Program Integrity for additional information).
- Family members must not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. See Chapter 12 for HUD and PHA policies related to drug-related and violent criminal activity.
- Members of the household must not engage in abuse of alcohol in a way that threatens the health, safety or right to peaceful enjoyment of the other residents and persons residing in the

immediate vicinity of the premises. See Chapter 12 for a discussion of HUD and PHA policies related to alcohol abuse.

- An assisted family or member of the family must not receive HCV program assistance while receiving another housing subsidy, for the same unit or a different unit under any other federal, state or local housing assistance program.
- A family must not receive HCV program assistance while residing in a unit owned by a parent, child, grandparent, grandchild, sister or brother of any member of the family, unless the PHA has determined (and has notified the owner and the family of such determination) that approving rental of the unit, notwithstanding such relationship, would provide reasonable accommodation for a family member who is a person with disabilities. [Form HUD-52646, Voucher]

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## Chapter 13

### OWNERS

#### INTRODUCTION

Owners play a central role in the HCV program by supplying decent, safe, and sanitary housing for participating families.

The term “owner” refers to any person or entity with the legal right to lease or sublease a unit to a participant in the HCV program [24 CFR 982.4(b)]. The term “owner” includes a principal or other interested party [24 CFR 982.453; 24 CFR 982.306(f)], such as a designated agent of the owner.

Owners have numerous responsibilities under the program, including screening and leasing to families, maintaining the dwelling unit, enforcing the lease, and complying with various contractual obligations. However, this chapter is not meant to be an overview of all aspects of owner participation in the HCV program.

The chapter is organized in two parts:

Part I: Owners in the HCV Program. This part discusses the role of an owner in the PHA’s HCV program and highlights key owner rights and responsibilities.

Part II: HAP Contracts. This part explains provisions of the HAP contract and the relationship between the PHA and the owner as expressed in the HAP contract.

For detailed information about HCV program responsibilities and processes, including PHA policies in key areas, owners will need to refer to several other chapters in this plan. Where appropriate, Chapter 13 will reference the other chapters.

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## **PART I. OWNERS IN THE HCV PROGRAM**

### **13-I.A. OWNER RECRUITMENT AND RETENTION [HCV GB, pp. 2-4 to 2-6]**

#### **Recruitment**

PHAs are responsible for ensuring that very low income families have access to all types and ranges of affordable housing in the PHA's jurisdiction, particularly housing outside areas of poverty or minority concentration. A critical element in fulfilling this responsibility is for the PHA to ensure that a sufficient number of owners, representing all types and ranges of affordable housing in the PHA's jurisdiction, are willing to participate in the HCV program.

To accomplish this objective, PHAs must identify and recruit new owners to participate in the program.

#### PHA Policy

The PHA will conduct owner outreach to ensure that owners are familiar with the program and its advantages. The PHA will actively recruit property owners with property located outside areas of poverty FWHA defines "areas of poverty concentration" as census tracts that had poverty rates over 25% of households as of the last decennial census.

Maps will be created and updated that define the boundaries of this high poverty area, also taking into consideration changing features of the city such as major revitalization and redevelopment efforts in which new economic, housing, quality of life, and social service opportunities are being introduced.

To open more housing opportunities in the jurisdiction outside the defined area, FWHA will actively recruit owners to participate who have available units in higher opportunity neighborhoods. These outreach strategies will include:

- Distributing printed material about the program to property owners and managers
- Contacting property owners and managers by phone, e-mail, or in-person
- Marketing the FWHA website for a source of important information and other resources
- Inviting new owners to list available units in online listing service and in hard copy in FWHA office
- Inviting new owners to showcase available properties at housing fairs that coincide with voucher issuance
- Holding owner recruitment/information meetings at least once a year
- Participating in community based organizations comprised of private property and apartment owners and managers
- Developing working relationships with owners and real estate brokers associations
- Creating a training unit for potential owner participants, for use by local apartment association and other outreach efforts

Outreach strategies will be monitored for effectiveness, and adapted accordingly.

## **Retention**

In addition to recruiting owners to participate in the HCV program, the PHA must also provide the kind of customer service that will encourage participating owners to remain active in the program.

### PHA Policy

All PHA activities that may affect an owner's ability to lease a unit will be processed as rapidly as possible, in order to minimize vacancy losses for owners.

The PHA will provide owners with a handbook that explains the program, including HUD and PHA policies and procedures, in easy-to-understand language.

The PHA will give special attention to helping new owners succeed through activities such as:

- Providing the owner with a designated PHA contact person.

- Coordinating inspection and leasing activities between the PHA, the owner, and the family.

- Initiating telephone contact with the owner to explain the inspection process, and providing an inspection booklet and other resource materials about HUD housing quality standards.

- Providing other written information about how the program operates, including answers to frequently asked questions.

Additional services may be undertaken on an as-needed basis, and as resources permit.

### **13-I.B. BASIC HCV PROGRAM REQUIREMENTS**

HUD requires the PHA to aid families in their housing search by providing the family with a list of landlords or other parties known to the PHA who may be willing to lease a unit to the family, or to help the family find a unit. Although the PHA cannot maintain a list of owners that are pre-qualified to participate in the program, owners may indicate to the PHA their willingness to lease a unit to an eligible HCV family, or to help the HCV family find a unit [24 CFR 982.301(b)(11)].

#### PHA Policy

Owners that wish to indicate their willingness to lease a unit to an eligible HCV family or to help the HCV family find a unit must notify the PHA. The PHA will maintain a listing of such owners and provide this listing to the HCV family as part of the informational briefing packet

When a family approaches an owner to apply for tenancy, the owner is responsible for screening the family and deciding whether to lease to the family, just as the owner would with any potential tenant. The PHA has no liability or responsibility to the owner or other persons for the family's behavior or suitability for tenancy. See chapters 3 and 9 for more detail on tenant family screening policies and process.

If the owner is willing, the family and the owner must jointly complete a Request for Tenancy Approval (RTA Form HUD 52517), which constitutes the family's request for assistance in the specified unit, and which documents the owner's willingness to lease to the family and to follow the program's requirements. When submitted to the PHA, this document is the first step in the process of obtaining approval for the family to receive the financial assistance it will need in order to occupy the unit. Also submitted with the RTAs a copy of the owner's proposed dwelling lease, including the HUD-required Tenancy Addendum (Form HUD-52641-A). See Chapter 9 for more detail on request for tenancy approval policies and process.

HUD regulations stipulate that an assisted tenancy can be approved only under certain conditions.

The owner must be qualified to participate in the program [24 CFR 982.306]. Some owners are precluded from participating in the program, or from renting to a particular family, either because of their past history with this or another federal housing program, or because of certain conflicts of interest. Owner qualifications are discussed later in this chapter.

The selected unit must be of a type that is eligible for the program [24 CFR 982.305(a)]. Certain types of dwelling units cannot be assisted under the HCV program. Other types may be assisted under certain conditions. In addition, the owner must document legal ownership of the specified unit. See chapter 9 for more detail on unit eligibility policies and process.

The selected unit must meet HUD's Housing Quality Standards (HQS) and/or equivalent state or local standards approved by HUD [24 CFR 982.305(a)]. The PHA will inspect the owner's dwelling unit at various stages of HCV program participation, to ensure that the unit continues to meet HQS requirements. See chapter 8 for a discussion of the HQS standards, as well as the process for HQS inspections at initial lease-up and throughout the family's tenancy.

The PHA must determine that the cost of the unit is reasonable [24 CFR 982.305(a)]. The rent must be reasonable in relation to comparable unassisted units in the area and must not be in excess of rents charged by the owner for comparable, unassisted units on the premises. See chapter 8 for a discussion of requirements and policies on rent reasonableness, rent comparability and the rent reasonableness determination process.

At initial lease-up of a unit, the PHA must determine that the share of rent to be paid by the family does not exceed 40 percent of the family's monthly adjusted income [24 CFR 982.305(a)]. See chapter 6 for a discussion of the calculation of family income, family share of rent and HAP.

The dwelling lease must comply with all program requirements [24 CFR 982.308]. Owners are encouraged to use their standard leases when renting to an assisted family. However, the HCV program requires that the Tenancy Addendum, which helps standardize the tenancy requirements for all assisted families, be added word-for-word to that lease. See chapter 9 for a discussion of the dwelling lease and tenancy addendum, including lease terms and provisions.

The PHA and the owner enter into a formal contractual relationship by executing the Housing Assistance Payment (HAP) Contract (Form HUD-52641). The HAP contract format is prescribed by HUD. See chapter 9 for a discussion of the HAP contract execution process. Specific HAP contract provisions and responsibilities are discussed later in this chapter 13.

### **13-I.C. OWNER RESPONSIBILITIES [24 CFR 982.452, Pub.L. 109-162]**

The basic owner responsibilities in the HCV program are outlined in the regulations as follows:

- Performing all of the owner's obligations under the Housing Assistance Payments (HAP) contract and the lease
- Performing all management and rental functions for the assisted unit, including selecting a voucher-holder to lease the unit, and deciding if the family is suitable for tenancy of the unit
- Maintaining the unit in accordance with the Housing Quality Standards (HQS), including performance of ordinary and extraordinary maintenance
- Complying with equal opportunity requirements
- Preparing and furnishing to the PHA information required under the HAP contract
- Collecting from the family any security deposit, the tenant's contribution to rent (that part of rent to owner not covered by the housing assistance payment from the PHA), and any charges for unit damage by the family.
- Enforcing tenant obligations under the dwelling lease
- Paying for utilities and services (unless paid by the family under the lease)
- Making modifications to a dwelling unit occupied or to be occupied by a disabled person [24 CFR 100.203]
- Comply with the Violence Against Women Reauthorization Act of 2005 (VAWA) when screening and terminating tenants.

### **13-I.D. OWNER QUALIFICATIONS**

The PHA does not formally approve an owner to participate in the HCV program. However, there are a number of criteria where the PHA may deny approval of an assisted tenancy based on past owner behavior, conflict of interest, or other owner-related issues. No owner has a right to participate in the HCV program [24 CFR 982.306(e)].

#### **Owners Barred from Participation [24 CFR 982.306(a) and (b)]**

The PHA must not approve the assisted tenancy if the PHA has been informed that the owner has been debarred, suspended, or subject to a limited denial of participation under 24 CFR part 24. HUD may direct the PHA not to approve a tenancy request if a court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements, or if such an action is pending.

#### **Leasing to Relatives [24 CFR 982.306(d), HCV GB p. 11-2]**

The PHA must not approve an RTA if the owner is the parent, child, grandparent, grandchild, sister, or brother of any member of the family. The PHA may make an exception as a reasonable accommodation for a family member with a disability. The owner is required to certify that no such relationship exists. This restriction applies at the time that the family receives assistance under the HCV program for occupancy of a particular unit. Current contracts on behalf of owners and families that are related may continue, but any new leases or contracts for these families may not be approved.

#### **Conflict of Interest [24 CFR 982.161; HCV GB p. 8-19]**

The PHA must not approve a tenancy in which any of the following classes of persons has any interest, direct or indirect, during tenure or for one year thereafter:

- Any present or former member or officer of the PHA (except a participant commissioner)
- Any employee of the PHA, or any contractor, subcontractor or agent of the PHA, who formulates policy or who influences decisions with respect to the programs
- Any public official, member of a governing body, or State or local legislator, who exercises functions or responsibilities with respect to the programs
- Any member of the Congress of the United States

HUD may waive the conflict of interest requirements, except for members of Congress, for good cause. The PHA must submit a waiver request to the appropriate HUD Field Office for determination.

Any waiver request submitted by the PHA must include [HCV Guidebook pp.11-2 and 11-3]:

- Complete statement of the facts of the case;
- Analysis of the specific conflict of interest provision of the HAP contract and justification as to why the provision should be waived;
- Analysis of and statement of consistency with state and local laws. The local HUD office, the PHA, or both parties may conduct this analysis. Where appropriate, an opinion by the state's attorney general should be obtained;
- Opinion by the local HUD office as to whether there would be an appearance of impropriety if the waiver were granted;
- Statement regarding alternative existing housing available for lease under the HCV program or other assisted housing if the waiver is denied;
- If the case involves a hardship for a particular family, statement of the circumstances and discussion of possible alternatives;
- If the case involves a public official or member of the governing body, explanation of his/her duties under state or local law, including reference to any responsibilities involving the HCV program;
- If the case involves employment of a family member by the PHA or assistance under the HCV program for an eligible PHA employee, explanation of the responsibilities and duties of the position, including any related to the HCV program;
- If the case involves an investment on the part of a member, officer, or employee of the PHA, description of the nature of the investment, including disclosure/divestiture plans.

Where the PHA has requested a conflict of interest waiver, the PHA may not execute the HAP contract until HUD has made a decision on the waiver request.

#### PHA Policy

In considering whether to request a conflict of interest waiver from HUD, the PHA will consider factors the reasons for waiving the requirement; consistency with state and local laws; the existence of alternative housing available to families; the individual circumstances of a particular family; the specific duties of individuals whose positions present a possible conflict of interest; the nature of any financial investment in the property and plans for disclosure/divestiture; and the possible appearance of impropriety.

### **Owner Actions That May Result in Disapproval of a Tenancy Request [24 CFR 982.306(c)]**

HUD regulations permit the PHA, at the PHA's discretion, to refuse to approve a request for tenancy if the owner has committed any of a number of different actions.

If the PHA disapproves a request for tenancy because an owner is not qualified, it may not terminate the HAP contract for any assisted families that are already living in the owner's properties unless the owner has violated the HAP contract for those units [HCV GB p. 11-4].

#### PHA Policy

The PHA will refuse to approve a request for tenancy if the PHA becomes aware that any of the following are true:

The owner has violated obligations under a HAP contract under Section 8 of the 1937 Act (42 U.S.C. 1437f);

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

The owner has engaged in any drug-related criminal activity or any violent criminal activity;

The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based programs, or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other federal housing program;

The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 or any other federally assisted housing program for activity engaged in by the tenant, any member of the household, a guest or another person under the control of any member of the household that:

(i) Threatens the right to peaceful enjoyment of the premises by other residents;

(ii) Threatens the health or safety of other residents, of employees of the PHA, or of owner employees or other persons engaged in management of the housing;

(iii) Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises;

(iv) Is drug-related criminal activity or violent criminal activity;

The owner has a history or practice of renting units that fail to meet state or local housing codes; or

The owner has not paid state or local real estate taxes, fines, or assessment.

In considering whether to disapprove owners for any of the discretionary reasons listed above, the PHA will consider any mitigating factors. Such factors may include, but are not limited to, the seriousness of the violation in relation to program requirements, the impact on the ability of families to lease units under the program, health and safety of participating families, among others. Upon consideration of such circumstances, the PHA may, on a case-by case basis, choose to approve an owner.

### **Legal Ownership of Unit**

The following represents PHA policy on legal ownership of a dwelling unit to be assisted under the HCV program.

#### PHA Policy

The PHA will only enter into a contractual relationship with the legal owner of a qualified unit. No tenancy will be approved without acceptable documentation of legal ownership (e.g., deed of trust, proof of taxes for most recent year).

### **13-I.E. NON-DISCRIMINATION [HAP Contract – Form HUD-52641]**

The owner must not discriminate against any person because of race, color, religion, sex, national origin, age, familial status, or disability, in connection with any actions or responsibilities under the HCV program and the HAP contract with the PHA.

The owner must cooperate with the PHA and with HUD in conducting any equal opportunity compliance reviews and complaint investigations in connection with the HCV program and the HAP contract with the PHA.

See Chapter 2 for a more thorough discussion of Fair Housing and Equal Opportunity requirements in the HCV program.



## **PART II. HAP CONTRACTS**

### **13-II.A. OVERVIEW**

The HAP contract represents a written agreement between the PHA and the owner of the dwelling unit occupied by a HCV assisted family. The contract spells out the owner's responsibilities under the program, as well as the PHA's obligations. Under the HAP contract, the PHA agrees to make housing assistance payments to the owner on behalf of a specific family occupying a specific unit.

The HAP contract is used for all HCV program tenancies except for assistance under the Section 8 homeownership program, and assistance to families that own a manufactured home and lease the space. See chapter 15 for a discussion of any special housing types included in the PHA's HCV program.

If the PHA has given approval for the family of the assisted tenancy, the owner and the PHA execute the HAP contract. See chapter 9 for a discussion of the leasing process, including provisions for execution of the HAP contract.

### **13-II.B. HAP CONTRACT CONTENTS**

The HAP contract format is required by HUD, specifically Housing Assistance Payment (HAP) Contract, Form HUD-52641.

The HAP contract contains three parts.

Part A of the contract includes basic **contract information** about the name of the tenant family, address of the contract unit, names of all household members, first and last dates of initial lease term, amount of initial monthly rent to owner, amount of initial housing assistance payment, utilities and appliances to be supplied by owner and tenant, signatures of PHA and owner [HCV Guidebook, pp 11-10 and 11-11].

In general, the HAP contract cannot be modified. However, PHAs do have the discretion to add language to Part A of the HAP contract which prohibits the owner from collecting a security deposit in excess of private market practices or in excess of amounts charged to unassisted tenants. PHA policy on the amount of security deposit an owner may collect is found in chapter 9.

In addition, PHAs have the discretion to add language to Part A of the HAP contract that defines when the housing assistance payment by the PHA is deemed received by the owner (e.g., upon mailing by the PHA or actual receipt by the owner).

#### PHA Policy

The PHA has not adopted a policy that defines when the housing assistance payment by the PHA is deemed received by the owner. Therefore, no modifications to the HAP contract will be necessary.

Part B is the body of the contract. It describes in detail program requirements affecting the owner and owner roles and responsibilities under the HCV program. Most of the requirements contained in Part B of the HAP contract are outlined elsewhere in this plan. Topics addressed in Part B include:

- Lease of Contract Unit
- Maintenance, Utilities, and Other Services
- Term of HAP Contract
- Provision and Payment of Utilities and Appliances
- Rent to Owner: Reasonable Rent
- PHA Payment to Owner
- Prohibition of Discrimination
- Owner's Breach of HAP Contract
- PHA and HUD Access to Premises and Owner's Records
- Exclusion of Third Party Rights
- Conflict of Interest
- Assignment of the HAP Contract
- Written Notices
- Entire Agreement Interpretation

Part C of the contract includes the Tenancy Addendum (Form HUD-52641-A). The addendum sets forth the tenancy requirements for the program and the composition of the household, as approved by the PHA. The owner must sign the HUD Tenancy Addendum with the prospective tenant, and the tenant has the right to enforce the Tenancy Addendum against the owner. The terms of the Tenancy Addendum prevail over any other provisions of the lease.

### **13-II.C. HAP CONTRACT PAYMENTS**

#### **General**

During the term of the HAP contract, and subject to the provisions of the HAP contract, the PHA must make monthly HAP payments to the owner on behalf of the family, at the beginning of each month. If a lease term begins after the first of the month, the HAP payment for the first month is prorated for a partial month.

The amount of the HAP payment is determined according to the policies described in Chapter 6, and is subject to change during the term of the HAP contract. The PHA must notify the owner and the family in writing of any changes in the HAP payment.

HAP payments can be made only during the lease term, and only while the family is residing in the unit.

The monthly HAP payment by the PHA is credited toward the monthly rent to owner under the family's lease. The total of the rent paid by the tenant, plus the PHA HAP payment, should be equal to the rent specified in the lease (the rent to owner).

The family is not responsible for payment of the HAP payment, and the PHA is not responsible for payment of the family share of rent.

The family's share of the rent cannot be more than the difference between the total rent to the owner and the HAP payment. The owner may not demand or accept any rent payment from the tenant in excess of this maximum [24 CFR 982.451(b)(4)]. The owner may not charge the tenant extra amounts for items customarily included in rent in the locality, or provided at no additional cost to unsubsidized tenants in the premises [24 CFR 982.510(c)]. See chapter 9 for a discussion of separate, non-lease agreements for services, appliances and other items that are not included in the lease.

If the owner receives any excess HAP from the PHA, the excess amount must be returned immediately. If the PHA determines that the owner is not entitled to all or a portion of the HAP, the PHA may deduct the amount of overpayment from any amounts due to the owner, including amounts due under any other Section 8 HCV contract. See Chapter 16 for additional detail on owner reimbursement of HAP overpayments.

#### **Owner Certification of Compliance**

Unless the owner complies with all provisions of the HAP contract, the owner is not entitled to receive housing assistance payments under the HAP contract [HAP Contract – Form HUD-52641].

By endorsing the monthly check from the PHA, the owner certifies to compliance with the terms of the HAP contract. This includes certification that the owner is maintaining the unit and premises in accordance with HQS; that the contract unit is leased to the tenant family and, to the best of the owner's knowledge, the family resides in the unit as the family's only residence; the rent to owner does not exceed rents charged by the owner for comparable unassisted units on the premises; and that the owner does not receive (other than rent to owner) any additional payments or other consideration for rent of the contract unit during the HAP term.

### **Late HAP Payments [24 CFR 982.451(a)(5)]**

The PHA is responsible for making HAP payments promptly when due to the owner, in accordance with the terms of the HAP contract. After the first two calendar months of the HAP contract term, the HAP contract provides for penalties if the PHA fails to make the HAP payment on time.

Penalties for late HAP payments can only be imposed if 1) the penalties are in accordance with generally accepted local rental market practices and law governing penalties for late payment by tenants; 2) it is the owner's normal business practice to charge late payment penalties for both assisted and unassisted families; and 3) the owner charges the assisted family for late payment of the family's share of the rent.

The PHA is not required to pay a late payment penalty if HUD determines that the payment is late for reasons beyond the PHA's control. In addition, late payment penalties are not required if the PHA intentionally delays or denies payment as a remedy to an owner breach of the HAP contract [HCV Guidebook p. 11-7].

### **Termination of HAP Payments [24 CFR 982.311(b)]**

The PHA must continue making housing assistance payments to the owner in accordance with the HAP contract as long as the tenant continues to occupy the unit and the HAP contract is not violated.

HAP payments terminate when the HAP contract terminates or when the tenancy is terminated in accordance with the terms of the lease.

If the owner has initiated eviction proceedings against the family and the family continues to reside in the unit, the PHA must continue to make housing assistance payments to the owner until the owner has obtained a court judgment or other process allowing the owner to evict the tenant.

#### PHA Policy

The owner must inform the PHA when the owner has initiated eviction proceedings against the family and the family continues to reside in the unit.

The owner must inform the PHA when the owner has obtained a court judgment or other process allowing the owner to evict the tenant, and provide the PHA with a copy of such judgment or determination.

After the owner has obtained a court judgment or other process allowing the owner to evict the tenant, the PHA will continue to make HAP payments to the owner until the family actually moves from the unit or until the family is physically evicted from the unit, whichever is earlier. The owner must inform the PHA of the date when the family actually moves from the unit or the family is physically evicted from the unit.

### **13-II.D. BREACH OF HAP CONTRACT [24 CFR 982.453]**

Any of the following actions by the owner constitutes a breach of the HAP contract:

- If the owner violates any obligations under the HAP contract including failure to maintain the unit in accordance with HQS
- If the owner has violated any obligation under any other HAP contract under Section 8
- If the owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program
- For projects with mortgages insured by HUD or loans made by HUD, if the owner has failed to comply with the regulations for the applicable program; or if the owner has committed fraud, bribery or any other corrupt or criminal act in connection with the mortgage or loan
- If the owner has engaged in drug-related criminal activity
- If the owner has committed any violent criminal activity

If the PHA determines that a breach of the HAP contract has occurred, it may exercise any of its rights and remedies under the HAP contract.

The PHA rights and remedies against the owner under the HAP contract including recovery of any HAP overpayment, suspension of housing assistance payments, abatement or reduction of the housing assistance payment, termination of the payment or termination the HAP contract. The PHA may also obtain additional relief by judicial order or action.

The PHA must notify the owner of its determination and provide in writing the reasons for the determination. The notice may require the owner to take corrective action by an established deadline. The PHA must provide the owner with written notice of any reduction in housing assistance payments or the termination of the HAP contract.

#### PHA Policy

Before the PHA invokes a remedy against an owner, the PHA will evaluate all information and documents available to determine if the contract has been breached. If relevant, the PHA will conduct an audit of the owner's records pertaining to the tenancy or unit.

If it is determined that the owner has breached the contract, the PHA will consider all of the relevant factors including the seriousness of the breach, the effect on the family, the owner's record of compliance and the number and seriousness of any prior HAP contract violations.

### **13-II.E. HAP CONTRACT TERM AND TERMINATIONS**

The term of the HAP contract runs concurrently with the term of the dwelling lease [24 CFR 982.451(a)(2)], beginning on the first day of the initial term of the lease and terminating on the last day of the term of the lease, including any lease term extensions.

The HAP contract and the housing assistance payments made under the HAP contract terminate if [HCV Guidebook pp.11-4 and 11-5, pg. 15-3]:

- The owner or the family terminates the lease;
- The lease expires;
- The PHA terminates the HAP contract;
- The PHA terminates assistance for the family;
- The family moves from the assisted unit. In this situation, the owner is entitled to keep the housing assistance payment for the month when the family moves out of the unit.
- 180 calendar days have elapsed since the PHA made the last housing assistance payment to the owner;
- The family is absent from the unit for longer than the maximum period permitted by the PHA;
- The Annual Contributions Contract (ACC) between the PHA and HUD expires
- The PHA elects to terminate the HAP contract.

#### PHA Policy

The PHA may elect to terminate the HAP contract in each of the following situations:

Available program funding is not sufficient to support continued assistance for families in the program [24 CFR 982.454];

The unit does not meet HQS size requirements due to change in family composition [24 CFR 982.403] – see chapter 8;

The unit does not meet HQS [24 CFR 982.404] – see chapter 8;

The family breaks up [HUD Form 52641] – see chapter 3;

The owner breaches the HAP contract [24 CFR 982.453(b)] – see Section 13-II.D.

If the PHA terminates the HAP contract, the PHA must give the owner and the family written notice. The notice must specify the reasons for the termination and the effective date of the termination. Once a HAP contract is terminated, no further HAP payments may be made under that contract [HCV Guidebook pg.15-4].

PHA Policy

In all cases, the HAP contract terminates at the end of the calendar month that follows the calendar month in which the PHA gives written notice to the owner. The owner is not entitled to any housing assistance payment after this period, and must return to the PHA any housing assistance payment received after this period.

If the family moves from the assisted unit into a new unit, even if the new unit is in the same building or complex as the assisted unit, the HAP contract for the assisted unit terminates. A new HAP contract would be required [HCV GB, p. 11-17].

When the family moves from an assisted unit into a new unit, the term of the HAP contract for the new unit may begin in the same month in which the family moves out of its old unit. This is not considered a duplicative subsidy [HCV GB, p. 8-22].

### **13-II.F. CHANGE IN OWNERSHIP / ASSIGNMENT OF THE HAP CONTRACT [HUD 52641]**

The HAP contract cannot be assigned to a new owner without the prior written consent of the PHA.

An owner under a HAP contract must notify the PHA in writing prior to a change in the legal ownership of the unit. The owner must supply all information as requested by the PHA.

Prior to approval of assignment to a new owner, the new owner must agree to be bound by and comply with the HAP contract. The agreement between the new owner and the former owner must be in writing and in a form that the PHA finds acceptable. The new owner must provide the PHA with a copy of the executed agreement.

#### PHA Policy

Assignment of the HAP contract will be approved only if the new owner is qualified to become an owner under the HCV program according to the policies in Section 13-I.D. of this chapter.

The PHA must receive a signed, written request from the existing owner stating the name and address of the new HAP payee and the effective date of the assignment in order to change the HAP payee under an outstanding HAP contract.

Within 10 business days of receiving the owner's request, the PHA will inform the current owner in writing whether the assignment may take place.

The new owner must provide a written certification to the PHA that includes:

- A copy of the escrow statement or other document showing the transfer of title and recorded deed;

- A copy of the owner's IRS Form W-9, Request for Taxpayer Identification Number and Certification, or the social security number of the new owner;

- The effective date of the HAP contract assignment;

- A written agreement to comply with the terms of the HAP contract; and

- Confirmation that the new owner is not a prohibited relative.

If the new owner does not agree to an assignment of the HAP contract, or fails to provide the necessary documents, the PHA will terminate the HAP contract with the old owner. If the new owner wants to offer the family a new lease, and the family elects to stay with continued assistance, the PHA will process the leasing in accordance with the policies in chapter 9.

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# Chapter 14

## PROGRAM INTEGRITY

### INTRODUCTION

The PHA is committed to ensuring that subsidy funds made available to the PHA are spent in accordance with HUD requirements.

This chapter covers HUD and PHA policies designed to prevent, detect, investigate and resolve instances of program abuse or fraud. It also describes the actions that will be taken in the case of unintentional errors and omissions.

Part I: Preventing, Detecting, and Investigating Errors and Program Abuse. This part presents PHA policies related to preventing, detecting, and investigating errors and program abuse.

Part II: Corrective Measures and Penalties. This part describes the corrective measures the PHA must and may take when errors or program abuses are found.



## **PART I: PREVENTING, DETECTING, AND INVESTIGATING ERRORS AND PROGRAM ABUSE**

### **14-I.A. PREVENTING ERRORS AND PROGRAM ABUSE**

#### PHA Policy

The PHA anticipates that the vast majority of families, owners, and PHA employees intend to and will comply with program requirements and make reasonable efforts to avoid errors.

To ensure that the PHA's HCV program is administered effectively and according to the highest ethical and legal standards, the PHA will employ a variety of techniques to ensure that both errors and intentional program abuse are rare.

The PHA will discuss program compliance and integrity issues during the voucher briefing sessions described in Chapter 5.

The PHA will provide each applicant and participant with the publication *Things You Should Know (HUD-1140-OIG)* that explains the types of actions a family must avoid and the penalties for program abuse.

The PHA will place a warning statement about the penalties for fraud (as described in the False Statement Act, U.S.C. 1001 and 1010) on key PHA forms and form letters that request information from a family or owner.

PHA staff will be required to review and explain the contents of all HUD- and PHA-required forms prior to requesting family member signatures.

The PHA will require first-time owners (or their agents) to participate in a briefing session on HAP contract requirements.

The PHA will provide each PHA employee with the necessary training on program rules and the organization's standards of conduct and ethics.

For purposes of this chapter the term *error* refers to an unintentional error or omission. *Program abuse or fraud* refers to a single act or pattern of actions that constitute a false statement, omission, or concealment of a substantial fact, made with the intent to deceive or mislead.

## **14-I.B. DETECTING ERRORS AND PROGRAM ABUSE**

In addition to taking steps to prevent errors and program abuse, the PHA will use a variety of activities to detect errors and program abuse.

### **Quality Control and Analysis of Data**

Under the Section 8 Management Assessment Program (SEMAP), HUD requires the PHA to review a random sample of tenant records annually to determine if the records conform to program requirements and to conduct quality control inspections of a sample of units to ensure HQS compliance [24 CFR, Part 985]. (See Chapter 16 for additional information about SEMAP requirements).

#### PHA Policy

In addition to the SEMAP quality control requirements, the PHA will employ a variety of methods to detect errors and program abuse.

The PHA routinely will use available sources of up-front income verification to compare with family-provided information.

At each annual reexamination, current information provided by the family will be compared to information provided at the last annual reexamination to identify inconsistencies and incomplete information.

The PHA will compare family-reported income and expenditures to detect possible unreported income.

### **Independent Audits and HUD Monitoring**

OMB Circular A-133 requires all PHAs that expend \$500,000 or more in federal awards annually to have an independent audit (IPA). In addition, HUD conducts periodic on-site and automated monitoring of PHA activities and notifies the PHA of errors and potential cases of program abuse.

#### PHA Policy

The PHA will use the results reported in any IPA or HUD monitoring reports to identify potential program abuses as well as to assess the effectiveness of the PHA's error detection and abuse prevention efforts.

### **Individual Reporting of Possible Errors and Program Abuse**

#### PHA Policy

The PHA will encourage staff, program participants, and the public to report possible program abuse.

## **14-I.C. INVESTIGATING ERRORS AND PROGRAM ABUSE**

### **When the PHA Will Investigate**

#### PHA Policy

The PHA will review all referrals, specific allegations, complaints, and tips from any source including other agencies, companies, and individuals, to determine if they warrant investigation. In order for the PHA to investigate, the allegation must contain at least one independently-verifiable item of information, such as the name of an employer or the name of an unauthorized household member.

The PHA will investigate inconsistent information related to the family that is identified through file reviews and the verification process.

### **Consent to Release of Information [24 CFR 982.516]**

The PHA may investigate possible instances of error or abuse using all available PHA and public records. If necessary, the PHA will require HCV families to give consent to the release of additional information.

### **Analysis and Findings**

#### PHA Policy

The PHA will base its evaluation on a preponderance of the evidence collected during its investigation.

*Preponderance of the 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 that as a whole shows that the fact sought to be proved is more probable than not. Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence

For each investigation the PHA will determine (1) whether an error or program abuse has occurred, (2) whether any amount of money is owed the PHA, and (3) what corrective measures or penalties will be assessed.

## **Consideration of Remedies**

All errors and instances of program abuse must be corrected prospectively. Whether the PHA will enforce other corrective actions and penalties depends upon the nature of the error or program abuse.

### PHA Policy

In the case of family-caused errors or program abuse, the PHA will take into consideration (1) the seriousness of the offense and the extent of participation or culpability of individual family members, (2) any special circumstances surrounding the case, (3) any mitigating circumstances related to the disability of a family member, (4) the effects of a particular remedy on family members who were not involved in the offense.

In the case of owner-caused errors or program abuse, the PHA will take into consideration (1) the seriousness of the offense, (2) the length of time since the violation has occurred, and (3) the effects of a particular remedy on family members who were not involved in the offense.

## **Notice and Appeals**

### PHA Policy

The PHA will inform the relevant party in writing of its findings and remedies within 10 business days of the conclusion of the investigation. The notice will include (1) a description of the error or program abuse, (2) the basis on which the PHA determined the error or program abuses, (3) the remedies to be employed, and (4) the family's right to appeal the results through the informal review or hearing process, if applicable (see Chapter 16).

## **PART II: CORRECTIVE MEASURES AND PENALTIES**

### **14-II.A. SUBSIDY UNDER- OR OVERPAYMENTS**

A subsidy under- or overpayment includes (1) an incorrect housing assistance payment to the owner, (2) an incorrect family share established for the family, and (3) an incorrect utility reimbursement to a family.

#### **Corrections**

Whether the incorrect subsidy determination is an overpayment or underpayment of subsidy, the PHA must promptly correct the HAP, family share, and any utility reimbursement prospectively.

##### PHA Policy

Increases in the family share will be implemented only after the family has received 30 days notice.

Any decreases in family share will become effective the first of the month following the discovery of the error.

#### **Reimbursement**

Whether the family or owner is required to reimburse the PHA or the PHA is required to make retroactive subsidy payments to the owner or family depends upon which party is responsible for the incorrect subsidy payment and whether the action taken was an error or program abuse. Policies regarding reimbursement are discussed in the three sections that follow.

## **14-II.B. FAMILY-CAUSED ERRORS AND PROGRAM ABUSE**

Family obligations and general administrative requirements for participating in the program are discussed throughout this plan. This section deals specifically with errors and program abuse by family members.

An incorrect subsidy determination caused by a family generally would be the result of incorrect reporting of family composition, income, assets, or expenses, but also would include instances in which the family knowingly allows the PHA to use incorrect information provided by a third party.

### **Family Reimbursement to PHA [HCV GB pp. 22-12 to 22-13]**

#### PHA Policy

In the case of family-caused errors or program abuse, the family will be required to repay any excess subsidy received. The PHA may, but is not required to, offer the family a repayment agreement in accordance with Chapter 16. If the family fails to repay the excess subsidy, the PHA will terminate the family's assistance in accordance with the policies in Chapter 12.

### **PHA Reimbursement to Family [HCV GB p. 22-12]**

#### PHA Policy

The PHA will not reimburse the family for any underpayment of assistance when the underpayment clearly is caused by the family.

## **Prohibited Actions**

An applicant or participant in the HCV program must not knowingly:

- Make a false statement to the PHA [Title 18 U.S.C. Section 1001].
- Commit fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program [24 CFR 982.552(c)(iv)].

### PHA Policy

Any of the following will be considered evidence of family program abuse:

Payment to the owner in excess of amounts authorized by the PHA for rent, security deposit, and additional services

Offering bribes or illegal gratuities to the PHA Board of Commissioners, employees, contractors, or other PHA representatives

Offering payments or other incentives to the owner or a third party as an inducement for the third party to make false or misleading statements to the PHA on the family's behalf

Use of a false name or the use of falsified, forged, or altered documents

Intentional misreporting of family information or circumstances (e.g. income, family composition)

Omitted facts that were obviously known by a family member (e.g., not reporting employment income)

Admission of program abuse by an adult family member

The PHA may determine other actions to be program abuse based upon a preponderance of the evidence, as defined earlier in this chapter.

## **Penalties for Program Abuse**

In the case of program abuse caused by a family the PHA may, at its discretion, impose any of the following remedies.

- The PHA may require the family to repay excess subsidy amounts paid by the PHA, as described earlier in this section.
- The PHA may require, as a condition of receiving or continuing assistance, that a culpable family member not reside in the unit. See policies in Chapter 3 (for applicants) and Chapter 12 (for participants).
- The PHA may deny or terminate the family's assistance following the policies set forth in Chapter 3 and Chapter 12 respectively.
- The PHA may refer the family for state or federal criminal prosecution as described in section 14-II.E.

## **14-II.C. OWNER-CAUSED ERROR OR PROGRAM ABUSE**

Owner requirements that are part of the regular process of offering, leasing, and maintaining a unit (e.g., HQS compliance, fair housing) are addressed in the appropriate chapters of this plan. This section focuses on errors and program abuse by owners.

An incorrect subsidy determination caused by an owner generally would be the result of an incorrect owner statement about the characteristics of the assisted unit (e.g., the number of bedrooms, which utilities are paid by the family). It also includes accepting duplicate housing assistance payments for the same unit in the same month, or after a family no longer resides in the unit.

### **Owner Reimbursement to the PHA**

In all cases of overpayment of subsidy caused by the owner, the owner must repay to the PHA any excess subsidy received. The PHA may recover overpaid amounts by withholding housing assistance payments due for subsequent months, or if the debt is large, the PHA may allow the owner to pay in installments over a period of time [HCV GB p. 22-13].

#### PHA Policy

In cases where the owner has received excess subsidy, the PHA will require the owner to repay the amount owed in accordance with the policies in Section 16-IV.B.

### **Prohibited Owner Actions**

An owner participating in the HCV program must not:

- Make any false statement to the PHA [Title 18 U.S.C. Section 1001].
- Commit fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program [24 CFR 982.453(a)(3)] including:

#### PHA Policy

Any of the following will be considered evidence of owner program abuse:

- Charging the family rent above or below the amount specified by the PHA
- Charging a security deposit other than that specified in the family's lease
- Charging the family for services that are provided to unassisted tenants at no extra charge
- Knowingly accepting housing assistance payments for any month(s) after the family has vacated the unit
- Knowingly accepting incorrect or excess housing assistance payments
- Offering bribes or illegal gratuities to the PHA Board of Commissioners, employees, contractors, or other PHA representatives
- Offering payments or other incentives to an HCV family as an inducement for the family to make false or misleading statements to the PHA
- Residing in the unit with an assisted family

## **Remedies and Penalties**

When the PHA determines that the owner has committed program abuse, the PHA may take any of the following actions:

- Require the owner to repay excess housing assistance payments, as discussed earlier in this section and in accordance with the policies in Chapter 16.
- Terminate the HAP contract (See Chapter 13).
- Bar the owner from future participation in any PHA programs.
- Refer the case to state or federal officials for criminal prosecution as described in section 14-II.E.

## **14-II.D. PHA-CAUSED ERRORS OR PROGRAM ABUSE**

The responsibilities and expectations of PHA staff with respect to normal program administration are discussed throughout this plan. This section specifically addresses actions of a PHA staff member that are considered errors or program abuse related to the HCV program. Additional standards of conduct may be provided in the PHA personnel policy.

PHA-caused incorrect subsidy determinations include (1) failing to correctly apply HCV rules regarding family composition, income, assets, and expenses, (2) assigning the incorrect voucher size to a family, and (3) errors in calculation.

### **Repayment to the PHA**

Neither a family nor an owner is required to repay an overpayment of subsidy if the error or program abuse is caused by PHA staff [HCV GB. 22-12].

### **PHA Reimbursement to Family or Owner**

The PHA must reimburse a family for any underpayment of subsidy, regardless of whether the underpayment was the result of staff-caused error or staff or owner program abuse. Funds for this reimbursement must come from the PHA's administrative fee reserves [HCV GB p. 22-12].

### **Prohibited Activities**

#### PHA Policy

Any of the following will be considered evidence of program abuse by PHA staff :

Failing to comply with any HCV program requirements for personal gain

Failing to comply with any HCV program requirements as a result of a conflict of interest relationship with any applicant, participant, or owner

Seeking or accepting anything of material value from applicants, participating families, vendors, owners, contractors, or other persons who provide services or materials to the PHA

Disclosing confidential or proprietary information to outside parties

Gaining profit as a result of insider knowledge of PHA activities, policies, or practices

Misappropriating or misusing HCV funds

Destroying, concealing, removing, or inappropriately using any records related to the HCV program

Committing any other corrupt or criminal act in connection with any federal housing program

## **14-II.E. CRIMINAL PROSECUTION**

### PHA Policy

When the PHA determines that program abuse by an owner, family, or PHA staff member has occurred and the amount of overpaid subsidy meets or exceeds the threshold for prosecution under local or state law, the PHA will refer the matter to the appropriate entity for prosecution. When the amount of overpaid assistance meets or exceeds the federal threshold, the case will also be referred to the HUD Office of Inspector General (OIG).

Other criminal violations related to the HCV program will be referred to the appropriate local, state, or federal entity.

#### **14-II.F. FRAUD AND PROGRAM ABUSE RECOVERIES**

The PHA may retain a portion of program fraud losses that the PHA recovers from a family or owner through litigation, court order, or a repayment agreement [24 CFR 982.163].

The PHA must be the principal party initiating or sustaining the action to recover amounts due from tenants that are due as a result of fraud and abuse. 24 CFR 792.202 permits the PHA to retain the greater of:

- 50 percent of the amount it actually collects from a judgment, litigation (including settlement of a lawsuit) or an administrative repayment agreement, or
- Reasonable and necessary costs that the PHA incurs related to the collection including costs of investigation, legal fees, and agency collection fees.

The family must be afforded the opportunity for an informal hearing in accordance with requirements in 24 CFR 982.555.

If HUD incurs costs on behalf of the PHA related to the collection, these costs must be deducted from the amount retained by the PHA.

# Chapter 15

## SPECIAL HOUSING TYPES

[24 CFR 982 Subpart M]

### INTRODUCTION

The PHA may permit a family to use any of the special housing types discussed in this chapter. However, the PHA is not required to permit families receiving assistance in its jurisdiction to use these housing types, except that PHAs must permit use of any special housing type if needed as a reasonable accommodation for a person with a disability. The PHA also may limit the number of families who receive HCV assistance in these housing types and cannot require families to use a particular housing type. No special funding is provided for special housing types.

#### PHA Policy

Families will not be permitted to use any special housing types, unless use is needed as a reasonable accommodation so that the program is readily accessible to a person with disabilities.

Special housing types include single room occupancy (SRO), congregate housing, group homes, shared housing, cooperative housing, manufactured homes where the family owns the home and leases the space, and homeownership [24 CFR 982.601].

This chapter consists of the following seven parts. Each part contains a description of the housing type and any special requirements associated with it. Except as modified by this chapter, the general requirements of the HCV program apply to special housing types.

Part I: Single Room Occupancy

Part II: Congregate Housing

Part III: Group Homes

Part IV: Shared Housing

Part V: Cooperative Housing

Part VI: Manufactured Homes (including manufactured home space rental)

Part VII: Homeownership



## **PART I: SINGLE ROOM OCCUPANCY**

[24 CFR 982.602 through 982.605]

### **15-I.A. OVERVIEW**

A single room occupancy (SRO) unit provides living and sleeping space for the exclusive use of the occupant but requires the occupant to share sanitary and/or food preparation facilities with others. More than one person may not occupy an SRO unit. HCV regulations do not limit the number of units in an SRO facility, but the size of a facility may be limited by local ordinances.

When providing HCV assistance in an SRO unit, a separate lease and HAP contract are executed for each assisted person, and the standard form of the HAP contract is used.

### **15-I.B. PAYMENT STANDARD, UTILITY ALLOWANCE, AND HAP CALCULATION**

The payment standard for SRO housing is 75 percent of the 0-bedroom payment standard amount on the PHA's payment standard schedule.

The utility allowance for an assisted person residing in SRO housing is 75 percent of the zero bedroom utility allowance.

The HAP for an assisted occupant in an SRO facility is the lower of the SRO payment standard amount minus the TTP or the gross rent for the unit minus the TTP.

### **15-I.C. HOUSING QUALITY STANDARDS (HQS)**

HQS requirements described in Chapter 8 apply to SRO housing except as modified below.

- *Access:* Access doors to the SRO unit must have working locks for privacy. The occupant must be able to access the unit without going through any other unit. Each unit must have immediate access to two or more approved means of exit from the building, appropriately marked and leading to safe and open space at ground level. The SRO unit must also have any other means of exit required by State or local law.
- *Fire Safety:* All SRO facilities must have a sprinkler system that protects major spaces. "Major spaces" are defined as hallways, common areas, and any other areas specified in local fire, building, or safety codes. SROs must also have hard-wired smoke detectors, and any other fire and safety equipment required by state or local law.

Sanitary facilities and space and security standards must meet local code requirements for SRO housing. In the absence of local code standards the requirements discussed below apply [24 CFR 982.605].

- *Sanitary Facilities:* At least one flush toilet that can be used in privacy, a lavatory basin, and a bathtub or shower in proper operating condition must be provided for each six persons (or fewer) residing in the SRO facility. If the SRO units are leased only to men, flush urinals may be substituted for up to one half of the required number of toilets. Sanitary facilities must be reasonably accessible from a common hall or passageway, and may not be located more than one floor above or below the SRO unit. They may not be located below grade unless the SRO units are located on that level.
- *Space and Security:* An SRO unit must contain at least 110 square feet of floor space, and at least four square feet of closet space with an unobstructed height of at least five feet, for use by the occupant. If the closet space is less than four square feet, the habitable floor space in the SRO unit must be increased by the amount of the deficiency. Exterior doors and windows accessible from outside the SRO unit must be lockable.

Because no children live in SRO housing, the housing quality standards applicable to lead-based paint do not apply.

## **PART II: CONGREGATE HOUSING**

[24 CFR 982.606 through 982.609]

### **15-II.A. OVERVIEW**

Congregate housing is intended for use by elderly persons or persons with disabilities. A congregate housing facility contains a shared central kitchen and dining area and a private living area for the individual household that includes at least a living room, bedroom and bathroom. Food service for residents must be provided.

If approved by the PHA, a family member or live-in aide may reside with the elderly person or person with disabilities. The PHA 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.

When providing HCV assistance in congregate housing, a separate lease and HAP contract are executed for each assisted family, and the standard form of the HAP contract is used.

## **15-II.B. PAYMENT STANDARD, UTILITY ALLOWANCE, AND HAP CALCULATION**

The payment standard for an individual unit in a congregate housing facility is based on the number of rooms in the private living area. If there is only one room in the unit (not including the bathroom or the kitchen, if a kitchen is provided), the PHA must use the payment standard for a 0-bedroom unit. If the unit has two or more rooms (other than the bathroom and the kitchen), the PHA must use the 1-bedroom payment standard.

The HAP for an assisted occupant in a congregate housing facility is the lower of the applicable payment standard minus the TTP or the gross rent for the unit minus the TTP.

The gross rent for the unit for the purpose of calculating HCV assistance is the shelter portion (including utilities) of the resident's monthly housing expense only. The residents' costs for food service should not be included in the rent for a congregate housing unit.

## **15-II.C. HOUSING QUALITY STANDARDS**

HQS requirements as described in Chapter 8 apply to congregate housing except for the requirements stated below.

Congregate housing must have (1) a refrigerator of appropriate size in the private living area of each resident; (2) a central kitchen and dining facilities located within the premises and accessible to the residents, and (3) food service for the residents, that is not provided by the residents themselves.

The housing quality standards applicable to lead-based paint do not apply.

## **PART III: GROUP HOME**

[24 CFR 982.610 through 982.614 and HCV GB p. 7-4]

### **15-III.A. OVERVIEW**

A group home is a state-licensed facility intended for occupancy by elderly persons and/or persons with disabilities. Except for live-in aides, all persons living in a group home, whether assisted or not, must be elderly persons or persons with disabilities. Persons living in a group home must not require continuous medical or nursing care.

A group home consists of bedrooms for residents, which can be shared by no more than two people, and a living room, kitchen, dining area, bathroom, and other appropriate social, recreational, or community space that may be shared with other residents.

No more than 12 persons may reside in a group home including assisted and unassisted residents and any live-in aides.

If approved by the PHA, a live-in aide may live in the group home with a person with disabilities. The PHA 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.

When providing HCV assistance in a group home, a separate lease and HAP contract is executed for each assisted family, and the standard form of the HAP contract is used.

### **15-III.B. PAYMENT STANDARD, UTILITY ALLOWANCE, AND HAP CALCULATION**

Unless there is a live-in aide, the family unit size for an assisted occupant of a group home must be 0- or 1-bedroom, depending on the PHA's subsidy standard. If there is a live-in aide, the aide must be counted in determining the household's unit size.

The payment standard used to calculate the HAP is the lower of the payment standard for the family unit size or the prorata share of the payment standard for the group home size. The prorata share is calculated by dividing the number of persons in the assisted household by the number of persons (assisted and unassisted) living in the group home.

The HAP for an assisted occupant in a group home is the lower of the payment standard minus the TTP or the gross rent minus the TTP.

The utility allowance for an assisted occupant in a group home is the prorata share of the utility allowance for the group home.

The rents paid for participants residing in group homes are subject to generally applicable standards for rent reasonableness. The rent for an assisted person must not exceed the prorata portion of the reasonable rent for the group home. In determining reasonable rent, the PHA should consider whether sanitary facilities and facilities for food preparation and service are common facilities or private facilities.

### 15-III.C. HOUSING QUALITY STANDARDS

HQS requirements described in Chapter 8 apply to group homes except for the requirements stated below.

- *Sanitary Facilities:* A group home must have at least one bathroom in the facility, with a flush toilet that can be used in privacy, a fixed basin with hot and cold running water, and a shower or bathtub with hot and cold running water. A group home may contain private or common bathrooms. However, no more than four residents can be required to share a bathroom.
- *Food Preparation and Service:* Group home units must contain a kitchen and dining area with adequate space to store, prepare, and serve food. The facilities for food preparation and service may be private or may be shared by the residents. The kitchen must contain a range, an oven, a refrigerator, and a sink with hot and cold running water. The sink must drain into an approvable public or private disposal system.
- *Space and Security:* Group homes must contain at least one bedroom of appropriate size for every two people, and a living room, kitchen, dining area, bathroom, and other appropriate social, recreational, or community space that may be shared with other residents.
- *Structure and Material:* To avoid any threat to the health and safety of the residents, group homes must be structurally sound. Elevators must be in good condition. Group homes must be accessible to and usable by residents with disabilities.
- *Site and Neighborhood:* Group homes must be located in a residential setting. The site and neighborhood should be reasonably free from hazards to the health, safety, and general welfare of the residents, and should not be subject to serious adverse conditions, such as:
  - Dangerous walks or steps
  - Instability
  - Flooding, poor drainage
  - Septic tank back-ups
  - Sewage hazards
  - Mud slides
  - Abnormal air pollution
  - Smoke or dust
  - Excessive noise
  - Vibrations or vehicular traffic
  - Excessive accumulations of trash
  - Vermin or rodent infestation, and
  - Fire hazards.

The housing quality standards applicable to lead-based paint do not apply.

## **PART IV: SHARED HOUSING**

[24 CFR 982.615 through 982.618]

### **15-IV.A. OVERVIEW**

Shared housing is a single housing unit occupied by an assisted family and another resident or residents. The shared unit consists of both common space for use by the occupants of the unit and separate private space for each assisted family.

An assisted family may share a unit with other persons assisted under the HCV program or with other unassisted persons. The owner of a shared housing unit may reside in the unit, but housing assistance may not be paid on behalf of the owner. The resident owner may not be related by blood or marriage to the assisted family.

If approved by the PHA, a live-in aide may reside with the family to care for a person with disabilities. The PHA 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.

When providing HCV assistance in shared housing, a separate lease and HAP contract are executed for each assisted family, and the standard form of the HAP contract is used.

### **15-IV.B. PAYMENT STANDARD, UTILITY ALLOWANCE AND HAP CALCULATION**

The payment standard for a family in shared housing is the lower of the payment standard for the family unit size or the prorata share of the payment standard for the shared housing unit size.

The prorata share is calculated by dividing the number of bedrooms available for occupancy by the assisted family in the private space by the total number of bedrooms in the unit.

The HAP for a family in shared housing is the lower of the payment standard minus the TTP or the gross rent minus the TTP. The utility allowance for an assisted family living in shared housing is the prorata share of the utility allowance for the shared housing unit.

The rents paid for families living in shared housing are subject to generally applicable standards for rent reasonableness. The rent paid to the owner for the assisted family must not exceed the pro-rata portion of the reasonable rent for the shared unit. In determining reasonable rent, the PHA should consider whether sanitary and food preparation areas are private or shared.

### 15-IV.C. HOUSING QUALITY STANDARDS

The PHA may not give approval to reside in shared housing unless the entire unit, including the portion of the unit available for use by the assisted family under its lease, meets the housing quality standards.

HQS requirements described in Chapter 8 apply to shared housing except for the requirements stated below.

- *Facilities Available for the Family:* Facilities available to the assisted family, whether shared or private, must include a living room, a bathroom, and food preparation and refuse disposal facilities.
- *Space and Security:* The entire unit must provide adequate space and security for all assisted and unassisted residents. The private space for each assisted family must contain at least one bedroom for each two persons in the family. The number of bedrooms in the private space of an assisted family must not be less than the family unit size. A 0-bedroom or 1-bedroom unit may not be used for shared housing.

## **PART V: COOPERATIVE HOUSING**

[24 CFR 982.619]

### **15-V.A. OVERVIEW**

This part applies to rental assistance for a cooperative member residing in cooperative housing. It does not apply to assistance for a cooperative member who has purchased membership under the HCV homeownership option, or to rental assistance for a family that leases a cooperative housing unit from a cooperative member.

A cooperative is a form of ownership (nonprofit corporation or association) in which the residents purchase memberships in the ownership entity. Rather than being charged “rent” a cooperative member is charged a “carrying charge.”

When providing HCV assistance in cooperative housing, the standard form of the HAP contract is used.

### **15-V.B. PAYMENT STANDARD, UTILITY ALLOWANCE AND HAP CALCULATION**

The payment standard and utility allowance are determined according to regular HCV program requirements.

The HAP for a cooperative housing unit is the lower of the payment standard minus the TTP or the monthly carrying charge for the unit, plus any utility allowance, minus the TTP. The monthly carrying charge includes the member’s share of the cooperative debt service, operating expenses, and necessary payments to cooperative reserve funds. The carrying charge does not include down payments or other payments to purchase the cooperative unit or to amortize a loan made to the family for this purpose.

### **15-V.C. HOUSING QUALITY STANDARDS**

All standard HQS requirements apply to cooperative housing units. There are no additional HQS requirements.

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## **PART VI: MANUFACTURED HOMES**

[24 CFR 982.620 through 982.624]

### **15-VI.A. OVERVIEW**

A manufactured home is a manufactured structure, transportable in one or more parts, that is built on a permanent chassis, and designed for use as a principal place of residence. HCV-assisted families may occupy manufactured homes in two different ways.

(1) A family can choose to rent a manufactured home already installed on a space and the PHA must permit it. In this instance program rules are the same as when a family rents any other residential housing, except that there are special HQS requirements as provided in 15-VI.D below.

(2) HUD also permits an otherwise eligible family that owns a manufactured home to rent a space for the manufactured home and receive HCV assistance with the rent for the space. PHAs may, but are not required to, provide assistance for such families.

### **15-VI.B. SPECIAL POLICIES FOR MANUFACTURED HOME OWNERS WHO LEASE A SPACE**

#### **Family Income**

In determining the annual income of families leasing manufactured home spaces, the value of the family's equity in the manufactured home in which the family resides is not counted as a family asset.

#### **Lease and HAP Contract**

There is a separate Tenancy Addendum (Form 52642-a) and separate HAP Contract (Form 52642) for this special housing type.

## **15-VI.C. PAYMENT STANDARD, UTILITY ALLOWANCE AND HAP CALCULATION**

### **Payment Standards**

The FMR for a manufactured home space is generally 40 percent of the published FMR for a 2-bedroom unit or, where approved by HUD, the 40th percentile of the rental distribution of manufactured home spaces for the FMR area. The PHA may establish a payment standard for manufactured home spaces that is between 90-110 percent of the FMR for manufactured home spaces.

### **Utility Allowance**

The PHA must establish utility allowances for manufactured home space rental. For the first 12 months of the initial lease term only, the allowance must include an amount for a utility hook-up charge if the family actually incurred a hook-up charge because of a move. This allowance will not be given to a family that leases in place. Utility allowances for manufactured home space must not include the costs of digging a well or installing a septic system.

### **Space Rent**

The space rent is the sum of the rent to the owner for the manufactured home space, any charges for maintenance and management provided by the owner, and the utility allowance for tenant-paid utilities.

### **Housing Assistance Payment**

The HAP for a manufactured home space under the housing choice voucher program is the lower of the payment standard minus the TTP or the (gross) manufactured home space rent minus the TTP.

### **Rent Reasonableness**

Initially, and annually thereafter the PHA must determine that the rent for the manufactured home space is reasonable based on rents for comparable manufactured home spaces. The PHA must consider the location and size of the space, and any services and maintenance to be provided by the owner. By accepting the monthly HAP check, the owner certifies that the rent does not exceed rents charged by the owner for comparable unassisted spaces in the manufactured home park or elsewhere.

## **15-VI.D. HOUSING QUALITY STANDARDS**

Under either type of occupancy described in 15-VI.A above, the manufactured home must meet all HQS performance requirements and acceptability criteria discussed in Chapter 8 of this plan. In addition, the following requirement applies:

### ***Manufactured Home Tie-Down***

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 home must be securely anchored by a tie-down device that distributes and transfers the loads imposed by the unit to appropriate ground anchors to resist overturning and sliding.



## **PART VII: HOMEOWNERSHIP**

[24 CFR 982.625 through 982.643]

### **15-VII.A. OVERVIEW [24 CFR 982.625]**

The homeownership option is used to assist a family residing in a home purchased and owned by one or more members of the family. A family assisted under this option may be newly admitted or an existing participant in the HCV program. The PHA must have the capacity to operate a successful HCV homeownership program as defined by the regulations.

There are two forms of homeownership assistance a PHA may offer under this option: monthly homeownership assistance payments, or a single down payment assistance grant. PHAs may choose to offer either or both forms of homeownership assistance, or choose not to offer either. If a PHA offers both forms of assistance, a family must choose which form of assistance to receive.

The PHA must offer either form of homeownership assistance if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. It is the sole responsibility of the PHA to determine whether it is reasonable to implement a homeownership program as a reasonable accommodation. The PHA must determine what is reasonable based on the specific circumstances and individual needs of the person with a disability. The PHA may determine that it is not reasonable to offer homeownership assistance as a reasonable accommodation in cases where the PHA has otherwise opted not to implement a homeownership program.

The PHA 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.

## **15-VII.B. FAMILY ELIGIBILITY [24 CFR 982.627]**

The family must meet all of the requirements listed below before the commencement of homeownership assistance. The PHA may also establish additional initial requirements as long as they are described in the PHA administrative plan.

- The family must have been admitted to 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. The PHA may establish a higher income standard for families. However, a family that meets the federal minimum income requirement (but not the PHA's requirement) will be considered to meet the minimum income requirement if it can demonstrate that it has been pre-qualified or pre-approved for financing that is sufficient to purchase an eligible unit.
- For disabled families, the minimum income requirement is equal to the current SSI monthly payment for an individual living alone, multiplied by 12.
- For elderly or disabled families, welfare assistance payments for adult family members who will own the home will be included in determining whether the family meets the minimum income requirement. It will not be included for other families.
- The family must satisfy the employment requirements by demonstrating that one or more adult members of the family who will own the home at commencement of homeownership assistance is currently employed on a full-time basis (the term 'full-time employment' means not less than an average of 30 hours per week); and has been continuously so employed during the year before commencement of homeownership assistance for the family.
- The employment requirement does not apply to elderly and disabled families. In addition, if a family, other than an elderly or disabled family includes a person with disabilities, the PHA must grant an exemption from the employment requirement if the PHA determines that it is needed as a reasonable accommodation.
- The family has not defaulted on a mortgage securing debt to purchase a home under the homeownership option
- Except for cooperative members who have acquired cooperative membership shares prior to commencement of homeownership assistance, no family member has a present ownership interest in a residence at the commencement of homeownership assistance for the purchase of any home.
- Except for cooperative members who have acquired cooperative membership shares prior to the commencement of homeownership assistance, the family has entered a contract of sale in accordance with 24 CFR 982.631(c).

### **15-VII.C. SELECTION OF FAMILIES [24 CFR 982.626]**

Unless otherwise provided (under the homeownership option), the PHA may limit homeownership assistance to families or purposes defined by the PHA, and may prescribe additional requirements for commencement of homeownership assistance for a family. Any such limits or additional requirements must be described in the PHA administrative plan.

If the PHA limits the number of families that may participate in the homeownership option, the PHA must establish a system by which to select families to participate.

### **15-VII.D. ELIGIBLE UNITS [24 CFR 982.628]**

In order for a unit to be eligible, the PHA must determine that the unit satisfies all of the following requirements:

- The unit must meet HUD's "eligible housing" requirements. The unit may not be any of the following:
  - A public housing or Indian housing unit;
  - A unit receiving Section 8 project-based assistance;
  - A nursing home, board and care home, or facility providing continual psychiatric, medical or nursing services;
  - A college or other school dormitory;
  - On the grounds of penal, reformatory, medical, mental, or similar public or private institutions.
- The unit must be under construction or already exist at the time the family enters into the contract of sale.
- The unit must be a one-unit property or a single dwelling unit in a cooperative or condominium.
- The unit must have been inspected by the PHA and by an independent inspector designated by the family.
- The unit must meet Housing Quality Standards (see Chapter 8).
- For a unit where the family will not own fee title to the real property (such as a manufactured home), the home must have a permanent foundation and the family must have the right to occupy the site for at least 40 years.

- For PHA-owned units all of the following conditions must be satisfied:
  - The PHA informs the family, both orally and in writing, that the family has the right to purchase any eligible unit and a PHA-owned unit is freely selected by the family without PHA pressure or steering;
  - The unit is not ineligible housing;
  - The PHA obtains the services of an independent agency to inspect the unit for compliance with HQS, review the independent inspection report, review the contract of sale, determine the reasonableness of the sales price and any PHA provided financing. All of these actions must be completed in accordance with program requirements.

The PHA must not approve the unit if the PHA has been informed that the seller is debarred, suspended, or subject to a limited denial of participation.

#### **15-VII.E. ADDITIONAL PHA REQUIREMENTS FOR SEARCH AND PURCHASE [24 CFR 982.629]**

It is the family's responsibility to find a home that meets the criteria for voucher homeownership assistance. The PHA may establish the maximum time that will be allowed for a family to locate and purchase a home, and may require the family to report on their progress in finding and purchasing a home. If the family is unable to purchase a home within the maximum time established by the PHA, the PHA may issue the family a voucher to lease a unit or place the family's name on the waiting list for a voucher.

## **15-VII.F. HOMEOWNERSHIP COUNSELING [24 CFR 982.630]**

Before commencement of homeownership assistance for a family, the family must attend and satisfactorily complete the pre-assistance homeownership and housing counseling program required by the PHA. HUD suggests the following topics for the PHA-required pre-assistance counseling:

- 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 pre-approvals, including a description of types of financing that may be available, and the pros and cons of different types of financing;
- How to find a home, including information about homeownership opportunities, schools, and transportation in the PHA jurisdiction;
- Advantages of purchasing a home in an area that does not have a high concentration of low-income families and how to locate homes in such areas;
- Information on fair housing, including fair housing lending and local fair housing enforcement agencies; and
- Information about the Real Estate Settlement Procedures Act (12 U.S.C. 2601 et seq.) (RESPA), state and Federal truth-in-lending laws, and how to identify and avoid loans with oppressive terms and conditions.

The PHA may adapt the subjects covered in pre-assistance counseling (as listed) to local circumstances and the needs of individual families.

The PHA may also offer additional counseling after commencement of homeownership assistance (ongoing counseling). If the PHA offers a program of ongoing counseling for participants in the homeownership option, the PHA shall have discretion to determine whether the family is required to participate in the ongoing counseling.

If the PHA does not use a HUD-approved housing counseling agency to provide the counseling, the PHA should ensure that its counseling program is consistent with the counseling provided under HUD's Housing Counseling program.

## **15-VII.G. HOME INSPECTIONS, CONTRACT OF SALE, AND PHA DISAPPROVAL OF SELLER [24 CFR 982.631]**

### **Home Inspections**

The PHA may not commence monthly homeownership assistance payments or provide down payment assistance grants for a family until the PHA has inspected the unit and has determined that the unit passes HQS.

An independent professional inspector selected by and paid for by the family must also inspect the unit. The independent inspection must cover major building systems and components, including foundation and structure, housing interior and exterior, and the roofing, plumbing, electrical, and heating systems. The independent inspector must be qualified to report on property conditions, including major building systems and components.

The PHA may not require the family to use an independent inspector selected by the PHA. The independent inspector may not be a PHA employee or contractor, or other person under control of the PHA. However, the PHA may establish standards for qualification of inspectors selected by families under the homeownership option.

The PHA may disapprove a unit for assistance based on information in the independent inspector's report, even if the unit was found to comply with HQS.

### **Contract of Sale**

Before commencement of monthly homeownership assistance payments or receipt of a down payment assistance grant, a member or members of the family must enter into a contract of sale with the seller of the unit to be acquired by the family. The family must give the PHA a copy of the contract of sale. The contract of sale must:

- Specify the price and other terms of sale by the seller to the purchaser;
- Provide that the purchaser will arrange for a pre-purchase inspection of the dwelling unit by an independent inspector selected by the purchaser;
- Provide that the purchaser is not obligated to purchase the unit unless the inspection is satisfactory to the purchaser;
- Provide that the purchaser is not obligated to pay for any necessary repairs; and
- Contain a certification from the seller that the seller has not been debarred, suspended, or subject to a limited denial of participation under CFR part 24.

### **Disapproval of a Seller**

In its administrative discretion, the PHA may deny approval of a seller for the same reasons a PHA may disapprove an owner under the regular HCV program [see 24 CFR 982.306(c)].

#### **15-VII.H. FINANCING [24 CFR 982.632]**

The PHA may establish requirements for financing purchase of a home under the homeownership option. This may include requirements concerning qualification of lenders, terms of financing, restrictions concerning debt secured by the home, lender qualifications, loan terms, and affordability of the debt. The PHA must establish policies describing these requirements in the administrative plan.

A PHA may not require that families acquire financing from one or more specified lenders, thereby restricting the family's ability to secure favorable financing terms.

#### **15-VII.I. CONTINUED ASSISTANCE REQUIREMENTS; FAMILY OBLIGATIONS [24 CFR 982.633]**

Homeownership assistance may only be paid while the family is residing in the home. If the family moves out of the home, the PHA may not continue homeownership assistance after the month when the family moves out. The family or lender is not required to refund to the PHA the homeownership assistance for the month when the family moves out.

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.

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 24 CFR 982.551 (h) and (i).
- The family must supply information to the PHA or HUD as specified in 24 CFR 982.551(b). The family must further supply any information required by the PHA or HUD concerning mortgage financing or refinancing, sale or transfer of any interest in the home, or homeownership expenses.
- The family must notify the PHA before moving out of the home.
- The family must notify the PHA if the family defaults on the mortgage used to purchase the home.
- No family member may have any ownership interest in any other residential property.
- The family must comply with the obligations of a participant family described in 24 CFR 982.551, except for the following provisions which do not apply to assistance under the homeownership option: 24 CFR 982.551(c), (d), (e), (f), (g) and (j).

#### **15-VII.J. MAXIMUM TERM OF HOMEOWNER ASSISTANCE [24 CFR 982.634]**

Except in the case of a family that qualifies as an elderly or disabled family, other family members (described below) shall not receive homeownership assistance for more than:

- Fifteen years, if the initial mortgage incurred to finance purchase of the home has a term of 20 years or longer; or
- Ten years, in all other cases.

The maximum term described above applies to any member of the family who:

- Has an ownership interest in the unit during the time that homeownership payments are made; or
- Is the spouse of any member of the household who has an ownership interest in the unit during the time homeownership payments are made.

In the case of an elderly family, the exception only applies if the family qualifies as an elderly family at the start of homeownership assistance. In the case of a disabled family, the exception applies if at any time during receipt of homeownership assistance the family qualifies as a disabled family.

If, during the course of homeownership assistance, the family ceases to qualify as a disabled or elderly family, the maximum term becomes applicable from the date homeownership assistance commenced. However, such a family must be provided at least 6 months of homeownership assistance after the maximum term becomes applicable (provided the family is otherwise eligible to receive homeownership assistance).

If the family has received such assistance for different homes, or from different PHAs, the total of such assistance terms is subject to the maximum term described in this part.

#### **15-VII.K. 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 PHA will use the same payment standard schedule, payment standard amounts, and subsidy standards as those described in elsewhere in this plan for the Housing Choice Voucher program.

The PHA may pay the homeownership assistance payments directly to the family, or at the PHA's discretion, to a lender on behalf of the family. If the assistance payment exceeds the amount due to the lender, the PHA must pay the excess directly to the family.

Homeownership assistance for a family terminates automatically 180 calendar days after the last homeownership assistance payment on behalf of the family. However, a PHA may grant relief from this requirement in those cases where automatic termination would result in extreme hardship for the family.

The PHA must adopt policies for determining the amount of homeownership expenses to be allowed by the PHA in accordance with HUD requirements.

Homeownership expenses (not including cooperatives) only include amounts allowed by the PHA to cover:

- Principal and interest on initial mortgage debt, any refinancing of such debt, and any mortgage insurance premium incurred to finance purchase of the home;
- Real estate taxes and public assessments on the home;
- Home insurance;
- The PHA allowance for maintenance expenses;
- The PHA allowance for costs of major repairs and replacements;
- The PHA utility allowance for the home;
- Principal and interest on mortgage debt incurred to finance costs for major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to make the home accessible for such person, if the PHA determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person;
- Land lease payments where a family does not own fee title to the real property on which the home is located; [see 24 CFR 982.628(b)].
- For a condominium unit, condominium operating charges or maintenance fees assessed by the condominium homeowner association.

Homeownership expenses for a cooperative member may only include amounts allowed by the PHA to cover:

- The cooperative charge under the cooperative occupancy agreement including payment for real estate taxes and public assessments on the home;
- Principal and interest on initial debt incurred to finance purchase of cooperative membership shares and any refinancing of such debt;
- Home insurance;
- The PHA allowance for maintenance expenses;
- The PHA allowance for costs of major repairs and replacements;
- The PHA utility allowance for the home; and
- Principal and interest on debt incurred to finance major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to make the home accessible for such person, if the PHA determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person.
- Cooperative operating charges or maintenance fees assessed by the cooperative homeowner association.

### **15-VII.L. PORTABILITY [24 CFR 982.636, 982.637, 982.353(b) and (c), 982.552, 982.553]**

Subject to the restrictions on portability included in HUD regulations and PHA policies, a 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 family must attend the briefing and counseling sessions required by the receiving PHA. The receiving PHA will determine whether the financing for, and the physical condition of the unit, are acceptable. The receiving PHA must promptly notify the initial PHA if the family has purchased an eligible unit under the program, or if the family is unable to purchase a home within the maximum time established by the PHA.

### **15-VII.M. 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 PHA may deny permission to move to a new unit with continued voucher assistance as follows:

- Lack of funding to provide continued assistance.
- At any time, the PHA may deny permission to move with continued rental or homeownership assistance in accordance with 24 CFR 982.638, regarding denial or termination of assistance.
- In accordance with the PHA's policy regarding number of moves within a 12-month period.

The PHA must deny the family permission to move to a new unit with continued voucher rental assistance if:

- The family defaulted on an FHA-insured mortgage; and
- The family fails to demonstrate that the family has conveyed, or will convey, title to the home, as required by HUD, to HUD or HUD's designee; and the family has moved, or will move, from the home within the period established or approved by HUD.

## **15-VII.N. DENIAL OR TERMINATION OF ASSISTANCE [24 CFR 982.638]**

At any time, the PHA may deny or terminate homeownership assistance in accordance with HCV program requirements in 24 CFR 982.552 (Grounds for denial or termination of assistance) or 24 CFR 982.553 (Crime by family members).

The PHA may also deny or terminate assistance for violation of participant obligations described in 24 CFR Parts 982.551 or 982.633 and in accordance with its own policy.

The PHA must terminate voucher homeownership assistance for any member of family receiving homeownership assistance that is dispossessed from the home pursuant to a judgment or order of foreclosure on any mortgage (whether FHA insured or non-FHA) securing debt incurred to purchase the home, or any refinancing of such debt.

# Chapter 16

## PROGRAM ADMINISTRATION

### INTRODUCTION

This chapter discusses administrative policies and practices that are relevant to the activities covered in this plan. The policies are discussed in seven parts as described below:

Part I: Administrative Fee Reserve. This part describes the PHA's policies with regard to oversight of expenditures from its administrative fee reserve.

Part II: Setting Program Standards and Schedules. This part describes what payment standards are, and how they are updated, as well as how utility allowances are established and revised.

Part III: Informal Reviews and Hearings. This part outlines the requirements and procedures for informal reviews and hearings, and for informal hearings regarding citizenship status.

Part IV: Owner or Family Debts to the PHA. This part describes policies for recovery of monies that the PHA has overpaid on behalf of families, or to owners, and describes the circumstances under which the PHA will offer repayment agreements to owners and families. Also discussed are the consequences for failure to make payments in accordance with a repayment agreement.

Part V: Section 8 Management Assessment Program (SEMAP). This part describes what the SEMAP scores represent, how they are established, and how those scores affect a PHA.

Part VI: Record-Keeping. All aspects of the program involve certain types of record-keeping. This part outlines the privacy rights of applicants and participants and record retention policies the PHA will follow.

Part VII: Reporting and Record Keeping for Children with Environmental Intervention Blood Lead Level. This part describes the PHA's responsibilities for reporting, data collection, and record keeping relative to children with environmental intervention blood lead levels that are less than six years of age, and are receiving HCV assistance.

Part VIII: Determination of Insufficient Funding. This part describes the PHA's policies for determining if there is sufficient funding to issue vouchers, to approve moves to higher cost units or areas, and to continue assistance for all participant families.

Draft

**PART I: ADMINISTRATIVE FEE RESERVE [24 CFR 982.155]**

The PHA must maintain an administrative fee reserve for the program to pay program administrative expenses in excess of administrative fees paid by HUD for a PHA fiscal year. If funds in the administrative fee reserve are not needed to cover PHA administrative expenses, the PHA may use these funds for other housing purposes permitted by Federal, State and local law. If the PHA has not adequately administered any Section 8 program, HUD may prohibit use of funds in the administrative fee reserve, and may direct the PHA to use funds in the reserve to improve administration of the program or to reimburse ineligible expenses. HUD also may prohibit use of the 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.

PHA Policy

Expenditures from the administrative fee reserve will be made in accordance with all applicable Federal requirements. Expenditures will not exceed \$10,000 per occurrence without the prior approval of the PHA's Board of Commissioners.

Draft

## PART II: SETTING PROGRAM STANDARDS AND SCHEDULES

### 16-II.A. OVERVIEW

Although many of the program's requirements are established centrally by HUD, the HCV program's regulations recognize that some flexibility is required to allow the PHA to adapt the program to local conditions. This part discusses how the PHA establishes and updates certain schedules and standards that are used to administer the program locally. Details about how these schedules are applied to individual families are provided in other chapters. The schedules and standards discussed here include:

- *Payment Standards*, which dictate the maximum subsidy a family can receive (application of the payment standards is discussed in Chapter 6); and
- *Utility Allowances*, which specify how a family's payment should be adjusted to account for tenant-paid utilities (application of utility allowances is discussed in Chapter 6).

#### PHA Policy

Copies of the payment standard and utility allowance schedules are available for review in the PHA's offices during normal business hours.

Families, owners, and members of the public may submit written comments on the schedules discussed in this part, at any time, for consideration during the next revision cycle.

The PHA will maintain documentation to support its annual review of payment standards and utility allowance schedules. This documentation will be retained for at least 3 years.

### 16-II.B. PAYMENT STANDARDS [24 CFR 982.503; HCV GB, Chapter 7]

The payment standard sets the maximum subsidy payment a family can receive from the PHA each month [24 CFR 982.505(a)]. Payment standards are based on fair market rents (FMRs) published annually by HUD. FMRs are set at a percentile within the rent distribution of standard quality rental housing units in each FMR area. For most jurisdictions FMRs are set at the 40th percentile of rents in the market area.

The PHA must establish a payment standard schedule that establishes payment standard amounts for each FMR area within the PHA's jurisdiction, and for each unit size within each of the FMR areas. For each unit size, the PHA may establish a single payment standard amount for the whole FMR area, or may set different payment standards for different parts of the FMR area. Unless HUD grants an exception, the PHA is required to establish a payment standard within a "basic range" established by HUD – between 90 and 110 percent of the published FMR for each unit size.

## Updating Payment Standards

When HUD updates its FMRs, the PHA must update its payment standards if the standards are no longer within the basic range [24 CFR 982.503(b)]. HUD may require the PHA to make further adjustments if it determines that rent burdens for assisted families in the PHA's jurisdiction are unacceptably high [24 CFR 982.503(g)].

### PHA Policy

The PHA will review the appropriateness of the payment standards on an annual basis when the new FMR is published. In addition to ensuring the payment standards are always within the "basic range" the PHA will consider the following factors when determining whether an adjustment should be made to the payment standard schedule:

**Funding Availability:** The PHA will review the budget to determine the impact projected subsidy adjustments will have on funding available for the program and the number of families served. The PHA will compare the number of families who could be served under revised payment standard amounts with the number assisted under current payment standard amounts.

**Rent Burden of Participating Families:** Rent burden will be determined by identifying the percentage of families, for each unit size, that are paying more than 30 percent of their monthly adjusted income as the family share. When 40 percent or more of families, for any given unit size, are paying more than 30 percent of adjusted monthly income as the family share, the PHA will consider increasing the payment standard. In evaluating rent burdens, the PHA will not include families renting a larger unit than their family unit size.

**Quality of Units Selected:** The PHA will review the quality of units selected by participant families when making the determination of the percent of income families are paying for housing, to ensure that payment standard increases are only made when needed to reach the mid range of the market.

**Changes in Rent to Owner:** The PHA may review a sample of the units to determine how often owners are increasing or decreasing rents and the average percent of increases/decreases by bedroom size.

**Unit Availability:** The PHA will review the availability of units for each unit size, particularly in areas with low concentrations of poor and minority families.

**Lease-up Time and Success Rate:** The PHA will consider the percentage of families that are unable to locate suitable housing before the voucher expires and whether families are leaving the jurisdiction to find affordable housing.

Changes to payment standard amounts will be effective on December 1<sup>st</sup> of every year unless, based on the proposed FMRs, it appears that one or more of the PHA's current payment standard amounts will be outside the basic range when the final FMRs are published. In that case, the PHAs payment standards will be effective October 1<sup>st</sup> instead of December 1<sup>st</sup>.

If the PHA has already processed reexaminations that will be effective on or after October 1<sup>st</sup>, and the effective date of the payment standards is October 1<sup>st</sup>, the PHA will make retroactive adjustments to any such reexaminations if the new payment standard amount is higher than the one used by the PHA at the time the reexamination was originally processed.

#### **Exception Payment Standards [982.503(c)]**

The PHA must request HUD approval to establish payment standards that are higher than the basic range. At HUD's sole discretion, HUD may approve a payment standard amount that is higher than the basic range for a designated part of the FMR area. HUD may approve an exception payment standard amount (in accordance with program requirements) for all units, or for all units of a given size, leased by program families in the exception area. Any PHA with jurisdiction in the exception area may use the HUD-approved exception payment standard amount. The total population of all HUD-approved exception areas in an FMR area may not include more than 50 percent of the population of the FMR area.

#### **Unit-by-Unit Exceptions [24 CFR 982.503(c)(2)(ii)]**

Unit-by-unit exceptions to the PHA's payment standards generally are not permitted. However, an exception may be made as a reasonable accommodation for a family that includes a person with disabilities. (See Chapter 2 for a discussion of reasonable accommodations.) This type of exception does not affect the PHA's payment standard schedule.

When needed as a reasonable accommodation, the PHA may make an exception to the payment standard without HUD approval if the exception amount does not exceed 110 percent of the applicable FMR for the unit size [HCV GB 7-9]. The PHA may request HUD approval for an exception to the payment standard for a particular family if the required amount falls between 110 and 120 percent of the FMR.

#### PHA Policy

A family that requires a reasonable accommodation may request a higher payment standard at the time the Request for Tenancy Approval (RFTA) is submitted. The family must document the need for the exception. In order to approve an exception, or request an exception from HUD, the PHA must determine that:

- There is a shortage of affordable units that would be appropriate for the family;
- The family's TTP would otherwise exceed 40 percent of adjusted monthly income; and
- The rent for the unit is reasonable.

### **"Success Rate" Payment Standard Amounts [24 CFR 982.503(e)]**

If a substantial percentage of families have difficulty finding a suitable unit, the PHA may request a "success rate payment standard" that applies to the entire jurisdiction. If approved by HUD, a success rate payment standard allows the PHA to set its payment standards at 90-110 percent of a higher FMR (the 50<sup>th</sup>, rather than the 40<sup>th</sup> percentile FMR). To support the request, the PHA must demonstrate that during the most recent 6-month period for which information is available:

- Fewer than 75 percent of families who were issued vouchers became participants;
- The PHA had established payment standards for all unit sizes, and for the entire jurisdiction, at 110 percent of the published FMR; and
- The PHA had a policy of allowing voucher holders who made sustained efforts to locate units at least 90 days to search for a unit.

Although HUD approves the success rate payment standard for all unit sizes in the FMR area, the PHA may choose to adjust the payment standard for only some unit sizes in all, or a designated part, of the PHA's jurisdiction within the FMR area.

### **Decreases in the Payment Standard Below the Basic Range [24 CFR 982.503(d)]**

The PHA must request HUD approval to establish a payment standard amount that is lower than the basic range. At HUD's sole discretion, HUD may approve establishment of a payment standard lower than the basic range. HUD will not approve a lower payment standard if the family share for more than 40 percent of program participants exceeds 30 percent of adjusted monthly income.

### **16-II.C. UTILITY ALLOWANCES [24 CFR 982.517]**

A PHA-established utility allowance schedule is used in determining family share and PHA subsidy. The PHA must maintain a utility allowance schedule for (1) all tenant-paid utilities, (2) the cost of tenant-supplied refrigerators and ranges, and (3) other tenant-paid housing services such as trash collection.

The utility allowance schedule must be determined 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. In developing the schedule, the PHA must use normal patterns of consumption for the community as a whole, and current utility rates.

The utility allowance must include the utilities and services that are necessary in the locality to provide housing that complies with housing quality standards. Costs for telephone, cable/satellite television, and internet services are not included in the utility allowance schedule.

In the utility allowance schedule, the PHA must classify utilities and other housing services according to the following general categories: space heating; air conditioning; cooking; water heating; water; sewer; trash collection; other electric; cost of tenant-supplied refrigerator; cost of tenant-supplied range; and other specified housing services.

The cost of each utility and housing service must be stated separately by unit size and type. Chapter 18 of the *HCV Guidebook* provides detailed guidance to the PHA about establishing utility allowance schedules.

#### **Air Conditioning**

An allowance for air-conditioning must be provided when the majority of housing units in the market have central air-conditioning or are wired for tenant-installed air conditioners.

##### PHA Policy

The PHA has included an allowance for air-conditioning in its schedule. Central air-conditioning or a portable air conditioner must be present in a unit before the PHA will apply this allowance to a family's rent and subsidy calculations.

#### **Reasonable Accommodation**

HCV program regulations require a PHA to approve a utility allowance amount higher than shown on the PHA's schedule if a higher allowance is needed as a reasonable accommodation for a family member with a disability. For example, if a family member with a disability requires such an accommodation, the PHA will approve an allowance for air-conditioning, even if the PHA has determined that an allowance for air-conditioning generally is not needed (See Chapter 2 for policies regarding the request and approval of reasonable accommodations).

#### **Utility Allowance Revisions**

The PHA must review its schedule of utility allowances each year, and must revise the schedule if there has been a change of 10 percent or more in any utility rate since the last time the allowance for that utility was revised.

The PHA must maintain information supporting its annual review of utility allowance and any revisions made in its utility allowance schedule.

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## **PART III: INFORMAL REVIEWS AND HEARINGS**

### **16-III.A. OVERVIEW**

When the PHA makes a decision that has a negative impact on a family, the family is often entitled to appeal the decision. For applicants, the appeal takes the form of an informal review; for participants, or for applicants denied admission because of citizenship issues, the appeal takes the form of an informal hearing.

PHAs are required to include in their administrative plans, informal review procedures for applicants, and informal hearing procedures for participants [24 CFR 982.54(d)(12) and (13)].

### **16-III.B. INFORMAL REVIEWS**

Informal reviews are provided for program applicants. An applicant is someone who has applied for admission to the program, but is not yet a participant in the program. Informal reviews are intended to provide a “minimum hearing requirement” [24 CFR 982.554], and need not be as elaborate as the informal hearing requirements. (Federal Register Volume 60, No. 127, p 36490).

#### **Decisions Subject to Informal Review**

The PHA must give an applicant the opportunity for an informal review of a decision denying assistance [24 CFR 982.554(a)]. Denial of assistance may include any or all of the following [24 CFR 982.552(a)(2)]:

- Denying listing on the 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
- Denial of assistance based on an unfavorable history that may be the result of domestic violence, dating violence or stalking. (See Section 3-III.G.)

Informal reviews are *not* required for the following reasons [24 CFR 982.554(c)]:

- Discretionary administrative determinations by the PHA
- General policy issues or class grievances
- A determination of the family unit size under the PHA subsidy standards
- A PHA determination not to grant approval of the tenancy
- A PHA determination that the unit is not in compliance with the HQS
- A PHA determination that the unit is not in accordance with the HQS due to family size or composition

### PHA Policy

The PHA will only offer an informal review to applicants for whom assistance is being denied. Denial of assistance includes: denying listing on the 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.

### **Notice to the Applicant [24 CFR 982.554(a)]**

The PHA must give an applicant prompt notice of a decision denying assistance. The notice must contain a brief statement of the reasons for the PHA decision, and must also state that the applicant may request an informal review of the decision. The notice must describe how to obtain the informal review.

### **Scheduling an Informal Review**

#### PHA Policy

A request for an informal review must be made in writing and delivered to the PHA either in person or by first class mail, by the close of the business day, no later than 10 business days from the date of the PHA's denial of assistance.

Except as provided in Section 3-III.G, the PHA must schedule and send written notice of the informal review within 10 business days of the family's request.

### **Informal Review Procedures [24 CFR 982.554(b)]**

#### PHA Policy

The informal review must be conducted by a person other than the one who made or approved the decision under review, or a subordinate of this person.

The applicant must be provided an opportunity to present written or oral objections to the decision of the PHA.

The person conducting the review will make a recommendation to the PHA, but the PHA is responsible for making the final decision as to whether assistance should be granted or denied.

### **Informal Review Decision [24 CFR 982.554(b)]**

The PHA must notify the applicant of the PHA's final decision, including a brief statement of the reasons for the final decision.

#### PHA Policy

In rendering a decision, the PHA will evaluate the following matters:

Whether or not the grounds for denial were stated factually in the Notice.

The validity of grounds for denial of assistance. If the grounds for denial are not specified in the regulations, then the decision to deny assistance will be overturned.

The validity of the evidence. The PHA will evaluate whether the facts presented prove the grounds for denial of assistance. If the facts prove that there are grounds for denial, and the denial is required by HUD, the PHA will uphold the decision to deny assistance.

If the facts prove the grounds for denial, and the denial is discretionary, the PHA will consider the recommendation of the person conducting the informal review in making the final decision whether to deny assistance.

The PHA will notify the applicant of the final decision, including a statement explaining the reason(s) for the decision. The notice will be mailed within 10 business days of the informal review, to the applicant and his or her representative, if any, along with proof of mailing.

If the decision to deny is overturned as a result of the informal review, processing for admission will resume.

If the family fails to appear for their informal review, the denial of admission will stand and the family will be so notified.

**16-III.C. INFORMAL HEARINGS FOR PARTICIPANTS [24 CFR 982.555, Pub.L. 109-162]**

PHAs must offer an informal hearing for certain PHA determinations relating to the individual circumstances of a participant family. A participant is defined as a family that has been admitted to the PHA's HCV program and is currently assisted in the program. The purpose of the informal hearing is to consider whether the PHA's decisions related to the family's circumstances are in accordance with the law, HUD regulations and PHA policies.

The PHA is not permitted to terminate a family's assistance until the time allowed for the family to request an informal hearing has elapsed, and any requested hearing has been completed.

Termination of assistance for a participant may include any or all of the following:

- Refusing to enter into a HAP contract or approve a lease
- Terminating housing assistance payments under an outstanding HAP contract
- Refusing to process or provide assistance under portability procedures

**Decisions Subject to Informal Hearing**

Circumstances for which the PHA must give a participant family an opportunity for an informal hearing are as follows:

- A determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment
- A determination of the appropriate utility allowance (if any) for tenant-paid utilities from the PHA utility allowance schedule
- A determination of the family unit size under the PHA's subsidy standards
- A determination that a certificate program family is residing in a unit with a larger number of bedrooms than appropriate for the family unit size under the PHA's subsidy standards, or the PHA determination to deny the family's request for exception from the standards
- A determination to terminate assistance for a participant family because of the family's actions or failure to act
- A determination to terminate assistance because the participant has been absent from the assisted unit for longer than the maximum period permitted under PHA policy and HUD rules
- A determination to terminate a family's Family Self Sufficiency contract, withhold supportive services, or propose forfeiture of the family's escrow account [24 CFR 984.303(i)]
- A determination to deny admission based on an unfavorable history that may be the result of domestic violence, dating violence, or stalking.

Circumstances for which an informal hearing is not required are as follows:

- Discretionary administrative determinations by the PHA
- General policy issues or class grievances
- Establishment of the PHA schedule of utility allowances for families in the program
- A PHA determination not to approve an extension or suspension of a voucher term
- A PHA determination not to approve a unit or tenancy
- A PHA determination that a unit selected by the applicant is not in compliance with the HQS
- A PHA determination that the unit is not in accordance with HQS because of family size
- A determination by the PHA to exercise or not to exercise any right or remedy against an owner under a HAP contract

PHA Policy

The PHA will only offer participants the opportunity for an informal hearing when required to by the regulations.

## **Informal Hearing Procedures**

### ***Notice to the Family* [24 CFR 982.555(c)]**

When the PHA makes a decision that is subject to informal hearing procedures, the PHA must inform the family of its right to an informal hearing at the same time that it informs the family of the decision.

For decisions related to the family's annual or adjusted income, the determination of the appropriate utility allowance, and the determination of the family unit size, the PHA must notify the family that they may ask for an explanation of the basis of the determination, and that if they do not agree with the decision, they may request an informal hearing on the decision.

For decisions related to the termination of the family's assistance, or the denial of a family's request for an exception to the PHA's subsidy standards, the notice must contain a brief statement of the reasons for the decision, a statement that if the family does not agree with the decision, the family may request an informal hearing on the decision, and a statement of the deadline for the family to request an informal hearing.

### **PHA Policy**

In cases where the PHA makes a decision for which an informal hearing must be offered, the notice to the family will include all of the following:

The proposed action or decision of the PHA.

A brief statement of the reasons for the decision including the regulatory reference.

The date the proposed action will take place.

A statement of the family's right to an explanation of the basis for the PHA's decision.

A statement that if the family does not agree with the decision the family may request an informal hearing of the decision.

A deadline for the family to request the informal hearing.

To whom the hearing request should be addressed.

A copy of the PHA's hearing procedures.

***Scheduling an Informal Hearing [24 CFR 982.555(d)]***

When an informal hearing is required, the PHA must proceed with the hearing in a reasonably expeditious manner upon the request of the family.

PHA Policy

A request for an informal hearing must be made in writing and delivered to the PHA either in person or by first class mail, by the close of the business day, no later than 10 business days from the date of the PHA's decision or notice to terminate assistance.

The PHA must schedule and send written notice of the informal hearing to the family within 10 business days of the family's request.

The family may request to reschedule a hearing for good cause, or if it is needed as a reasonable accommodation for a person with disabilities. Good cause is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family. Requests to reschedule a hearing must be made orally or in writing prior to the hearing date. At its discretion, the PHA may request documentation of the "good cause" prior to rescheduling the hearing.

If the family does not appear at the scheduled time, and was unable to reschedule the hearing in advance due to the nature of the conflict, the family must contact the PHA within 24 hours of the scheduled hearing date, excluding weekends and holidays. The PHA will reschedule the hearing only if the family can show good cause for the failure to appear, or if it is needed as a reasonable accommodation for a person with disabilities.

***Pre-Hearing Right to Discovery [24 CFR 982.555(e)]***

Participants and the PHA are permitted pre-hearing discovery rights. The family must be given the opportunity to examine before the hearing any PHA documents that are directly relevant to the hearing. The family must be allowed to copy any such documents at their own expense. If the PHA does not make the document available for examination on request of the family, the PHA may not rely on the document at the hearing.

The PHA hearing procedures may provide that the PHA must be given the opportunity to examine at the PHA offices before the hearing, any family documents that are directly relevant to the hearing. The PHA must be allowed to copy any such document at the PHA's expense. If the family does not make the document available for examination on request of the PHA, the family may not rely on the document at the hearing.

For the purpose of informal hearings, *documents* include records and regulations.

**PHA Policy**

The family will be allowed to copy any documents related to the hearing at a cost of \$.25 per page. The family must request discovery of PHA documents no later than 12:00 p.m. on the business day prior to the scheduled hearing date

The PHA must be given an opportunity to examine at the PHA offices before the hearing any family documents that are directly relevant to the hearing. Whenever a participant requests an informal hearing, the PHA will automatically mail a letter to the participant requesting a copy of all documents that the participant intends to present or utilize at the hearing. The participant must make the documents available no later than 12:00 pm on the business day prior to the scheduled hearing date.

***Participant's Right to Bring Counsel [24 CFR 982.555(e)(3)]***

At its own expense, the family may be represented by a lawyer or other representative at the informal hearing.

***Informal Hearing Officer [24 CFR 982.555(e)(4)]***

Informal hearings will be conducted by a person or persons approved by the PHA, other than the person who made or approved the decision or a subordinate of the person who made or approved the decision.

**PHA Policy**

The PHA has designated the following to serve as hearing officers:

Housing Services Specialist  
Customer Service Representative  
Accounting  
Public Housing Manager  
Administrative Assistant

***Attendance at the Informal Hearing***

**PHA Policy**

Hearings may be attended by a hearing officer and the following applicable persons:

A PHA representative(s) and any witnesses for the PHA

The participant and any witnesses for the participant

The participant's counsel or other representative

Any other person approved by the PHA as a reasonable accommodation for a person with a disability

***Conduct at Hearings***

The person who conducts the hearing may regulate the conduct of the hearing in accordance with the PHA's hearing procedures [24 CFR 982.555(4)(ii)].

**PHA Policy**

The hearing officer is responsible to manage the order of business and to ensure that hearings are conducted in a professional and businesslike manner. Attendees are expected to comply with all hearing procedures established by the hearing officer and guidelines for conduct. Any person demonstrating disruptive, abusive or otherwise inappropriate behavior will be excused from the hearing at the discretion of the hearing officer.

### ***Evidence [24 CFR 982.555(e)(5)]***

The PHA and the family must be given the opportunity to present evidence and question any witnesses. In general, all evidence is admissible at an informal hearing. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

#### PHA Policy

Any evidence to be considered by the hearing officer must be presented at the time of the hearing. There are four categories of evidence.

**Oral evidence:** the testimony of witnesses

**Documentary evidence:** a writing which is relevant to the case, for example, a letter written to the PHA. Writings include all forms of recorded communication or representation, including letters, words, pictures, sounds, videotapes or symbols or combinations thereof.

**Demonstrative evidence:** Evidence created specifically for the hearing and presented as an illustrative aid to assist the hearing officer, such as a model, a chart or other diagram.

**Real evidence:** A tangible item relating directly to the case.

*Hearsay Evidence* is evidence of a statement that was made other than by a witness while testifying at the hearing and that is offered to prove the truth of the matter. Even though evidence, including hearsay, is generally admissible, hearsay evidence alone cannot be used as the sole basis for the hearing officer's decision.

If either the PHA or the family fail to comply with the discovery requirements described above, the hearing officer will refuse to admit such evidence.

Other than the failure of a party to comply with discovery, the hearing officer has the authority to overrule any objections to evidence.

### ***Hearing Officer's Decision [24 CFR 982.555(e)(6)]***

The person who conducts the hearing must issue a written decision, stating briefly the reasons for the decision. Factual determinations relating to the individual circumstances of the family must be based on a preponderance of evidence presented at the hearing. A copy of the hearing must be furnished promptly to the family.

#### PHA Policy

In rendering a decision, the hearing officer will consider the following matters:

**PHA Notice to the Family:** The hearing officer will determine if the reasons for the PHA's decision are factually stated in the Notice.

**Discovery:** The hearing officer will determine if the PHA and the family were given the opportunity to examine any relevant documents in accordance with PHA policy.

**PHA Evidence to Support the PHA Decision:** The evidence consists of the facts presented. Evidence is not conclusion and it is not argument. The hearing officer will evaluate the facts to determine if they support the PHA's conclusion.

**Validity of Grounds for Termination of Assistance (when applicable):** The hearing officer will determine if the termination of assistance is for one of the grounds specified in the HUD regulations and PHA policies. If the grounds for termination are not specified in the regulations or in compliance with PHA policies, then the decision of the PHA will be overturned.

The hearing officer will issue a written decision to the family and the PHA no later than 10 business days after the hearing. The report will contain the following information:

**Hearing information:**

- Name of the participant;
- Date, time and place of the hearing;
- Name of the hearing officer;
- Name of the PHA representative; and
- Name of family representative (if any).

**Background:** A brief, impartial statement of the reason for the hearing.

**Summary of the Evidence:** The hearing officer will summarize the testimony of each witness and identify any documents that a witness produced in support of his/her testimony and that are admitted into evidence.

**Findings of Fact:** The hearing officer will include all findings of fact, based on a preponderance of the evidence. *Preponderance of the 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. Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

**Conclusions:** The hearing officer will render a conclusion derived from the facts that were found to be true by a preponderance of the evidence. The conclusion will result in a determination of whether these facts uphold the PHA's decision.

**Order:** The hearing report will include a statement of whether the PHA's decision is upheld or overturned. If it is overturned, the hearing officer will instruct the PHA to change the decision in accordance with the hearing officer's determination. In the case of termination of assistance, the hearing officer will instruct the PHA to restore the participant's program status.

## ***Procedures for Rehearing or Further Hearing***

### **PHA Policy**

The hearing officer may ask the family for additional information and/or might adjourn the hearing in order to reconvene at a later date, before reaching a decision. If the family misses an appointment or deadline ordered by the hearing officer, the action of the PHA will take effect and another hearing will not be granted.

In addition, within 10 business days after the date the hearing officer's report is mailed to the PHA and the participant, the PHA or the participant may request a rehearing or a further hearing. Such request must be made in writing and postmarked or hand-delivered to the hearing officer and to the other party within the 10 business day period. The request must demonstrate cause, supported by specific references to the hearing officer's report, why the request should be granted.

A rehearing or a further hearing may be requested for the purpose of rectifying any obvious mistake of law made during the hearing or any obvious injustice not known at the time of the hearing.

It shall be within the sole discretion of the PHA to grant or deny the request for further hearing or rehearing. A further hearing may be limited to written submissions by the parties, in the manner specified by the hearing officer.

### ***PHA Notice of Final Decision [24 CFR 982.555(f)]***

The PHA is not bound by the decision of the hearing officer for matters in which the PHA is not required to provide an opportunity for a hearing, decisions that exceed the authority of the hearing officer, decisions that conflict with or contradict HUD regulations, requirements, or are otherwise contrary to Federal, State or local laws.

If the PHA determines it is not bound by the hearing officer's decision in accordance with HUD regulations, the PHA must promptly notify the family of the determination and the reason for the determination.

### **PHA Policy**

The PHA will mail a "Notice of Final Decision" including the hearing officer's report, to the participant and their representative. This Notice will be sent by first class mail, postage pre-paid with an affidavit of mailing enclosed. The participant will be mailed the original "Notice of Final Decision" and a copy of the proof of mailing. A copy of the "Notice of Final Decision" along with the original proof mailing will be maintained in the PHA's file.

#### **16-III.D. HEARING AND APPEAL PROVISIONS FOR NON-CITIZENS [24 CFR 5.514]**

Denial or termination of assistance based on immigration status is subject to special hearing and notice rules. Applicants who are denied assistance due to immigration status are entitled to an informal hearing, not an informal review.

Assistance to a family may not be delayed, denied, or terminated on the basis of immigration status at any time prior to a decision under the United States Citizenship and Immigration Services (USCIS) appeal process. 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 completion of the informal hearing.

A decision against a family member, issued in accordance with the USCIS appeal process or the PHA informal hearing process, does not preclude the family from exercising the right, that may otherwise be available, to seek redress directly through judicial procedures.

#### **Notice of Denial or Termination of Assistance [24 CFR 5.514(d)]**

As discussed in Chapters 3 and 11, the notice of denial or termination 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.
- In the case of a participant, the criteria and procedures for obtaining relief under the provisions for preservation of families [24 CFR 5.514 and 5.518].
- That 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 in 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 Appeal Process [24 CFR 5.514(e)]**

When the PHA receives notification that the USCIS secondary verification failed to confirm eligible immigration status, the PHA must notify the family of the results of the USCIS verification. The family will have 30 days from the date of the notification to request an appeal of the USCIS results. The request for appeal must be made by the family in writing directly to the USCIS. The family must provide the PHA with a copy of the written request for appeal and the proof of mailing.

#### **PHA Policy**

The PHA will notify the family in writing of the results of the USCIS secondary verification within 10 business days of receiving the results.

The family must provide the PHA with a copy of the written request for appeal and proof of mailing within 10 business days of sending the request to the USCIS.

The family must forward to the designated USCIS office any additional documentation or written explanation in support of the appeal. This material must include a copy of the USCIS document verification request (used to process the secondary request) or such other form specified by the USCIS, and a letter indicating that the family is requesting an appeal of the USCIS immigration status verification results.

The USCIS will notify the family, with a copy to the PHA, of its decision. When the USCIS notifies the PHA of the decision, the PHA must notify the family of its right to request an informal hearing.

#### **PHA Policy**

The PHA will send written notice to the family of its right to request an informal hearing within 10 business days of receiving notice of the USCIS decision regarding the family's immigration status.

### **Informal Hearing Procedures for Applicants [24 CFR 5.514(f)]**

After notification of the USCIS decision on appeal, or in lieu of an appeal to the USCIS, the family may request that the PHA provide a hearing. The request for a hearing must be made either within 30 days of receipt of the PHA notice of denial, or within 30 days of receipt of the USCIS appeal decision.

The informal hearing procedures for applicant families are described below.

#### ***Informal Hearing Officer***

The PHA must provide an informal hearing before an impartial individual, other than a person who made or approved the decision under review, and other than a person who is a subordinate of the person who made or approved the decision. See Section 16-III.C. for a listing of positions that serve as informal hearing officers.

### ***Evidence***

The family must be provided the opportunity to examine and copy at the family's expense, at a reasonable time in advance of the hearing, any documents in the possession of the PHA pertaining to the family's eligibility status, or in the possession of the USCIS (as permitted by USCIS requirements), including any records and regulations that may be relevant to the hearing.

#### **PHA Policy**

The family will be allowed to copy any documents related to the hearing at a cost of \$.25 per page. The family must request discovery of PHA documents no later than 12:00 p.m. on the business day prior to the hearing.

The family must be provided the opportunity to present evidence and arguments in support of eligible status. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

The family must also be provided the opportunity to refute evidence relied upon by the PHA, and to confront and cross-examine all witnesses on whose testimony or information the PHA relies.

### ***Representation and Interpretive Services***

The family is entitled to be represented by an attorney or other designee, at the family's expense, and to have such person make statements on the family's behalf.

The family is entitled to arrange for an interpreter to attend the hearing, at the expense of the family, or the PHA, as may be agreed upon by the two parties.

### ***Recording of the Hearing***

The family is entitled to have the hearing recorded by audiotape. The PHA may, but is not required to provide a transcript of the hearing.

#### **PHA Policy**

The PHA will not provide a transcript of an audio taped hearing.

### ***Hearing Decision***

The PHA must provide the family with a written final decision, based solely on the facts presented at the hearing, within 14 calendar days of the date of the informal hearing. The decision must state the basis for the decision.

**Informal Hearing Procedures for Residents [24 CFR 5.514(f)]**

After notification of the USCIS decision on appeal, or in lieu of an appeal to the USCIS, the family may request that the PHA provide a hearing. The request for a hearing must be made either within 30 days of receipt of the PHA notice of termination, or within 30 days of receipt of the USCIS appeal decision.

For the informal hearing procedures that apply to participant families whose assistance is being terminated based on immigration status, see Section 16-III.C.

**Retention of Documents [24 CFR 5.514(h)]**

The PHA must retain for a minimum of 5 years the following documents that may have been submitted to the PHA by the family, or provided to the PHA as part of the USCIS appeal or the PHA informal hearing process:

- The application for assistance
- The form completed by the family for income reexamination
- Photocopies of any original documents, including original USCIS documents
- The signed verification consent form
- The USCIS verification results
- The request for a USCIS appeal
- The final USCIS determination
- The request for an informal hearing
- The final informal hearing decision

## **PART IV: OWNER OR FAMILY DEBTS TO THE PHA**

### **16-IV.A. OVERVIEW**

PHAs are required to include in the administrative plan, policies concerning repayment by a family of amounts owed to the PHA [24 CFR 982.54]. This part describes the PHA's policies for recovery of monies that have been overpaid on behalf of families, or to owners.

#### PHA Policy

When an action or inaction of an owner or participant results in the overpayment of housing assistance, the PHA holds the owner or participant liable to return any overpayments to the PHA.

The PHA will enter into repayment agreements in accordance with the policies contained in this part as a means to recover overpayments.

When an owner or participant refuses to repay monies owed to the PHA, the PHA will utilize other available collection alternatives including, but not limited to, the following:

- Collection agencies
- Small claims court
- Civil law suit

## **16-IV.B. REPAYMENT POLICY**

### **Owner Debts to the PHA**

#### PHA Policy

Any amount due to the PHA by an owner must be repaid by the owner within 30 days of the PHA determination of the debt.

If the owner fails to repay the debt within the required time frame and is entitled to future HAP payments, the PHA will reduce the future HAP payments by the amount owed until the debt is paid in full.

If the owner is not entitled to future HAP payments the PHA will offer to enter into a repayment agreement in accordance with the policies below.

If the owner refuses to repay the debt, enter into a repayment agreement, or breaches a repayment agreement, the PHA will ban the owner from future participation in the program and pursue other modes of collection.

### **Family Debts to the PHA**

#### PHA Policy

Any amount due to the PHA by an HCV participant must be repaid by the family. If the family is unable to repay the debt within 30 days, the PHA will offer to enter into a repayment agreement in accordance with the policies below.

If the family refuses to repay the debt, enter into a repayment agreement, or breaches a repayment agreement, the PHA will terminate the assistance upon notification to the family and pursue other modes of collection.

### **Repayment Agreement [24 CFR 792.103]**

The term *repayment agreement* refers to a formal document signed by a tenant or owner and provided to the PHA in which a tenant or owner acknowledges a debt in a specific amount and agrees to repay the amount due at specific time periods.

### **Repayment Agreement Guidelines**

#### ***Down Payment Requirement***

#### PHA Policy

Prior to the execution of a repayment agreement, the owner or family must pay 50 percent of the balance owed to the PHA.

***Payment Thresholds***

PHA Policy

The maximum amount for which the Fort Wayne Housing Authority will enter into a payment agreement with a family is \$1,500.00.

The maximum length of time the PHA will enter into a payment agreement with a family is 12 months.

Payment Schedule for Monies Owed to the PHA

<u>Initial Payment Due (% of Total Amount)</u>	<u>Amount Owed</u>	<u>Maximum Term</u>
50%	0 - \$500	6 months
50%	\$501 - \$1,000	9 months
50%	\$1001 - \$1,500	12 months

***Execution of the Agreement***

PHA Policy

The head of household and spouse/cohead (if applicable) must sign the repayment agreement.

***Due Dates***

PHA Policy

All payments are due by the close of business on the 5<sup>th</sup> day of the month. If the 5<sup>th</sup> does not fall on a business day, the due date is the close of business on the first business day after the 5<sup>th</sup>.

***Non-Payment***

PHA Policy

If a payment is not received by the end of the business day on the date due, and prior approval for the missed payment has not been given by the PHA, the delinquency payment will be considered a breach of the agreement and the PHA will terminate assistance upon written notification to the family.

***No Offer of Repayment Agreement***

PHA Policy

The PHA will not enter into a repayment agreement if there is already a repayment agreement in place with the family or owner, or the amounts owed by the family or owner exceed the Federal or State threshold for criminal prosecution.

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## **PART V: MANAGEMENT ASSESSMENT (SEMAP)**

### **16-V.A. OVERVIEW**

The Section 8 Management Assessment Program (SEMAP) is a tool that allows HUD to measure PHA performance in key areas to ensure program integrity and accountability. SEMAP scores translate into a rating for each PHA as high performing, standard, or troubled. Scores on individual SEMAP indicators, as well as overall SEMAP ratings, can affect the PHA in several ways.

- High-performing PHAs can be given a competitive advantage under notices of funding availability [24 CFR 985.103].
- PHAs with deficiencies on one or more indicators are required to correct the deficiencies and report to HUD [24 CFR 985.106].
- PHAs with an overall rating of “troubled” are subject to additional HUD oversight, including on-site reviews by HUD staff, a requirement to develop a corrective action plan, and monitoring to ensure the successful implementation of the corrective action plan. In addition, PHAs that are designated “troubled” may not use any part of the administrative fee reserve for other housing purposes [24 CFR 985.107].
- HUD may determine that a PHA's failure to correct identified SEMAP deficiencies or to prepare and implement a corrective action plan required by HUD constitutes a default under the ACC [24 CFR 985.109].

### **16-V.B. SEMAP CERTIFICATION [24 CFR 985.101]**

PHAs must submit the HUD-required SEMAP certification form within 60 calendar days after the end of its fiscal year. The certification must be approved by PHA board resolution and signed by the PHA executive director. If the PHA is a unit of local government or a state, a resolution approving the certification is not required, and the certification must be executed by the Section 8 program director.

PHAs with less than 250 voucher units are only required to be assessed every other PHA fiscal year. HUD will assess such PHAs annually if the PHA elects to have its performance assessed on an annual basis; or is designated as “troubled” [24 CFR 985.105].

Failure of a PHA to submit its SEMAP certification within the required time frame will result in an overall performance rating of “troubled.”

A PHA’s SEMAP certification is subject to HUD verification by an on-site confirmatory review at any time.

Upon receipt of the PHA’s SEMAP certification, HUD will rate the PHA’s performance under each SEMAP indicator in accordance with program requirements.

#### **HUD Verification Method**

Several of the SEMAP indicators are scored based on a review of a quality control sample selected for this purpose. The PHA or the Independent Auditor must select an unbiased sample that provides an adequate representation of the types of information to be assessed, in accordance with SEMAP requirements [24 CFR 985.2].

If the HUD verification method for the indicator relies on data in the Form-50058 module (formerly known as MTCS) in the PIH Information Center (PIC), and HUD determines that those data are insufficient to verify the PHA's certification on the indicator due to the PHA's failure to adequately report family data, HUD will assign a zero rating for the indicator [24 CFR 985.3].

## 16-V.C. SEMAP INDICATORS [24 CFR 985.3 and form HUD-52648]

The table below lists each of the SEMAP indicators, contains a description of each indicator, and explains the basis for points awarded under each indicator.

A PHA that expends less than \$300,000 in Federal awards and whose Section 8 programs are not audited by an independent auditor, is not be rated under SEMAP indicators 1-7.

<b>SEMAP Indicators</b>
<p><b>Indicator 1: Selection from the waiting list</b> <b>Maximum Score: 15</b></p> <ul style="list-style-type: none"><li>• This indicator shows whether the PHA has written policies in its administrative plan for selecting applicants from the waiting list and whether the PHA follows these policies when selecting applicants for admission from the waiting list.</li><li>• Points are based on the percent of families that are selected from the waiting list in accordance with the PHA's written policies, according to the PHA's quality control sample.</li></ul>
<p><b>Indicator 2: Rent reasonableness</b> <b>Maximum Score: 20</b></p> <ul style="list-style-type: none"><li>• This indicator shows whether the PHA has and implements a reasonable written method to determine and document for each unit leased that the rent to owner is reasonable based on current rents for comparable unassisted units</li><li>• Points are based on the percent of units for which the PHA follows its written method to determine reasonable rent and has documented its determination that the rent to owner is reasonable, according to the PHA's quality control sample.</li></ul>
<p><b>Indicator 3: Determination of adjusted income</b> <b>Maximum Score: 20</b></p> <ul style="list-style-type: none"><li>• This indicator measures whether the PHA verifies and correctly determines adjusted income for each assisted family, and where applicable, uses the appropriate utility allowances for the unit leased in determining the gross rent.</li><li>• Points are based on the percent of files that are calculated and verified correctly, according to the PHA's quality control sample.</li></ul>
<p><b>Indicator 4: Utility allowance schedule</b> <b>Maximum Score: 5</b></p> <ul style="list-style-type: none"><li>• This indicator shows whether the PHA maintains an up-to-date utility allowance schedule.</li><li>• Points are based on whether the PHA has reviewed the utility allowance schedule and adjusted it when required, according to the PHA's certification.</li></ul>

**Indicator 5: HQS quality control inspections****Maximum Score: 5**

- This indicator shows whether a PHA supervisor reinspects a sample of units under contract during the PHA fiscal year, which meets the minimum sample size requirements for quality control of HQS inspections.
- Points are based on whether the required quality control reinspections were completed, according to the PHA's certification.

**Indicator 6: HQS enforcement****Maximum Score: 10**

- This indicator shows whether, following each HQS inspection of a unit under contract where the unit fails to meet HQS, any cited life-threatening deficiencies are corrected within 24 hours from the inspection and all other deficiencies are corrected within no more than 30 calendar days from the inspection or any PHA-approved extension.
- Points are based on whether the PHA corrects all HQS deficiencies in accordance with required time frames, according to the PHA's certification.

**Indicator 7: Expanding housing opportunities****Maximum Points: 5**

- Only applies to PHAs with jurisdiction in metropolitan FMR areas.
- This indicator shows whether the PHA has adopted and implemented a written policy to encourage participation by owners of units located outside areas of poverty or minority concentration; informs voucher holders of the full range of areas where they may lease units both inside and outside the PHA's jurisdiction; and supplies a list of landlords or other parties who are willing to lease units or help families find units, including units outside areas of poverty or minority concentration.
- Points are based on whether the PHA has adopted and implemented written policies in accordance with SEMAP requirements, according to the PHA's certification.

**Indicator 8: FMR limit and payment standards****Maximum Points: 5 points**

- This indicator shows whether the PHA has adopted a payment standard schedule that establishes payment standard amounts by unit size for each FMR area in the PHA's jurisdiction, that are within the basic range of 90 to 110 percent of the published FMR.
- Points are based on whether the PHA has appropriately adopted a payment standard schedule(s), according to the PHA's certification.

**Indicator 9: Annual reexaminations****Maximum Points: 10**

- This indicator shows whether the PHA completes a reexamination for each participating family at least every 12 months.
- Points are based on the percent of reexaminations that are more than 2 months overdue, according to data from PIC.

**Indicator 10: Correct tenant rent calculations****Maximum Points: 5**

- This indicator shows whether the PHA correctly calculates the family's share of the rent to owner.
- Points are based on the percent of correct calculations of family share of the rent, according to data from PIC.

**Indicator 11: Pre-contract HQS inspections****Maximum Points: 5**

- This indicator shows whether newly leased units pass HQS inspection on or before the effective date of the assisted lease and HAP contract.
- Points are based on the percent of newly leased units that passed HQS inspection prior to the effective date of the lease and HAP contract, according to data from PIC.

**Indicator 12: Annual HQS inspections****Maximum Points: 10**

- This indicator shows whether the PHA inspects each unit under contract at least annually.
- Points are based on the percent of annual HQS inspections of units under contract that are more than 2 months overdue, according to data from PIC.

**Indicator 13: Lease-up****Maximum Points: 20 points**

- This indicator shows whether the PHA enters HAP contracts for the number of units or funding reserved under ACC for at least one year.
- Points are based on the percent of units leased during the last completed PHA fiscal year, or the percent of allocated budget authority that has been expended by the PHA, according to data from the PHA's last year-end operating statement that is recorded in HUD's accounting system.

**Indicator 14: Family self-sufficiency (FSS) enrollment and escrow account balances****Maximum Points: 10**

- Only applies to PHAs with mandatory FSS programs.
- This indicator shows whether the PHA has enrolled families in the FSS program as required, and measures the percent of current FSS participants that have had increases in earned income which resulted in escrow account balances.
- Points are based on the percent of mandatory FSS slots that are filled and the percent of families with escrow account balances, according to data from PIC.

**Success Rate of Voucher Holders****Maximum Points: 5**

- Only applies to PHAs that have received approval to establish success rate payment standard amounts, and isn't effective until the second full PHA fiscal year following the date of HUD approval of success rate payment standard amounts.
- This indicator shows whether voucher holders were successful in leasing units with voucher assistance.
- Points are based on the percent of families that were issued vouchers, and that became participants in the voucher program.

**Deconcentration Bonus Indicator****Maximum Points: 5**

- Submission of data for this indicator is mandatory for a PHA using one or more payment standard amount(s) that exceed(s) 100 percent of the published FMR set at the 50th percentile rent, starting with the second full PHA fiscal year following initial use of payment standard amounts based on the FMRs set at the 50<sup>th</sup> percentile.
- Additional points are available to PHAs that have jurisdiction in metropolitan FMR areas and that choose to submit the required data.
- Points are based on whether the data that is submitted meets the requirements for bonus points.

## **PART VI: RECORD KEEPING**

### **16-VI.A. OVERVIEW**

The PHA must maintain complete and accurate accounts and other records for the program in accordance with HUD requirements, in a manner that permits a speedy and effective audit. All such records must be made available to HUD or the Comptroller General of the United States upon request.

In addition, the PHA must ensure that all applicant and participant files are maintained in a way that protects an individual's privacy rights.

### **16-VI.B. RECORD RETENTION [24 CFR 982.158]**

During the term of each assisted lease, and for at least three years thereafter, the PHA must keep:

- A copy of the executed lease;
- The HAP contract; and
- The application from the family.

In addition, the PHA must keep the following records for at least three years:

- Records that provide income, racial, ethnic, gender, and disability status data on program applicants and participants;
- An application from each ineligible family and notice that the applicant is not eligible;
- HUD-required reports;
- Unit inspection reports;
- Lead-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 PHA determination that rent to owner is a reasonable rent (initially and during the term of a HAP contract); and
- 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. For specific requirements, see Section 16-III.D., Retention of Documents.

## **16-VI.C. RECORDS MANAGEMENT**

PHAs must maintain applicant and participant files and information in accordance with the regulatory requirements described below.

### PHA Policy

All applicant and participant information will be kept in a secure location and access will be limited to authorized PHA staff.

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

### **Privacy Act Requirements [24 CFR 5.212 and Form-9886]**

The collection, maintenance, use, and dissemination of social security numbers (SSN), employer identification numbers (EIN), any information derived from these numbers, 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.

Applicants and participants, including all adults in the household, are required to sign a consent form, HUD-9886, Authorization for Release of Information. This form incorporates the Federal Privacy Act Statement and describes how the information collected using the form may be used, and under what conditions HUD or the PHA may release the information collected.

### **Upfront Income Verification (UIV) Records**

PHAs that access UIV data through HUD's Enterprise Income Verification (EIV) System are required to adopt and follow specific security procedures to ensure that all EIV data is protected in accordance with Federal laws, regardless of the media on which the data is recorded (e.g. electronic, paper). These requirements are contained in the HUD issued document, *Enterprise Income Verification (EIV) System, Security Procedures for Upfront Income Verification data*.

### PHA Policy

Prior to utilizing HUD's EIV system, the PHA will adopt and implement EIV security procedures required by HUD.

### **Criminal Records**

The PHA may only disclose the criminal conviction records which the PHA receives from a law enforcement agency to officers or employees of the PHA, or to authorized representatives of the PHA who have a job-related need to have access to the information [24 CFR 5.903(e)].

The PHA must establish and implement a system of records management that ensures that any criminal record received by the PHA from a law enforcement agency is maintained confidentially, not misused or improperly disseminated, and destroyed, once the purpose for which the record was requested has been accomplished, including expiration of the period for filing a challenge to the PHA action without institution of a challenge or final disposition of any such litigation [24 CFR 5.903(g)].

The PHA must establish and implement a system of records management that ensures that any sex offender registration information received by the PHA from a State or local agency is maintained confidentially, not misused or improperly disseminated, and destroyed, once the purpose for which the record was requested has been accomplished, including expiration of the period for filing a challenge to the PHA action without institution of a challenge or final disposition of any such litigation. This requirement does not apply to information that is public information, or is obtained by a PHA other than under 24 CFR 5.905.

### **Medical/Disability Records**

PHAs are not permitted to inquire about the nature or extent of a person's disability. The PHA may not inquire about a person's diagnosis or details of treatment for a disability or medical condition. If the PHA receives a verification document that provides such information, the PHA should not place this information in the tenant file. The PHA should destroy the document.



## **PART VII: REPORTING AND RECORD KEEPING FOR CHILDREN WITH ENVIRONMENTAL INTERVENTION BLOOD LEAD LEVEL**

### **16-VII.A. OVERVIEW**

The PHA has certain responsibilities relative to children with environmental intervention blood lead levels that are receiving HCV assistance. The notification, verification, and hazard reduction requirements are discussed in Chapter 8. This part deals with the reporting requirements, and data collection and record keeping responsibilities that the PHA is subject to.

### **16-VII.B. REPORTING REQUIREMENT [24 CFR 35.1225(e)]**

The PHA must report the name and address of a child identified as having an environmental intervention blood lead level to the public health department within 5 business days of being so notified by any other medical health care professional.

#### PHA Policy

The PHA will provide the public health department written notice of the name and address of any child identified as having an environmental intervention blood lead level.

### **16-VII.C. DATA COLLECTION AND RECORD KEEPING [24 CFR 35.1225(f)]**

At least quarterly, the PHA 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 6 years old with an identified environmental intervention blood lead level.

If the PHA obtains names and addresses of environmental intervention blood lead level children from the public health department(s), the PHA must match this information with the names and addresses of families receiving HCV assistance, unless the public health department performs such a procedure. If a match occurs, the PHA must carry out the notification, verification, and hazard reduction requirements discussed in Chapter 8, and the reporting requirement discussed above.

At least quarterly, the PHA must also report an updated list of the addresses of units receiving assistance under the HCV program to the same public health department(s), unless the public health department(s) states that it does not wish to receive such a report.

#### PHA Policy

The public health department(s) has stated they **do not** wish to receive a report of an updated list of the addresses of units receiving assistance under the HCV program, on a quarterly basis. Therefore, the PHA is not providing such a report.

Draft

## **PART VIII: DETERMINATION OF INSUFFICIENT FUNDING**

### **16-VIII.A. OVERVIEW**

The HCV regulations allow PHAs to deny families permission to move and to terminate Housing Assistance Payments (HAP) contracts if funding under the consolidated ACC is insufficient to support continued assistance [24 CFR 982.314(e)(1) and 982.454]. Insufficient funding may also impact the PHA's ability to issue vouchers to families on the waiting list. This part discusses the methodology the PHA will use to determine whether or not the PHA has sufficient funding to issue vouchers, approve moves, and to continue subsidizing all families currently under a HAP contract.

### **16-VIII.B. METHODOLOGY**

#### PHA Policy

The PHA will determine whether there is adequate funding to issue vouchers, approve moves to higher cost units and areas, and continue subsidizing all current participants by comparing the PHA's annual budget authority to the annual total HAP needs on a monthly basis. The total HAP needs for the calendar year will be projected by establishing the actual HAP costs year to date. To that figure, the PHA will add anticipated HAP expenditures for the remainder of the calendar year. Projected HAP expenditures will be calculated by multiplying the projected number of units leased per remaining months by the most current month's average HAP. The projected number of units leased per month will take into account the average monthly turnover of participant families. If the total annual HAP needs equal or exceed the annual budget authority, or if the PHA cannot support the cost of the proposed subsidy commitment (voucher issuance or move) based on the funding analysis, the PHA will be considered to have insufficient funding.



## **PART IX: NOTIFICATION REGARDING APPLICABLE PROVISIONS OF THE VIOLENCE AGAINST WOMEN REAUTHORIZATION ACT OF 2005 (VAWA)**

### **16-IX.A. NOTIFICATION TO PARTICIPANTS [Pub.L. 109-162]**

VAWA requires PHAs to notify public housing program participants of their rights under this law, including their right to confidentiality and the limits thereof.

#### PHA Policy

The PHA will provide all participants with notification of their protections and rights under VAWA at the time of admission and at annual reexamination.

The notice will explain the protections afforded under the law, inform the participant of PHA confidentiality requirements, and provide contact information for local victim advocacy groups or service providers.

The PHA will also include in all assistance termination notices a statement explaining assistance termination protection provided by VAWA (see Section 12-II.E).

### **16-IX.B. NOTIFICATION TO APPLICANTS**

#### PHA Policy

The PHA will provide all applicants with notification of their protections and rights under VAWA at the time they request an application for housing assistance.

The notice will explain the protections afforded under the law, inform each applicant of PHA confidentiality requirements, and provide contact information for local victim advocacy groups or service providers.

The PHA will also include in all notices of denial a statement explaining the protection against denial provided by VAWA (see section 3-III.G).

### **16-IX.C. NOTIFICATION TO OWNERS AND MANAGERS [Pub.L. 109-162]**

VAWA requires PHAs to notify owners and managers of their rights and responsibilities under this law.

#### PHA Policy

Inform property owners and managers of their screening and termination responsibilities related to VAWA. The PHA may utilize any or all of the following means to notify owners of their VAWA responsibilities:

As appropriate in day to day interactions with owners and managers.

Inserts in HAP payments, 1099s, owner workshops, classes, orientations, and/or newsletters.

Signs in the PHA lobby and/or mass mailings which include model VAWA certification forms.



# Chapter 17

## PROJECT-BASED VOUCHERS

### INTRODUCTION

This chapter describes HUD regulations and PHA policies related to the project-based voucher (PBV) program in nine parts:

Part I: General Requirements. This part describes general provisions of the PBV program including maximum budget authority requirements, relocation requirements, and equal opportunity requirements.

Part II: PBV Owner Proposals. This part includes policies related to the submission and selection of owner proposals for PBV assistance. It describes the factors the PHA will consider when selecting proposals, the type of housing that is eligible to receive PBV assistance, the cap on assistance at projects receiving PBV assistance, subsidy layering requirements, site selection standards, and environmental review requirements.

Part III: Dwelling Units. This part describes requirements related to housing quality standards, the type and frequency of inspections, and housing accessibility for persons with disabilities.

Part IV: Rehabilitated and Newly Constructed Units. This part describes requirements and policies related to the development and completion of rehabilitated and newly constructed housing units that will be receiving PBV assistance.

Part V: Housing Assistance Payments Contract. This part discusses HAP contract requirements and policies including the execution, term, and termination of the HAP contract. In addition, it describes how the HAP contract may be amended and identifies provisions that may be added to the HAP contract at the PHA's discretion.

Part VI: Selection of PBV Program Participants. This part describes the requirements and policies governing how the PHA and the owner will select a family to receive PBV assistance.

Part VII: Occupancy. This part discusses occupancy requirements related to the lease, and describes under what conditions families are allowed or required to move. In addition, exceptions to the occupancy cap (which limits PBV assistance to 25 percent of the units in any project) are also discussed.

Part VIII: Determining Rent to Owner. This part describes how the initial rent to owner is determined, and how rent will be redetermined throughout the life of the HAP contract. Rent reasonableness requirements are also discussed.

Part IX: Payments to Owner. This part describes the types of payments owners may receive under this program.

Draft

## **PART I: GENERAL REQUIREMENTS**

### **17-I.A. OVERVIEW [24 CFR 983.5]**

The project-based voucher (PBV) program allows PHAs that already administer a tenant-based voucher program under an annual contributions contract (ACC) with HUD to take up to 20 percent of its voucher program budget authority and attach the funding to specific units rather than using it for tenant-based assistance [24 CFR 983.6]. PHAs may only operate a PBV program if doing so is consistent with the PHA's Annual Plan, and the goal of deconcentrating poverty and expanding housing and economic opportunities [42 U.S.C. 1437f(o)(13)].

#### PHA Policy

The PHA will operate a project-based voucher program using up to 20 percent of its budget authority for project-based assistance.

PBV assistance may be attached to existing housing or newly constructed or rehabilitated housing [24 CFR 983.52]. If PBV units are already selected for project-based assistance either under an agreement to enter into HAP Contract (Agreement) or a HAP contract, the PHA is not required to reduce the number of these units if the amount of budget authority is subsequently reduced. However, the PHA is responsible for determining the amount of budget authority that is available for project-based vouchers and ensuring that the amount of assistance that is attached to units is within the amounts available under the ACC [24 CFR 983.6].

### **17-I.B. TENANT-BASED VS. PROJECT-BASED VOUCHER ASSISTANCE [24 CFR 983.2]**

Much of the tenant-based voucher program regulations also apply to the PBV program. Consequently, many of the PHA policies related to tenant-based assistance also apply to PBV assistance. The provisions of the tenant-based voucher regulations that do not apply to the PBV program are listed at 24 CFR 983.2.

#### PHA Policy

Except as otherwise noted in this chapter, or unless specifically prohibited by PBV program regulations, the PHA policies for the tenant-based voucher program contained in this administrative plan also apply to the PBV program and its participants.

### **17-I.C. RELOCATION REQUIREMENTS [24 CFR 98.7]**

Any persons displaced as a result of implementation of the PBV program must be provided relocation assistance in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA)[42 U.S.C. 4201-4655] and implementing regulations at 49 CFR part 24.

The cost of required relocation assistance may be paid with funds provided by the owner, local public funds, or funds available from other sources. PHAs may not use voucher program funds to cover relocation costs, except that PHAs may use their administrative fee reserve to pay for relocation expenses after all other program administrative expenses are satisfied, and provided that payment of the relocation benefits is consistent with state and local law. Use of the administrative fee for these purposes must also be consistent with other legal and regulatory requirements, including the requirement in 24 CFR 982.155 and other official HUD issuances. The acquisition of real property for a PBV project is subject to the URA and 49 CFR part 24, subpart B. It is the responsibility of the PHA to ensure the owner complies with these requirements.

### **17-I.D. EQUAL OPPORTUNITY REQUIREMENTS [24 CFR 983.8]**

The PHA must comply with all equal opportunity requirements under federal law and regulations in its implementation of the PBV program. This includes the requirements and authorities cited at 24 CFR 5.105(a). In addition, the PHA must comply with the PHA Plan certification on civil rights and affirmatively furthering fair housing, submitted in accordance with 24 CFR 903.7(o).

## PART II: PBV OWNER PROPOSALS

### 17-II.A. OVERVIEW

The PHA must describe the procedures for owner submission of PBV proposals and for PHA selection of PBV proposals [24 CFR 983.51]. Before selecting a PBV proposal, the PHA must determine that the PBV proposal complies with HUD program regulations and requirements, including a determination that the property is eligible housing [24 CFR 983.53 and 983.54], complies with the cap on the number of PBV units per building [24 CFR 983.56], and meets the site selection standards [24 CFR 983.57].

### 17-II.B. OWNER PROPOSAL SELECTION PROCEDURES [24 CFR 983.51]

The PHA must select PBV proposals in accordance with the selection procedures in the PHA administrative plan. The PHA must select PBV proposals by either of the following two methods.

- PHA request for PBV Proposals. The PHA may solicit proposals by using a request for proposals to select proposals on a competitive basis in response to the PHA request. The PHA may not limit proposals to a single site or impose restrictions that explicitly or practically preclude owner submission of proposals for PBV housing on different sites.
- The PHA may select proposal that were previously selected based on a competition. This may include selection of a proposal for housing assisted under a federal, state, or local government housing assistance program that was subject to a competition in accordance with the requirements of the applicable program, community development program, or supportive services program that requires competitive selection of proposals (e.g., HOME, and units for which competitively awarded LIHTCs have been provided), where the proposal has been selected in accordance with such program's competitive selection requirements within three years of the PBV proposal selection date, and the earlier competitive selection proposal did not involve any consideration that the project would receive PBV assistance.

### **Solicitation and Selection of PBV Proposals [24 CFR 983.51(b) and (c)]**

PHA procedures for selecting PBV proposals must be designed and actually operated to provide broad public notice of the opportunity to offer PBV proposals for consideration by the PHA. The public notice procedures may include publication of the public notice in a local newspaper of general circulation and other means designed and actually operated to provide broad public notice. The public notice of the PHA request for PBV proposals must specify the submission deadline. Detailed application and selection information must be provided at the request of interested parties.

#### PHA Policy

##### PHA Request for Proposals for Rehabilitated and Newly Constructed Units

The PHA will advertise its request for proposals (RFP) for rehabilitated and newly constructed housing in the following newspapers and trade journals.

**[Enter the names of the local newspapers of general circulation, and any trade journals that the PHA intends to use]**

In addition, the PHA will post the RFP and proposal submission and rating and ranking procedures on its electronic web site.

The PHA will publish its advertisement in the newspapers and trade journals mentioned above for at least one day per week for three consecutive weeks. The advertisement will specify the number of units the PHA estimates that it will be able to assist under the funding the PHA is making available. Proposals will be due in the PHA office by close of business 30 calendar days from the date of the last publication.

In order for the proposal to be considered, the owner must submit the proposal to the PHA by the published deadline date, and the proposal must respond to all requirements as outlined in the RFP. Incomplete proposals will not be reviewed.

The PHA will rate and rank proposals for rehabilitated and newly constructed housing using the following criteria:

- Owner experience and capability to build or rehabilitate housing as identified in the RFP;

- Extent to which the project furthers the PHA goal of deconcentrating poverty and expanding housing and economic opportunities;

- If applicable, the extent to which services for special populations are provided on site or in the immediate area for occupants of the property; and

- Projects with less than 25 percent of the units assisted will be rated higher than projects with 25 percent of the units assisted. In the case of projects for occupancy by the elderly, persons with disabilities or families needing other services, the PHA will rate partially assisted projects on the percent of units assisted. Projects with the lowest percent of assisted units will receive the highest score.

PHA Requests for Proposals for Existing Housing Units

The PHA will advertise its request for proposals (RFP) for existing housing in the following newspapers and trade journals.

**[Enter the names of the local newspapers of general circulation, and any trade journals that the PHA intends to use]**

In addition, the PHA will post the notice inviting such proposal submission and the rating and ranking procedures on its electronic web site.

The PHA will periodically publish its advertisement in the newspapers and trade journals mentioned above for at least one day per week for three consecutive weeks. The advertisement will specify the number of units the PHA estimates that it will be able to assist under the funding the PHA is making available. Owner proposals will be accepted on a first-come first-served basis and will be evaluated using the following criteria:

- Experience as an owner in the tenant-based voucher program and owner compliance with the owner's obligations under the tenant-based program;
- Extent to which the project furthers the PHA goal of deconcentrating poverty and expanding housing and economic opportunities;
- If applicable, extent to which services for special populations are provided on site or in the immediate area for occupants of the property; and
- Extent to which units are occupied by families that are eligible to participate in the PBV program.

PHA Selection of Proposals Subject to a Previous Competition under a Federal, State, or Local Housing Assistance Program

The PHA will accept proposals for PBV assistance from owners that were competitively selected under another federal, state or local housing assistance program, including projects that were competitively awarded Low-Income Housing Tax Credits on an ongoing basis.

The PHA may periodically advertise that it is accepting proposals, in the following newspapers and trade journals:

**[Enter the names of the local newspapers of general circulation, and any trade journals that the PHA intends to use]**

In addition to, or in place of advertising, the PHA may also directly contact specific owners that have already been selected for Federal, state, or local housing assistance based on a previously held competition, to inform them of available PBV assistance. Proposals will be reviewed on a first-come first-served basis. The PHA will evaluate each proposal on its merits using the following factors:

- Extent to which the project furthers the PHA goal of deconcentrating poverty and expanding housing and economic opportunities; and

- Extent to which the proposal complements other local activities such as the redevelopment of a public housing site under the HOPE VI program, the HOME program, CDBG activities, other development activities in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community.

### **PHA-owned Units [24 CFR 983.51(e) and 983.59]**

A PHA-owned unit may be assisted under the PBV program only if the HUD field office or HUD-approved independent entity reviews the selection process and determines that the PHA-owned units were appropriately selected based on the selection procedures specified in the PHA administrative plan. If the PHA selects a proposal for housing that is owned or controlled by the PHA, the PHA must identify the entity that will review the PHA proposal selection process and perform specific functions with respect to rent determinations and inspections.

In the case of PHA-owned units, the initial contract rent must be approved by an independent entity based on an appraisal by a licensed, state-certified appraiser. In addition, housing quality standards inspections must be conducted by an independent entity.

The independent entity that performs these program services may be the unit of general local government for the PHA jurisdiction (unless the PHA is itself the unit of general local government or an agency of such government) or another HUD-approved public or private independent entity.

#### PHA Policy

The PHA may submit a proposal for project-based housing that is owned or controlled by the PHA. If the proposal for PHA-owned housing is selected, the PHA will use **[insert name of the entity]** to review the PHA selection and to administer the PBV program.

The PHA will obtain HUD approval of **[insert name of entity]** prior to selecting the proposal for PHA-owned housing.

The PHA may only compensate the independent entity and appraiser from PHA ongoing administrative fee income (including amounts credited to the administrative fee reserve). The PHA may not use other program receipts to compensate the independent entity and appraiser for their services. The PHA, independent entity, and appraiser may not charge the family any fee for the appraisal or the services provided by the independent entity.

### **PHA Notice of Owner Selection [24 CFR 983.51(d)]**

The PHA must give prompt written notice to the party that submitted a selected proposal and must also give prompt public notice of such selection. Public notice procedures may include publication of public notice in a local newspaper of general circulation and other means designed and actually operated to provide broad public notice.

#### PHA Policy

Within 10 business days of the PHA making the selection, the PHA will notify the selected owner in writing of the owner's selection for the PBV program. The PHA will also notify in writing all owners that submitted proposals that were not selected and advise such owners of the name of the selected owner.

In addition, the PHA will publish its notice for selection of PBV proposals for two consecutive days in the same newspapers and trade journals the PHA used to solicit the proposals. The announcement will include the name of the owner that was selected for the PBV program. The PHA will also post the notice of owner selection on its electronic web site.

The PHA will make available to any interested party its rating and ranking sheets and documents that identify the PHA basis for selecting the proposal. These documents will be available for review by the public and other interested parties for one month after publication of the notice of owner selection. The PHA will not make available sensitive owner information that is privileged, such as financial statements and similar information about the owner.

The PHA will make these documents available for review at the PHA during normal business hours. The cost for reproduction of allowable documents will be \$.25 per page.

### **17-II.C. HOUSING TYPE [24 CFR 983.52]**

The PHA may attach PBV assistance for units in existing housing or for newly constructed or rehabilitated housing developed under and in accordance with an agreement to enter into a housing assistance payments contract that was executed prior to the start of construction. A housing unit is considered an existing unit for purposes of the PBV program, if, at the time of notice of PHA selection, the units substantially comply with HQS. Units for which new construction or rehabilitation was started in accordance with PBV program requirements do not qualify as existing housing.

The PHA must decide what housing type, new construction, rehabilitation, or existing housing, will be used to develop project-based housing. The PHA choice of housing type must be reflected in its solicitation for proposals.

## **17-II.D. PROHIBITION OF ASSISTANCE FOR CERTAIN UNITS**

### **Ineligible Housing Types [24 CFR 983.53]**

The PHA may not attach or pay PBV assistance to shared housing units; units on the grounds of a penal reformatory, medical, mental, or similar public or private institution; nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care (except that assistance may be provided in assisted living facilities); units that are owned or controlled by an educational institution or its affiliate and are designated for occupancy by students; manufactured homes; cooperative housing; and transitional housing. In addition, the PHA may not attach or pay PBV assistance for a unit occupied by an owner and the PHA may not select or enter into an agreement to enter into a HAP contract or HAP contract for a unit occupied by a family ineligible for participation in the PBV program.

### ***High-rise Elevator Projects for Families with Children [24 CFR 983.53(b)]***

The PHA may use high-rise elevator building for families with children if it makes a determination that there is no practical alternative and HUD approves the PHA determination. The PHA may make this initial determination for its project-based voucher program, in whole or in part, and need not review each project on a case-by-case basis, and HUD may approve on the same basis.

#### PHA Policy

The PHA will not use high-rise elevator projects for families with children.

### **Subsidized Housing [24 CFR 983.54]**

A PHA may not attach or pay PBV assistance to units in any of the following types of subsidized housing:

- A public housing unit;
- A unit subsidized with any other form of Section 8 assistance;
- A unit subsidized with any governmental rent subsidy;
- A unit subsidized with any governmental subsidy that covers all or any part of the operating costs of the housing;
- A unit subsidized with Section 236 rental assistance payments (except that a PHA may attach assistance to a unit subsidized with Section 236 interest reduction payments);
- A Section 202 project for non-elderly with disabilities;
- Section 811 project-based supportive housing for persons with disabilities;
- Section 202 supportive housing for the elderly;
- A Section 101 rent supplement project;
- A unit subsidized with any form of tenant-based rental assistance;
- A unit with any other duplicative federal, state, or local housing subsidy, as determined by HUD or the PHA in accordance with HUD requirements.

### **17-II.E. SUBSIDY LAYERING REQUIREMENTS [24 CFR 983.55]**

The PHA may provide PBV assistance only in accordance with HUD subsidy layering regulations [24 CFR 4.13] and other requirements.

The subsidy layering review is intended to prevent excessive public assistance by combining (layering) housing assistance payment subsidy under the PBV program with other governmental housing assistance from federal, state, or local agencies, including assistance such as tax concessions or tax credits.

The PHA must submit the necessary documentation to HUD for a subsidy layering review. The PHA may not enter into an agreement to enter into a HAP contract or a HAP contract until HUD (or an independent entity approved by HUD) has conducted any required subsidy layering review and determined that the PBV assistance is in accordance with HUD subsidy layering requirements.

The HAP contract must contain the owner's certification that the project has not received and will not receive (before or during the term of the HAP contract) any public assistance for acquisition, development, or operation of the housing other than assistance disclosed in the subsidy layering review in accordance with HUD requirements.

### **17-II.F. CAP ON NUMBER OF PBV UNITS IN EACH BUILDING**

#### **25 Percent per Building Cap [24 CFR 983.56(a)]**

In general, the PHA may not select a proposal to provide PBV assistance for units in a building or enter into an agreement to enter into a HAP or a HAP contract to provide PBV assistance for units in a building, if the total number of dwelling units in the building that will receive PBV assistance during the term of the PBV HAP contract is more than 25 percent of the number of dwelling units (assisted or unassisted) in the building.

### **Exceptions to 25 Percent per Building Cap [24 CFR 983.56(b)]**

Exceptions are allowed and PBV units are not counted against the 25 percent per building cap if:

- The units are in a single-family building (one to four units);
- The units are *excepted units* in a multifamily building because they are specifically made available for elderly or disabled families or families receiving supportive services (also known as *qualifying families*).

PHAs must include in the PHA administrative plan the type of services offered to families for a project to qualify for the exception and the extent to which such services will be provided. It is not necessary that the services be provided at or by the project, if they are approved services. To qualify, a family must have at least one member receiving at least one qualifying supportive service. A PHA may not require participation in medical or disability-related services other than drug and alcohol treatment in the case of current abusers as a condition of living in an excepted unit, although such services may be offered.

If a family at the time of initial tenancy is receiving, and while the resident of an excepted unit has received, FSS supportive services or any other supportive services as defined in the PHA administrative plan, and successfully completes the FSS contract of participation or the supportive services requirement, the unit continues to count as an excepted unit for as long as the family resides in the unit.

The PHA must monitor the excepted family's continued receipt of supportive services and take appropriate action regarding those families that fail without good cause to complete their supportive services requirement. The PHA administrative plan must state the form and frequency of such monitoring.

#### PHA Policy

The PHA will not provide PBV assistance for excepted units.

### **Promoting Partially-Assisted Buildings [24 CFR 983.56(c)]**

A PHA may establish local requirements designed to promote PBV assistance in partially assisted buildings. A *partially assisted building* is a building in which there are fewer units covered by a HAP contract than residential units [24 CFR 983.3].

A PHA may establish a per-building cap on the number of units that will receive PBV assistance or other project-based assistance in a multifamily building containing excepted units or in a single-family building. A PHA may also determine not to provide PBV assistance for excepted units, or the PHA may establish a per-building cap of less than 25 percent.

#### PHA Policy:

The PHA will not provide assistance for excepted units. Beyond that, the PHA will not impose any further cap on the number of PBV units assisted per building.

## 17-II.G. SITE SELECTION STANDARDS

### **Compliance with PBV Goals, Civil Rights Requirements, and HQS Site Standards [24 CFR 983.57(b)]**

The PHA may not select a proposal for existing, newly constructed, or rehabilitated PBV housing on a site or enter into an agreement to enter into a HAP contract or HAP contract for units on the site, unless the PHA has determined that PBV assistance for housing at the selected site is consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities. The standard for deconcentrating poverty and expanding housing and economic opportunities must be consistent with the PHA Plan under 24 CFR 903 and the PHA administrative plan.

In addition, prior to selecting a proposal, the PHA must determine that the site is suitable from the standpoint of facilitating and furthering full compliance with the applicable Civil Rights Laws, regulations, and Executive Orders, and that the site meets the HQS site and neighborhood standards at 24 CFR 982.401(l).

#### PHA Policy

It is the PHA goal to select sites for PBV housing that provide for deconcentrating poverty and expanding housing and economic opportunities. In complying with this goal the PHA will limit approval of sites for PBV housing in census tracts that have poverty concentrations of 20 percent or less.

However, the PHA will grant exceptions to the 20 percent standard where the PHA determines that the PBV assistance will complement other local redevelopment activities designed to deconcentrate poverty and expand housing and economic opportunities in census tracts with poverty concentrations greater than 20 percent, such as sites in:

- A census tract in which the proposed PBV development will be located in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community;

- A census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition and HOPE VI redevelopment;

- A census tract in which the proposed PBV development will be located is undergoing significant revitalization as a result of state, local, or federal dollars invested in the area;

- A census tract where new market rate units are being developed where such market rate units will positively impact the poverty rate in the area;

- A census tract where there has been an overall decline in the poverty rate within the past five years; or

- A census tract where there are meaningful opportunities for educational and economic advancement.

Under no circumstances will the PHA approve PBV assistance in a census tract with a concentration factor greater than 75 percent of the community-wide poverty rate or forty percent, whichever is lower.

### **Existing and Rehabilitated Housing Site and Neighborhood Standards [24 CFR 983.57(d)]**

The PHA may not enter into an agreement to enter into a HAP contract nor enter into a HAP contract for existing or rehabilitated housing until it has determined that the site complies with the HUD required site and neighborhood standards. The site must:

- Be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
- Have adequate utilities and streets available to service the site;
- Promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- Be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units; and
- Be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

### **New Construction Site and Neighborhood Standards [24 CFR 983.57(e)]**

In order to be selected for PBV assistance, a site for newly constructed housing must meet the following HUD required site and neighborhood standards:

- The site must be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
- The site must have adequate utilities and streets available to service the site;
- The site must not be located in an area of minority concentration unless the PHA determines that sufficient, comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside areas of minority concentration or that the project is necessary to meet overriding housing needs that cannot be met in that housing market area;
- The site must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.
- The site must promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- The neighborhood must not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate;
- The housing must be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units; and
- Except for housing designed for elderly persons, the housing must be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

### **17-II.H. ENVIRONMENTAL REVIEW [24 CFR 983.58]**

The PHA activities under the PBV program are subject to HUD environmental regulations in 24 CFR parts 50 and 58. The *responsible entity* is responsible for performing the federal environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). The PHA may not enter into an agreement to enter into a HAP contract nor enter into a HAP contract until it has complied with the environmental review requirements.

In the case of existing housing, the responsible entity that is responsible for the environmental review under 24 CFR part 58 must determine whether or not PBV assistance is categorically excluded from review under the National Environmental Policy Act and whether or not the assistance is subject to review under the laws and authorities listed in 24 CFR 58.5.

The PHA may not enter into an agreement to enter into a HAP contract or a HAP contract with an owner, and the PHA, the owner, and its contractors may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct real property or commit or expend program or local funds for PBV activities under this part, until the environmental review is completed.

The PHA must supply all available, relevant information necessary for the responsible entity to perform any required environmental review for any site. The PHA must require the owner to carry out mitigating measures required by the responsible entity (or HUD, if applicable) as a result of the environmental review.

## **PART III: DWELLING UNITS**

### **17-III.A. OVERVIEW**

This part identifies the special housing quality standards that apply to the PBV program, housing accessibility for persons with disabilities, and special procedures for conducting housing quality standards inspections.

### **17-III.B. HOUSING QUALITY STANDARDS [24 CFR 983.101]**

The housing quality standards (HQS) for the tenant-based program, including those for special housing types, generally apply to the PBV program. HQS requirements for shared housing, cooperative housing, manufactured home space rental, and the homeownership option do not apply because these housing types are not assisted under the PBV program.

The physical condition standards at 24 CFR 5.703 do not apply to the PBV program.

#### **Lead-based Paint [24 CFR 983.101(c)]**

The lead-based paint requirements for the tenant-based voucher program do not apply to the PBV program. Instead, The Lead-based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at 24 CFR part 35, subparts A, B, H, and R, apply to the PBV program.

### **17-III.C. HOUSING ACCESSIBILITY FOR PERSONS WITH DISABILITIES**

The housing must comply with program accessibility requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR part 8. The PHA must ensure that the percentage of accessible dwelling units complies with the requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as implemented by HUD's regulations at 24 CFR 8, subpart C.

Housing first occupied after March 13, 1991, must comply with design and construction requirements of the Fair Housing Amendments Act of 1988 and implementing regulations at 24 CFR 100.205, as applicable. (24 CFR 983.102)

## **17-III.D. INSPECTING UNITS**

### **Pre-selection Inspection [24 CFR 983.103(a)]**

The PHA must examine the proposed site before the proposal selection date. If the units to be assisted already exist, the PHA must inspect all the units before the proposal selection date, and must determine whether the units substantially comply with HQS. To qualify as existing housing, units must substantially comply with HQS on the proposal selection date. However, the PHA may not execute the HAP contract until the units fully comply with HQS.

### **Pre-HAP Contract Inspections [24 CFR 983.103(b)]**

The PHA must inspect each contract unit before execution of the HAP contract. The PHA may not enter into a HAP contract covering a unit until the unit fully complies with HQS.

### **Turnover Inspections [24 CFR 983.103(c)]**

Before providing assistance to a new family in a contract unit, the PHA must inspect the unit. The PHA may not provide assistance on behalf of the family until the unit fully complies with HQS.

### **Annual Inspections [24 CFR 983.103(d)]**

At least annually during the term of the HAP contract, the PHA must inspect a random sample, consisting of at least 20 percent of the contract units in each building to determine if the contract units and the premises are maintained in accordance with HQS. Turnover inspections are not counted toward meeting this annual inspection requirement.

If more than 20 percent of the annual sample of inspected contract units in a building fails the initial inspection, the PHA must reinspect 100 percent of the contract units in the building.

### **Other Inspections [24 CFR 983.103(e)]**

The PHA must inspect contract units whenever needed to determine that the contract units comply with HQS and that the owner is providing maintenance, utilities, and other services in accordance with the HAP contract. The PHA must take into account complaints and any other information coming to its attention in scheduling inspections.

The PHA must conduct follow-up inspections needed to determine if the owner (or, if applicable, the family) has corrected an HQS violation, and must conduct inspections to determine the basis for exercise of contractual and other remedies for owner or family violation of HQS.

In conducting PHA supervisory quality control HQS inspections, the PHA should include a representative sample of both tenant-based and project-based units.

### **Inspecting PHA-owned Units [24 CFR 983.103(f)]**

In the case of PHA-owned units, the inspections must be performed by an independent agency designated by the PHA and approved by HUD. The independent entity must furnish a copy of each inspection report to the PHA and to the HUD field office where the project is located. The PHA must take all necessary actions in response to inspection reports from the independent agency, including exercise of contractual remedies for violation of the HAP contract by the PHA-owner.

## **PART IV: REHABILITATED AND NEWLY CONSTRUCTED UNITS**

### **17-IV.A. OVERVIEW [24 CFR 983.151]**

There are specific requirements that apply to PBV assistance for newly constructed or rehabilitated housing that do not apply to PBV assistance in existing housing. This part describes the requirements unique to this type of assistance.

Housing selected for this type of assistance may not at a later date be selected for PBV assistance as existing housing.

### **17-IV.B. AGREEMENT TO ENTER INTO HAP CONTRACT**

In order to offer PBV assistance in rehabilitated or newly constructed units, the PHA must enter into an agreement to enter into HAP contract (Agreement) with the owner of the property. The Agreement must be in the form required by HUD [24 CFR 983.152(a)].

In the Agreement the owner agrees to develop the PBV contract units to comply with HQS, and the PHA agrees that upon timely completion of such development in accordance with the terms of the Agreement, the PHA will enter into a HAP contract with the owner for the contract units [24 CFR 983.152(b)].

#### **Content of the Agreement [24 CFR 983.152(c)]**

At a minimum, the Agreement must describe the following features of the housing to be developed and assisted under the PBV program:

- Site and the location of the contract units;
- Number of contract units by area (size) and number of bedrooms and bathrooms;
- Services, maintenance, or equipment to be supplied by the owner without charges in addition to the rent;
- Utilities available to the contract units, including a specification of utility services to be paid by the owner and utility services to be paid by the tenant;
- An indication of whether or not the design and construction requirements of the Fair Housing Act and section 504 of the Rehabilitation Act of 1973 apply to units under the Agreement. If applicable, any required work item resulting from these requirements must be included in the description of work to be performed under the Agreement;
- Estimated initial rents to owner for the contract units;
- Description of the work to be performed under the Agreement. For rehabilitated units, the description must include the rehabilitation work write up and, where determined necessary by the PHA, specifications and plans. For new construction units, the description must include the working drawings and specifications.
- Any additional requirements for quality, architecture, or design over and above HQS.

### **Execution of the Agreement [24 CFR 983.153]**

The Agreement must be executed promptly after PHA notice of proposal selection to the selected owner. However, the PHA may not enter into the Agreement with the owner until the subsidy layering review is completed. Likewise, the PHA may not enter into the Agreement until the environmental review is completed and the PHA has received environmental approval.

#### PHA Policy

The PHA will enter into the Agreement with the owner within 10 business days of receiving both environmental approval and notice that subsidy layering requirements have been met, and before construction or rehabilitation work is started.

### **17-IV.C. CONDUCT OF DEVELOPMENT WORK**

#### **Labor Standards [24 CFR 983.154(b)]**

If an Agreement covers the development of nine or more contract units (whether or not completed in stages), the owner and the owner's contractors and subcontractors must pay Davis-Bacon wages to laborers and mechanics employed in the development of housing. The HUD-prescribed form of the Agreement will include the labor standards clauses required by HUD, such as those involving Davis-Bacon wage rates.

The owner, contractors, and subcontractors must also comply with the Contract Work Hours and Safety Standards Act, Department of Labor regulations in 29 CFR part 5, and other applicable federal labor relations laws and regulations. The PHA must monitor compliance with labor standards.

#### **Equal Opportunity [24 CFR 983.154(c)]**

The owner must comply with Section 3 of the Housing and Urban Development Act of 1968 and the implementing regulations at 24 CFR part 135. The owner must also comply with federal equal employment opportunity requirements.

#### **Owner Disclosure [24 CFR 983.154(d) and (e)]**

The Agreement and HAP contract must include a certification by the owner that the owner and other project principals are not on the U.S. General Services Administration list of parties excluded from federal procurement and non-procurement programs.

The owner must also disclose any possible conflict of interest that would be a violation of the Agreement, the HAP contract, or HUD regulations.

#### **17-IV.D. COMPLETION OF HOUSING**

The Agreement must specify the deadlines for completion of the housing, and the owner must develop and complete the housing in accordance with these deadlines. The Agreement must also specify the deadline for submission by the owner of the required evidence of completion.

##### **Evidence of Completion [24 CFR 983.155(b)]**

At a minimum, the owner must submit the following evidence of completion to the PHA in the form and manner required by the PHA:

- Owner certification that the work has been completed in accordance with HQS and all requirements of the Agreement; and
- Owner certification that the owner has complied with labor standards and equal opportunity requirements in development of the housing.

At the PHA's discretion, the Agreement may specify additional documentation that must be submitted by the owner as evidence of housing completion.

##### PHA Policy

The PHA will determine the need for the owner to submit additional documentation as evidence of housing completion on a case-by case basis depending on the nature of the PBV project. The PHA will specify any additional documentation requirements in the Agreement to enter into HAP contract.

##### **PHA Acceptance of Completed Units [24 CFR 983.156]**

Upon notice from the owner that the housing is completed, the PHA must inspect to determine if the housing has been completed in accordance with the Agreement, including compliance with HQS and any additional requirements imposed under the Agreement. The PHA must also determine if the owner has submitted all required evidence of completion.

If the work has not been completed in accordance with the Agreement, the PHA must not enter into the HAP contract.

If the PHA determines the work has been completed in accordance with the Agreement and that the owner has submitted all required evidence of completion, the PHA must submit the HAP contract for execution by the owner and must then execute the HAP contract.

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## **PART V: HOUSING ASSISTANCE PAYMENTS CONTRACT (HAP)**

### **17-V.A. OVERVIEW**

The PHA must enter into a HAP contract with an owner for units that are receiving PBV assistance. The purpose of the HAP contract is to provide housing assistance payments for eligible families. Housing assistance is paid for contract units leased and occupied by eligible families during the HAP contract term. The HAP contract must be in the form required by HUD [24 CFR 983.202].

### **17-V.B. HAP CONTRACT REQUIREMENTS**

#### **Contract Information [24 CFR 983.203]**

The HAP contract must specify the following information:

- The total number of contract units by number of bedrooms;
- The project's name, street address, city or county, state and zip code, block and lot number (if known), and any other information necessary to clearly identify the site and the building;
- The number of contract units in each building, the location of each contract unit, the area of each contract unit, and the number of bedrooms and bathrooms in each contract unit;
- Services, maintenance, and equipment to be supplied by the owner and included in the rent to owner;
- Utilities available to the contract units, including a specification of utility services to be paid by the owner (included in rent) and utility services to be paid by the tenant;
- Features provided to comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR part 8;
- The HAP contract term;
- The number of units in any building that will exceed the 25 percent per building cap, which will be set-aside for occupancy by qualifying families; and
- The initial rent to owner for the first 12 months of the HAP contract term.

### **Execution of the HAP Contract [24 CFR 983.204]**

The PHA may not enter into a HAP contract until each contract unit has been inspected and the PHA has determined that the unit complies with the Housing Quality Standards (HQS). For existing housing, the HAP contract must be executed promptly after the PHA selects the owner proposal and inspects the housing units. For newly constructed or rehabilitated housing the HAP contract must be executed after the PHA has inspected the completed units and has determined that the units have been completed in accordance with the agreement to enter into HAP, and the owner furnishes all required evidence of completion.

#### PHA Policy

For existing housing, the HAP contract will be executed within 10 business days of the PHA determining that all units pass HQS.

For rehabilitated or newly constructed housing, the HAP contract will be executed within 10 business days of the PHA determining that the units have been completed in accordance with the agreement to enter into HAP, all units meet HQS, and the owner has submitted all required evidence of completion.

### **Term of HAP Contract [24 CFR 983.205]**

The PHA may enter into a HAP contract with an owner for an initial term of no less than one year and no more than ten years.

#### PHA Policy

The term of all PBV HAP contracts will be negotiated with the owner on a case-by case basis.

Within one year before expiration of the HAP contract, the PHA may extend the term of the contract for an additional term of up to five years if the PHA determines an extension is appropriate to continue providing affordable housing for low-income families. Subsequent extensions are subject to the same limitations. All extensions must be on the form and subject to the conditions prescribed by HUD at the time of the extension.

#### PHA Policy

When determining whether or not to extend an expiring PBV contract, the PHA will consider several factors including, but not limited to:

- The cost of extending the contract and the amount of available budget authority;
- The condition of the contract units;
- The owner's record of compliance with obligations under the HAP contract and lease(s);
- Whether the location of the units continues to support the goals of deconcentrating poverty and expanding housing opportunities; and
- Whether the funding could be used more appropriately for tenant-based assistance.

***Termination by PHA [24 CFR 983.205(c)]***

The HAP contract must provide that the term of the PHA's contractual commitment is subject to the availability of sufficient appropriated funding as determined by HUD or by the PHA in accordance with HUD instructions. For these purposes, sufficient funding means the availability of appropriations, and of funding under the ACC from such appropriations, to make full payment of housing assistance payments payable to the owner for any contract year in accordance with the terms of the HAP contract.

If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, the PHA may terminate the HAP contract by notice to the owner. The termination must be implemented in accordance with HUD instructions.

***Termination by Owner [24 CFR 983.205(d)]***

If in accordance with program requirements the amount of rent to an owner for any contract unit is reduced below the amount of the rent to owner at the beginning of the HAP contract term, the owner may terminate the HAP contract by giving notice to the PHA. In this case, families living in the contract units must be offered tenant-based assistance.

***Remedies for HQS Violations [24 CFR 983.207(b)]***

The PHA may not make any HAP payment to the owner for a contract unit during any period in which the unit does not comply with HQS. If the PHA determines that a contract does not comply with HQS, the PHA may exercise any of its remedies under the HAP contract, for any or all of the contract units. Available remedies include termination of housing assistance payments, abatement or reduction of housing assistance payments, reduction of contract units, and termination of the HAP contract.

**PHA Policy**

The PHA will abate and terminate PBV HAP contracts for non-compliance with HQS in accordance with the policies used in the tenant-based voucher program. These policies are contained in Section 8-II.G., Enforcing Owner Compliance.

## **17-V.C. AMENDMENTS TO THE HAP CONTRACT**

### **Substitution of Contract Units [24 CFR 983.206(a)]**

At the PHA's discretion and subject to all PBV requirements, the HAP contract may be amended to substitute a different unit with the same number of bedrooms in the same building for a previously covered contract unit. Before any such substitution can take place, the PHA must inspect the proposed unit and determine the reasonable rent for the unit.

### **Addition of Contract Units [24 CFR 983.206(b)]**

At the PHA's discretion and subject to the restrictions on the number of dwelling units that can receive PBV assistance per building and on the overall size of the PHA's PBV program, a HAP contract may be amended during the three-year period following the execution date of the HAP contract to add additional PBV units in the same building. This type of amendment is subject to all PBV program requirements except that a new PBV proposal is not required.

#### PHA Policy

The PHA will consider adding contract units to the HAP contract when the PHA determines that additional housing is needed to serve eligible low-income families. Circumstances may include, but are not limited to:

The local housing inventory is reduced due to a disaster (either due to loss of housing units, or an influx of displaced families); and

Voucher holders are having difficulty finding units that meet program requirements.

## **17-V.D. HAP CONTRACT YEAR, ANNIVERSARY AND EXPIRATION DATES [24 CFR 983.206(c) and 983.302(e)]**

The HAP contract year is the period of 12 calendar months preceding each annual anniversary of the HAP contract during the HAP contract term. The initial contract year is calculated from the first day of the first calendar month of the HAP contract term.

The annual anniversary of the HAP contract is the first day of the first calendar month after the end of the preceding contract year.

There is a single annual anniversary and expiration date for all units under a particular HAP contract, even in cases where contract units are placed under the HAP contract in stages (on different dates) or units are added by amendment. The anniversary and expiration dates for all units coincide with the dates for the contract units that were originally placed under contract.

### **17-V.E. OWNER RESPONSIBILITIES UNDER THE HAP [24 CFR 983.209]**

When the owner executes the HAP contract s/he certifies that at such execution and at all times during the term of the HAP contract:

- All contract units are in good condition and the owner is maintaining the premises and contract units in accordance with HQS;
- The owner is providing all services, maintenance, equipment and utilities as agreed to under the HAP contract and the leases;
- Each contract unit for which the owner is receiving HAP, is leased to an eligible family referred by the PHA, and the lease is in accordance with the HAP contract and HUD requirements;
- To the best of the owner's knowledge the family resides in the contract unit for which the owner is receiving HAP, and the unit is the family's only residence;
- The owner (including a principal or other interested party) is not the spouse, parent, child, grandparent, grandchild, sister, or brother of any member of a family residing in a contract unit;
- The amount of the HAP the owner is receiving is correct under the HAP contract;
- The rent for contract units does not exceed rents charged by the owner for comparable unassisted units;
- Except for HAP and tenant rent, the owner has not received and will not receive any other payment or consideration for rental of the contract unit; and
- The family does not own or have any interest in the contract unit.

## **17-V.F. ADDITIONAL HAP REQUIREMENTS**

### **Housing Quality and Design Requirements [24 CFR 983.101(e) and 983.207(a)]**

The owner is required to maintain and operate the contract units and premises in accordance with HQS, including performance of ordinary and extraordinary maintenance. The owner must provide all the services, maintenance, equipment, and utilities specified in the HAP contract with the PHA and in the lease with each assisted family. In addition, maintenance, replacement and redecoration must be in accordance with the standard practice for the building as established by the owner.

The PHA may elect to establish additional requirements for quality, architecture, or design of PBV housing. Any such additional requirements must be specified in the Agreement to enter into a HAP contract and the HAP contract. These requirements must be in addition to, not in place of, compliance with HQS.

#### PHA Policy

The PHA will identify the need for any special features on a case-by case basis depending on the intended occupancy of the PBV project. The PHA will specify any special design standards or additional requirements in the invitation for PBV proposals, the agreement to enter into HAP contract, and the HAP contract.

### **Vacancy Payments [24 CFR 983.352(b)]**

At the discretion of the PHA, the HAP contract may provide for vacancy payments to the owner for a PHA-determined period of vacancy extending from the beginning of the first calendar month after the move-out month for a period not exceeding two full months following the move-out month. The amount of the vacancy payment will be determined by the PHA and cannot exceed the monthly rent to owner under the assisted lease, minus any portion of the rental payment received by the owner (including amounts available from the tenant's security deposit).

#### PHA Policy

The PHA will decide on a case-by case basis if the PHA will provide vacancy payments to the owner. The HAP contract with the owner will contain any such agreement, including the amount of the vacancy payment and the period for which the owner will qualify for these payments.

## **PART VI: SELECTION OF PBV PROGRAM PARTICIPANTS**

### **17-VI.A. OVERVIEW**

Many of the provisions of the tenant-based voucher regulations [24 CFR 982] also apply to the PBV program. This includes requirements related to determining eligibility and selecting applicants from the waiting list. Even with these similarities, there are requirements that are unique to the PBV program. This part describes the requirements and policies related to eligibility and admission to the PBV program.

### **17-VI.B. ELIGIBILITY FOR PBV ASSISTANCE [24 CFR 983.251(a) and (b)]**

The PHA may select families for the PBV program from those who are participants in the PHA's tenant-based voucher program and from those who have applied for admission to the voucher program. For voucher participants, eligibility was determined at original admission to the voucher program and does not need to be redetermined at the commencement of PBV assistance. For all others, eligibility for admission must be determined at the commencement of PBV assistance.

Applicants for PBV assistance must meet the same eligibility requirements as applicants for the tenant-based voucher program. Applicants must qualify as a family as defined by HUD and the PHA, have income at or below HUD-specified income limits, and qualify on the basis of citizenship or the eligible immigration status of family members [24 CFR 982.201(a) and 24 CFR 983.2(a)]. In addition, an applicant family must provide social security information for family members [24 CFR 5.216 and 5.218] and consent to the PHA's collection and use of family information regarding income, expenses, and family composition [24 CFR 5.230]. An applicant family must also meet HUD requirements related to current or past criminal activity.

#### PHA Policy

The PHA will determine an applicant family's eligibility for the PBV program in accordance with the policies in Chapter 3.

### **In-Place Families [24 CFR 983.251(b)]**

An eligible family residing in a proposed PBV contract unit on the date the proposal is selected by the PHA is considered an "in-place family." These families are afforded protection from displacement under the PBV rule. If a unit to be placed under contract (either an existing unit or a unit requiring rehabilitation) is occupied by an eligible family on the date the proposal is selected, the in-place family must be placed on the PHA's waiting list. Once the family's continued eligibility is determined (the PHA may deny assistance to an in-place family for the grounds specified in 24 CFR 982.552 and 982.553), the family must be given an absolute selection preference and the PHA must refer these families to the project owner for an appropriately sized PBV unit in the project. Admission of eligible in-place families is not subject to income targeting requirements.

This regulatory protection from displacement does not apply to families that are not eligible to participate in the program on the proposal selection date.

**17-VI.C. ORGANIZATION OF THE WAITING LIST [24 CFR 983.251(c)]**

The PHA may establish a separate waiting list for PBV units or it may use the same waiting list for both tenant-based and PBV assistance. The PHA may also merge the PBV waiting list with a waiting list for other assisted housing programs offered by the PHA. If the PHA chooses to offer a separate waiting list for PBV assistance, the PHA must offer to place applicants who are listed on the tenant-based waiting list on the waiting list for PBV assistance.

If a PHA decides to establish a separate PBV waiting list, the PHA may use a single waiting list for the PHA's whole PBV program, or it may establish separate waiting lists for PBV units in particular projects or buildings or for sets of such units.

PHA Policy

The PHA will establish and manage separate waiting lists for individual projects or buildings that are receiving PBV assistance. The PHA currently has waiting lists for the following PBV projects:

McMillen Park Apartments

**17-VI.D. SELECTION FROM THE WAITING LIST [24 CFR 983.251(c)]**

Applicants who will occupy units with PBV assistance must be selected from the PHA's waiting list. The PHA may establish selection criteria or preferences for occupancy of particular PBV units. The PHA may place families referred by the PBV owner on its PBV waiting list.

**Income Targeting [24 CFR 983.251(c)(6)]**

At least 75 percent of the families admitted to the PHA's tenant-based and project-based voucher programs during the PHA fiscal year from the waiting list must be extremely-low income families. The income targeting requirement applies to the total of admissions to both programs.

**Units with Accessibility Features [24 CFR 983.251(c)(7)]**

When selecting families to occupy PBV units that have special accessibility features for persons with disabilities, the PHA must first refer families who require such features to the owner.

### **Preferences [24 CFR 983.251(d)]**

The PHA may use the same selection preferences that are used for the tenant-based voucher program, establish selection criteria or preferences for the PBV program as a whole, or for occupancy of particular PBV developments or units. The PHA must provide an absolute selection preference for eligible in-place families as described in Section 17-VI.B. above. Although the PHA is prohibited from granting preferences to persons with a specific disability, the PHA may give preference to disabled families who need services offered at a particular project or site if the preference is limited to families (including individuals):

- With disabilities that significantly interfere with their ability to obtain and maintain themselves in housing;
- Who, without appropriate supportive services, will not be able to obtain or maintain themselves in housing; and
- For whom such services cannot be provided in a non-segregated setting.

In advertising such a project, the owner may advertise the project as offering services for a particular type of disability; however, the project must be open to all otherwise eligible disabled persons who may benefit from services provided in the project. In these projects, disabled residents may not be required to accept the particular services offered as a condition of occupancy.

If the PHA has buildings with more than 25 percent of the units receiving project-based assistance because those buildings include “excepted units” (units specifically made available for elderly or disabled families, or families receiving supportive services), the PHA must give preference to such families when referring families to these units [24 CFR 983.261(b)].

#### PHA Policy

The PHA will provide a selection preference when required by the regulation (e.g., eligible in-place families, qualifying families for “excepted units,” mobility impaired persons for accessible units). The PHA will not offer any additional preferences for the PBV program or for particular PBV projects or units.

## **17-VI.E. OFFER OF PBV ASSISTANCE**

### **Refusal of Offer [24 CFR 983.251(e)(3)]**

The PHA is prohibited from taking any of the following actions against a family who has applied for, received, or refused an offer of PBV assistance:

- Refuse to list the applicant on the waiting list for tenant-based voucher assistance;
- Deny any admission preference for which the applicant qualifies;
- Change the applicant's place on the waiting list based on preference, date, and time of application, or other factors affecting selection under the PHA's selection policy;
- Remove the applicant from the tenant-based voucher waiting list.

### **Disapproval by Landlord [24 CFR 983.251(e)(2)]**

If a PBV owner rejects a family for admission to the owner's units, such rejection may not affect the family's position on the tenant-based voucher waiting list.

### **Acceptance of Offer [24 CFR 983.252]**

#### ***Family Briefing***

When a family accepts an offer for PBV assistance, the PHA must give the family an oral briefing. The briefing must include information on how the program works and the responsibilities of the family and owner. In addition to the oral briefing, the PHA must provide a briefing packet that explains how the PHA determines the total tenant payment for a family, the family obligations under the program, and applicable fair housing information.

#### ***Persons with Disabilities***

If an applicant family's head or spouse is disabled, the PHA must assure effective communication, in accordance with 24 CFR 8.6, in conducting the oral briefing and in providing the written information packet. This may include making alternative formats available (see Chapter 2). In addition, the PHA must have a mechanism for referring a family that includes a member with a mobility impairment to an appropriate accessible PBV unit.

#### ***Persons with Limited English Proficiency***

The PHA should take reasonable steps to assure meaningful access by persons with limited English proficiency in accordance with Title VI of the Civil Rights Act of 1964 and Executive Order 13166 (see Chapter 2).

## **17-VI.F. OWNER SELECTION OF TENANTS**

The owner is responsible for developing written tenant selection procedures that are consistent with the purpose of improving housing opportunities for very low-income families and reasonably related to program eligibility and an applicant's ability to fulfill their obligations under the lease. An owner must promptly notify in writing any rejected applicant of the grounds for any rejection [24 CFR 983.253(b)].

### **Leasing [24 CFR 983.253(a)]**

During the term of the HAP contract, the owner must lease contract units to eligible families that are selected and referred by the PHA from the PHA's waiting list. The contract unit leased to the family must be the appropriate size unit for the size of the family, based on the PHA's subsidy standards.

### **Filling Vacancies [24 CFR 983.254(a)]**

The owner must promptly notify the PHA of any vacancy or expected vacancy in a contract unit. After receiving such notice, the PHA must make every reasonable effort to promptly refer a sufficient number of families for the owner to fill such vacancies. The PHA and the owner must make reasonable efforts to minimize the likelihood and length of any vacancy.

#### PHA Policy

The owner must notify the PHA in writing (mail, fax, or e-mail) within 5 business days of learning about any vacancy or expected vacancy.

The PHA will make every reasonable effort to refer families to the owner within 10 business days of receiving such notice from the owner.

### **Reduction in HAP Contract Units Due to Vacancies [24 CFR 983.254(b)]**

If any contract units have been vacant for 120 or more days since owner notice of the vacancy, the PHA may give notice to the owner amending the HAP contract to reduce the number of contract units by subtracting the number of contract units (according to the bedroom size) that have been vacant for this period.

#### PHA Policy

If any contract units have been vacant for 120 days, the PHA will give notice to the owner that the HAP contract will be amended to reduce the number of contract units that have been vacant for this period. The PHA will provide the notice to the owner within 10 business days of the 120<sup>th</sup> day of the vacancy. The amendment to the HAP contract will be effective the 1<sup>st</sup> day of the month following the date of the PHA's notice.

## **17-VI.G. TENANT SCREENING [24 CFR 983.255]**

### **PHA Responsibility**

The PHA is not responsible or liable to the owner or any other person for the family's behavior or suitability for tenancy. However, the PHA may opt to screen applicants for family behavior or suitability for tenancy and may deny applicants based on such screening.

#### PHA Policy

The PHA will not conduct screening to determine a PBV applicant family's suitability for tenancy.

The PHA must provide the owner with an applicant family's current and prior address (as shown in PHA records) and the name and address (if known by the PHA) of the family's current landlord and any prior landlords.

In addition, the PHA may offer the owner other information the PHA may have about a family, including information about the tenancy history of family members or about drug trafficking and criminal activity by family members. The PHA must provide applicant families a description of the PHA policy on providing information to owners, and the PHA must give the same types of information to all owners.

#### PHA Policy

The PHA will inform owners of their responsibility to screen prospective tenants, and will provide owners with the required known name and address information, at the time of the turnover HQS inspection or before. The PHA will not provide any additional information to the owner, such as tenancy history, criminal history, etc.

### **Owner Responsibility**

The owner is responsible for screening and selection of the family to occupy the owner's unit. When screening families the owner may consider a family's background with respect to the following factors:

- Payment of rent and utility bills;
- Caring for a unit and premises;
- Respecting the rights of other residents to the peaceful enjoyment of their housing;
- Drug-related criminal activity or other criminal activity that is a threat to the health, safety, or property of others; and
- Compliance with other essential conditions of tenancy.

## PART VII: OCCUPANCY

### 17-VII.A. OVERVIEW

After an applicant has been selected from the waiting list, determined eligible by the PHA, referred to an owner and determined suitable by the owner, the family will sign the lease and occupancy of the unit will begin.

### 17-VII.B. LEASE [24 CFR 983.256]

The tenant must have legal capacity to enter a lease under state and local law. *Legal capacity* means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner.

#### Form of Lease [24 CFR 983.256(b)]

The tenant and the owner must enter into a written lease agreement that is signed by both parties. If an owner uses a standard lease form for rental units to unassisted tenants in the locality or premises, the same lease must be used for assisted tenants, except that the lease must include a HUD-required tenancy addendum. The tenancy addendum must include, word-for-word, all provisions required by HUD.

If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease, such as a PHA model lease.

The PHA may review the owner's lease form to determine if the lease complies with state and local law. If the PHA determines that the lease does not comply with state or local law, the PHA may decline to approve the tenancy.

#### PHA Policy

The PHA will not review the owner's lease for compliance with state or local law.

#### Lease Requirements [24 CFR 983.256(c)]

The lease for a PBV unit must specify all of the following information:

- The names of the owner and the tenant;
- The unit rented (address, apartment number, if any, and any other information needed to identify the leased contract unit);
- The term of the lease (initial term and any provision for renewal);
- The amount of the tenant rent to owner, which is subject to change during the term of the lease in accordance with HUD requirements;
- A specification of the services, maintenance, equipment, and utilities that will be provide by the owner; and
- The amount of any charges for food, furniture, or supportive services.

**Tenancy Addendum [24 CFR 983.256(d)]**

The tenancy addendum in the lease must state:

- The program tenancy requirements;
- The composition of the household as approved by the PHA (the names of family members and any PHA-approved live-in aide);
- All provisions in the HUD-required tenancy addendum must be included in the lease. The terms of the tenancy addendum prevail over other provisions of the lease.

**Initial Term and Lease Renewal [24 CFR 983.256(f) and 983.257(b)]**

The initial lease term must be for at least one year. Upon expiration of the lease, an owner may renew the lease, refuse to renew the lease for “good cause,” or refuse to renew the lease without good cause. If the owner refuses to renew the lease without good cause, the PHA must provide the family with a tenant-based voucher and remove the unit from the PBV HAP contract.

**Changes in the Lease [24 CFR 983.256(e)]**

If the tenant and owner agree to any change in the lease, the change must be in writing, and the owner must immediately give the PHA a copy of all changes.

The owner must notify the PHA in advance of any proposed change in the lease regarding the allocation of tenant and owner responsibilities for utilities. Such changes may only be made if approved by the PHA and in accordance with the terms of the lease relating to its amendment.

The PHA must redetermine reasonable rent, in accordance with program requirements, based on any change in the allocation of the responsibility for utilities between the owner and the tenant.

The redetermined reasonable rent will be used in calculation of the rent to owner from the effective date of the change.

### **Owner Termination of Tenancy [24 CFR 983.257]**

With two exceptions, the owner of a PBV unit may terminate tenancy for the same reasons an owner may in the tenant-based voucher program (see Section 12-III.B. and 24 CFR 982.310). In the PBV program, terminating tenancy for “good cause” does not include doing so for a business or economic reason, or a desire to use the unit for personal or family use or other non-residential purpose.

### ***Non-Compliance with Supportive Services Requirement [24 CFR 983.257(c)]***

If a family is living in a project-based unit that is excepted from the 25 percent per building cap on project-basing because of participation in a supportive services program (e.g., Family Self-Sufficiency), and the family fails to complete its supportive services requirement without good cause, such failure is grounds for lease termination by the owner.

### ***Tenant Absence from the Unit [24 CFR 983.256(g) and 982.312(a)]***

The owner may specify in the lease a maximum period of tenant absence from the unit that is shorter than the maximum period permitted by PHA policy. According to program requirements, the family’s assistance must be terminated if they are absent from the unit for more than 180 consecutive days.

### **Security Deposits [24 CFR 983.258]**

The owner may collect a security deposit from the tenant. The PHA may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants.

#### PHA Policy

The PHA will allow the owner to collect a security deposit amount the owner determines is appropriate.

When the tenant moves out of a contract unit, the owner, subject to state and local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid tenant rent, damages to the unit, or other amounts owed by the tenant under the lease.

The owner must give the tenant a written list of all items charged against the security deposit and the amount of each item. After deducting the amount used to reimburse the owner, the owner must promptly refund the full amount of the balance to the tenant.

If the security deposit does not cover the amount owed by the tenant under the lease, the owner may seek to collect the balance from the tenant. The PHA has no liability or responsibility for payment of any amount owed by the family to the owner.

## 17-VII.C. MOVES

### **Overcrowded, Under-Occupied, and Accessible Units [24 CFR 983.259]**

If the PHA determines that a family is occupying a wrong size unit, based on the PHA's subsidy standards, or a unit with accessibility features that the family does not require, and the unit is needed by a family that does require the features, the PHA must promptly notify the family and the owner of this determination, and the PHA must offer the family the opportunity to receive continued housing assistance in another unit.

#### PHA Policy

The PHA will notify the family and the owner of the family's need to move based on the occupancy of a wrong-size or accessible unit within 10 business days of the PHA's determination. The PHA will offer the family the following types of continued assistance in the following order, based on the availability of assistance:

PBV assistance in the same building or project;

PBV assistance in another project; and

Tenant-based voucher assistance.

If the PHA offers the family a tenant-based voucher, the PHA must terminate the housing assistance payments for a wrong-sized or accessible unit at expiration of the term of the family's voucher (including any extension granted by the PHA).

If the PHA offers the family another form of assistance that is not a tenant-based voucher, and the family does not accept the offer, does not move out of the PBV unit within a reasonable time as determined by the PHA, or both, the PHA must terminate the housing assistance payments for the unit at the expiration of a reasonable period as determined by the PHA.

#### PHA Policy

When the PHA offers a family another form of assistance that is not a tenant-based voucher, the family will be given 30 days from the date of the offer to accept the offer and move out of the PBV unit. If the family does not move out within this 30-day time frame, the PHA will terminate the housing assistance payments at the expiration of this 30-day period.

The PHA may make exceptions to this 30-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

**Family Right to Move [24 CFR 983.260]**

The family may terminate the lease at any time after the first year of occupancy. The family must give advance written notice to the owner in accordance with the lease and provide a copy of such notice to the PHA. If the family wishes to move with continued tenant-based assistance, the family must contact the PHA to request the rental assistance prior to providing notice to terminate the lease.

If the family terminates the lease in accordance with these requirements, the PHA is required to offer the family the opportunity for continued tenant-based assistance, in the form of a voucher or other comparable tenant-based rental assistance. If voucher or other comparable tenant-based assistance is not immediately available upon termination of the family's lease in the PBV unit, the PHA must give the family priority to receive the next available opportunity for continued tenant-based assistance.

If the family terminates the assisted lease before the end of the first year, the family relinquishes the opportunity for continued tenant-based assistance.

### **17-VII.D. EXCEPTIONS TO THE OCCUPANCY CAP [24 CFR 983.261]**

The PHA may not pay housing assistance under a PBV HAP contract for more than 25 percent of the number of dwelling units in a building unless the units are [24 CFR 983.56]:

- In a single-family building;
- Specifically made available for elderly or disabled families; or
- Specifically made available for families receiving supportive services as defined by the PHA. At least one member must be receiving at least one qualifying supportive service.

If a family at the time of initial tenancy is receiving and while the resident of an excepted unit has received Family Self-Sufficiency (FSS) supportive services or any other service as defined as defined by the PHA and successfully completes the FSS contract of participation or the supportive services requirement, the unit continues to count as an excepted unit for as long as the family resides in the unit.

A family (or remaining members of a family) residing in an excepted unit that no longer meets the criteria for a “qualifying family” in connection with the 25 percent per building cap exception (e.g., the family does not successfully complete supportive services requirements, or due to a change in family composition the family is no longer elderly or disabled), must vacate the unit within a reasonable period of time established by the PHA, and the PHA must cease paying housing assistance payments on behalf of the non-qualifying family.

If the family fails to vacate the unit within the established time, the unit must be removed from the HAP contract unless the project is partially assisted, and it is possible for the HAP contract to be amended to substitute a different unit in the building in accordance with program requirements; or the owner terminates the lease and evicts the family. The housing assistance payments for a family residing in an excepted unit that is not in compliance with its family obligations to comply with supportive services requirements must be terminated by the PHA.

#### PHA Policy

The PHA will provide PBV assistance for excepted units.

## **PART VIII: DETERMINING RENT TO OWNER**

### **17-VIII.A. OVERVIEW**

The amount of the initial rent to an owner of units receiving PBV assistance is established at the beginning of the HAP contract term. Although for rehabilitated or newly constructed housing, the agreement to enter into HAP Contract (Agreement) states the estimated amount of the initial rent to owner, the actual amount of the initial rent to owner is established at the beginning of the HAP contract term.

During the term of the HAP contract, the rent to owner is redetermined at the owner's request in accordance with program requirements, and at such time that there is a five percent or greater decrease in the published FMR.

### **17-VIII.B. RENT LIMITS [24 CFR 983.301]**

Except for certain tax credit units (discussed below), the rent to owner must not exceed the lowest of the following amounts:

- An amount determined by the PHA, not to exceed 110 percent of the applicable fair market rent (or any HUD-approved exception payment standard) for the unit bedroom size minus any utility allowance;
- The reasonable rent; or
- The rent requested by the owner.

#### **Certain Tax Credit Units [24 CFR 983.301(c)]**

For certain tax credit units, the rent limits are determined differently than for other PBV units. These different limits apply to contract units that meet all of the following criteria:

- The contract unit receives a low-income housing tax credit under the Internal Revenue Code of 1986;
- The contract unit is not located in a qualified census tract;
- There are comparable tax credit units of the same bedroom size as the contract unit in the same building, and the comparable tax credit units do not have any form of rental assistance other than the tax credit; and
- The tax credit rent exceeds a PHA-determined amount (not to exceed 110 percent of the fair market rent or any approved exception payment standard);

For contract units that meet all of these criteria, the rent to owner must not exceed the lowest of:

- The tax credit rent minus any utility allowance;
- The reasonable rent; or
- The rent requested by the owner.

### ***Definitions***

A *qualified census tract* is any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50 percent of households have an income of less than 60 percent of Area Median Gross Income (AMGI), or where the poverty rate is at least 25 percent and where the census tract is designated as a qualified census tract by HUD.

*Tax credit rent* is the rent charged for comparable units of the same bedroom size in the building that also receive the low-income housing tax credit but do not have any additional rental assistance (e.g., tenant-based voucher assistance).

### **Use of FMRs, Exception Payment Standards, and Utility Allowances [24 CFR 983.301(f)]**

When determining the initial rent to owner, the PHA must use the most recently published FMR in effect and the utility allowance schedule in effect at execution of the HAP contract. When redetermining the rent to owner, the PHA must use the most recently published FMR and the utility allowance schedule in effect at the time of redetermination. At its discretion, the PHA may for initial rent, use the amounts in effect at any time during the 30-day period immediately before the beginning date of the HAP contract, or for redeterminations of rent, the 30-day period immediately before the redetermination date.

Any HUD-approved exception payment standard amount under the tenant-based voucher program also applies to the project-based voucher program. HUD will not approve a different exception payment stand amount for use in the PBV program.

Likewise, the PHA may not establish or apply different utility allowance amounts for the PBV program. The same utility allowance schedule applies to both the tenant-based and project-based voucher programs.

#### PHA Policy

Upon written request by the owner, the PHA will consider using the FMR or utility allowances in effect during the 30-day period before the start date of the HAP, or redetermination of rent. The owner must explain the need to use the previous FMRs or utility allowances and include documentation in support of the request. The PHA will review and make a decision based on the circumstances and merit of each request. In addition to considering a written request from an owner, the PHA may decide to use the FMR or utility allowances in effect during the 30-day period before the start date of the HAP, or redetermination of rent, if the PHA determines it is necessary due to PHA budgetary constraints.

### **Redetermination of Rent [24 CFR 983.302]**

The PHA must redetermine the rent to owner upon the owner's request or when there is a five percent or greater decrease in the published FMR.

#### ***Rent Increase***

If an owner wishes to request an increase in the rent to owner from the PHA, it must be requested at the annual anniversary of the HAP contract (see Section 17-V.D.). The request must be in writing and in the form and manner required by the PHA. The PHA may only make rent increases in accordance with the rent limits described previously. There are no provisions in the PBV program for special adjustments (e.g., adjustments that reflect increases in the actual and necessary expenses of owning and maintaining the units which have resulted from substantial general increases in real property taxes, utility rates, or similar costs).

#### **PHA Policy**

An owner's request for a rent increase must be submitted to the PHA 60 days prior to the anniversary date of the HAP contract, and must include the new rent amount the owner is proposing.

The PHA may not approve and the owner may not receive any increase of rent to owner until and unless the owner has complied with requirements of the HAP contract, including compliance with HQS. The owner may not receive any retroactive increase of rent for any period of noncompliance.

#### ***Rent Decrease***

If there is a decrease in the rent to owner, as established in accordance with program requirements such as a change in the FMR or exception payment standard, or reasonable rent amount, the rent to owner must be decreased regardless of whether the owner requested a rent adjustment.

#### ***Notice of Rent Change***

The rent to owner is redetermined by written notice by the PHA to the owner specifying the amount of the redetermined rent. The PHA notice of rent adjustment constitutes an amendment of the rent to owner specified in the HAP contract. The adjusted amount of rent to owner applies for the period of 12 calendar months from the annual anniversary of the HAP contract.

#### **PHA Policy**

The PHA will provide the owner with at least 30 days written notice of any change in the amount of rent to owner.

### **PHA-owned Units [24 CFR 983.301(g)]**

For PHA-owned PBV units, the initial rent to owner and the annual redetermination of rent at the anniversary of the HAP contract are determined by the independent entity approved by HUD. The PHA must use the rent to owner established by the independent entity.

### **17-VIII.C. REASONABLE RENT [24 CFR 983.303]**

At the time the initial rent is established and all times during the term of the HAP contract, the rent to owner for a contract unit may not exceed the reasonable rent for the unit as determined by the PHA.

#### **When Rent Reasonable Determinations are Required**

The PHA must redetermine the reasonable rent for a unit receiving PBV assistance whenever any of the following occur:

- There is a five percent or greater decrease in the published FMR in effect 60 days before the contract anniversary (for the unit sizes specified in the HAP contract) as compared with the FMR that was in effect one year before the contract anniversary date;
- The PHA approves a change in the allocation of responsibility for utilities between the owner and the tenant;
- The HAP contract is amended to substitute a different contract unit in the same building; or
- There is any other change that may substantially affect the reasonable rent.

#### **How to Determine Reasonable Rent**

The reasonable rent of a unit receiving PBV assistance must be determined by comparison to rent for other comparable unassisted units. When making this determination, the PHA must consider factors that affect market rent. Such factors include the location, quality, size, type and age of the unit, as well as the amenities, housing services maintenance, and utilities to be provided by the owner.

#### ***Comparability Analysis***

For each unit, the comparability analysis must use at least three comparable units in the private unassisted market. This may include units in the premises or project that is receiving project-based assistance. The analysis must show how the reasonable rent was determined, including major differences between the contract units and comparable unassisted units, and must be retained by the PHA. The comparability analysis may be performed by PHA staff or by another qualified person or entity. Those who conduct these analyses or are involved in determining the housing assistance payment based on the analyses may not have any direct or indirect interest in the property.

#### **PHA-owned Units**

For PHA-owned units, the amount of the reasonable rent must be determined by an independent agency approved by HUD in accordance with PBV program requirements. The independent entity must provide a copy of the determination of reasonable rent for PHA-owned units to the PHA and to the HUD field office where the project is located.

### **Owner Certification of Reasonable Rent**

By accepting each monthly housing assistance payment, the owner certifies that the rent to owner is not more than rent charged by the owner for other comparable unassisted units in the premises. At any time, the PHA may require the owner to submit information on rents charged by the owner for other units in the premises or elsewhere.

### **17-VIII.D. EFFECT OF OTHER SUBSIDY AND RENT CONTROL**

In addition to the rent limits discussed in Section 17-VIII.B above, other restrictions may limit the amount of rent to owner in a PBV unit. In addition, certain types of subsidized housing are not even eligible to receive PBV assistance (see Section 17-II.D).

#### **Other Subsidy [24 CFR 983.304]**

At its discretion, a PHA may reduce the initial rent to owner because of other governmental subsidies, including tax credit or tax exemption, grants, or other subsidized financing.

For units receiving assistance under the HOME program, rents may not exceed rent limits as required by that program.

For units in any of the following types of federally subsidized projects, the rent to owner may not exceed the subsidized rent (basic rent) or tax credit rent as determined in accordance with requirements for the applicable federal program:

- An insured or non-insured Section 236 project;
- A formerly insured or non-insured Section 236 project that continues to receive Interest Reduction Payment following a decoupling action;
- A Section 221(d)(3) below market interest rate (BMIR) project;
- A Section 515 project of the Rural Housing Service;
- A project receiving low-income housing tax credits;
- Any other type of federally subsidized project specified by HUD.

#### ***Combining Subsidy***

Rent to owner may not exceed any limitation required to comply with HUD subsidy layering requirements.

#### **Rent Control [24 CFR 983.305]**

In addition to the rent limits set by PBV program regulations, the amount of rent to owner may also be subject to rent control or other limits under local, state, or federal law.

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## **PART IX: PAYMENTS TO OWNER**

### **17-IX.A. HOUSING ASSISTANCE PAYMENTS [24 CFR 983.351]**

During the term of the HAP contract, the PHA must make housing assistance payments to the owner in accordance with the terms of the HAP contract. During the term of the HAP contract, payments must be made for each month that a contract unit complies with HQS and is leased to and occupied by an eligible family. The housing assistance payment must be paid to the owner on or about the first day of the month for which payment is due, unless the owner and the PHA agree on a later date.

Except for discretionary vacancy payments, the PHA may not make any housing assistance payment to the owner for any month after the month when the family moves out of the unit (even if household goods or property are left in the unit).

The amount of the housing assistance payment by the PHA is the rent to owner minus the tenant rent (total tenant payment minus the utility allowance).

In order to receive housing assistance payments, the owner must comply with all provisions of the HAP contract. Unless the owner complies with all provisions of the HAP contract, the owner does not have a right to receive housing assistance payments.

### **17-IX.B. VACANCY PAYMENTS [24 CFR 983.352]**

If an assisted family moves out of the unit, the owner may keep the housing assistance payment for the calendar month when the family moves out. However, the owner may not keep the payment if the PHA determines that the vacancy is the owner's fault.

#### PHA Policy

If the PHA determines that the owner is responsible for a vacancy and, as a result, is not entitled to keep the housing assistance payment, the PHA will notify the landlord of the amount of housing assistance payment that the owner must repay. The PHA will require the owner to repay the amount owed in accordance with the policies in Section 16-IV.B.

At the discretion of the PHA, the HAP contract may provide for vacancy payments to the owner. The PHA may only make vacancy payments if:

- The owner gives the PHA prompt, written notice certifying that the family has vacated the unit and identifies the date when the family moved out (to the best of the owner's knowledge);
- The owner certifies that the vacancy is not the fault of the owner and that the unit was vacant during the period for which payment is claimed;
- The owner certifies that it has taken every reasonable action to minimize the likelihood and length of vacancy; and
- The owner provides any additional information required and requested by the PHA to verify that the owner is entitled to the vacancy payment.

The owner must submit a request for vacancy payments in the form and manner required by the PHA and must provide any information or substantiation required by the PHA to determine the amount of any vacancy payment.

#### PHA Policy

If an owner's HAP contract calls for vacancy payments to be made, and the owner wishes to receive vacancy payments, the owner must have properly notified the PHA of the vacancy in accordance with the policy in Section 17-VI.F. regarding filling vacancies. In order for a vacancy payment request to be considered, it must be made within 10 business days of the end of the period for which the owner is requesting the vacancy payment. The request must include the required owner certifications and the PHA may require the owner to provide documentation to support the request. If the owner does not provide the information requested by the PHA within 10 business days of the PHA's request, no vacancy payments will be made.

### **17-IX.C. TENANT RENT TO OWNER [24 CFR 983.353]**

The tenant rent is the portion of the rent to owner paid by the family. The amount of tenant rent is determined by the PHA in accordance with HUD requirements. Any changes in the amount of tenant rent will be effective on the date stated in the PHA notice to the family and owner.

The family is responsible for paying the tenant rent (total tenant payment minus the utility allowance). The amount of the tenant rent determined by the PHA is the maximum amount the owner may charge the family for rental of a contract unit. The tenant rent covers all housing services, maintenance, equipment, and utilities to be provided by the owner. The owner may not demand or accept any rent payment from the tenant in excess of the tenant rent as determined by the PHA. The owner must immediately return any excess payment to the tenant.

#### **Tenant and PHA Responsibilities**

The family is not responsible for the portion of rent to owner that is covered by the housing assistance payment and the owner may not terminate the tenancy of an assisted family for nonpayment by the PHA.

Likewise, the PHA is responsible only for making the housing assistance payment to the owner in accordance with the HAP contract. The PHA is not responsible for paying tenant rent, or any other claim by the owner, including damage to the unit. The PHA may not use housing assistance payments or other program funds (including administrative fee reserves) to pay any part of the tenant rent or other claim by the owner.

#### **Utility Reimbursements**

If the amount of the utility allowance exceeds the total tenant payment, the PHA must pay the amount of such excess to the tenant as a reimbursement for tenant-paid utilities, and the tenant rent to the owner must be zero.

The PHA may pay the utility reimbursement directly to the family or to the utility supplier on behalf of the family. If the PHA chooses to pay the utility supplier directly, the PHA must notify the family of the amount paid to the utility supplier.

##### PHA Policy

The PHA will make utility reimbursements to the family.

## **17-IX.D. OTHER FEES AND CHARGES [24 CFR 983.354]**

### **Meals and Supportive Services**

With the exception of PBV assistance in assisted living developments, the owner may not require the tenant to pay charges for meals or supportive services. Non-payment of such charges is not grounds for termination of tenancy.

In assisted living developments receiving PBV assistance, the owner may charge for meals or supportive services. These charges may not be included in the rent to owner, nor may the value of meals and supportive services be included in the calculation of the reasonable rent. However, non-payment of such charges is grounds for termination of the lease by the owner in an assisted living development.

### **Other Charges by Owner**

The owner may not charge extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants in the premises.

Attachment A

**Fort Wayne Housing Authority**

**Housing Choice Voucher Program  
Administrative Plan**

*Reasonable Accommodations Policy*

**REASONABLE ACCOMMODATIONS POLICY AND PROCEDURES**

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**REASONABLE MODIFICATIONS UNDER THE FAIR HOUSING ACT**

## **REASONABLE ACCOMMODATIONS POLICY AND PROCEDURES**

### INTRODUCTION

This Reasonable Accommodation Policy and Procedures comprised of **Part A and Part B**, sets forth the policy and procedures of the Housing Authority of The City of Fort Wayne (“FWHA”) in connection with making reasonable accommodations for qualified applicants, participants or residents with disabilities for participation in FWHA’s public housing programs and activities. A copy of this Reasonable Accommodation Policy and Procedures is posted in the FWHA Administrative Offices, the Housing Choice Voucher Program Office, the Management Office at each public housing development, and on the FWHA website at [www.fwha.org](http://www.fwha.org). Additionally, a copy of this Reasonable Accommodation Policy and Implementation Procedures may be obtained upon request from the FWHA Executive Office, 7315 S. Hanna Street, Fort Wayne, IN 46816 260-449-7811.

## ***PART A - POLICY***

### SECTION 1 - DEFINITIONS

- 1.1. The term “**ADA**” shall mean the Americans with Disabilities Act.
- 1.2. The term “**FHA**” shall mean the Fair Housing Act of 1968.
- 1.3. The term “**FWHA**” shall mean the Housing Authority of The City of Fort Wayne.
- 1.4. The phrase “**individual with handicaps**” shall have the same meaning as the term “individual with disabilities” under 24 C.F.R. §8.3, as follows:

**24 C.F.R. § 8.3. Definitions.....**

“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.

- 1.5. The term “**Policy**” shall mean Part A of this Reasonable Accommodation Policy and Procedure, as adopted by the FWHA Board of Commissioners, and as may be amended.
- 1.6. The term “**Procedures**” shall mean Part B of this Reasonable Accommodation Policy and Procedure, as may be revised from time to time.
- 1.7. The term “**reasonable accommodation**” means a modification or change in FWHA’s rules, policies, practices, services, or rental units, which will provide the opportunity to participate in FWHA’s programs and services and to meet FWHA’s essential requirements of tenancy to an otherwise eligible individual with a disability.

### SECTION 2 - POLICY STATEMENT

FWHA is committed to ensuring that its policies and practices do not deny individuals with disabilities the opportunity to participate in, benefit from, nor otherwise discriminate against individuals with disabilities in connection with, the operation of FWHA’s housing services or programs, solely on the basis of such disabilities. Therefore, if an individual with a disability requires an accommodation, such as an accessible feature or modification to FWHA policy, FWHA will provide such accommodation, unless doing so would result in a fundamental alteration in the nature of the program or an undue financial or administrative burden. In such a case, FWHA will attempt to make another accommodation that would not result in a financial or administrative burden.

### SECTION 3 - PURPOSE

This Policy is intended to:

- Communicate FWHA’s position regarding reasonable accommodations for persons with disabilities in connection with the agency’s housing programs services, and policies;
- Establish a procedural guide for implementing such Policy; and
- Comply with applicable federal, state and local laws to ensure accessibility for

persons with disabilities to housing programs, benefits and services administered by FWHA.

#### **SECTION 4 – AUTHORITY**

The requirements of this Policy are based upon the following statutes or regulations:

- Section 504 of the Rehabilitation Act of 1973, as amended (“Section 504”) prohibits discrimination on the basis of disability status and states that:  

“No qualified individual with disabilities shall, solely on the basis of handicap be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity that receives Federal financial assistance”;
- The Fair Housing Act (“FHA”) prohibits discrimination in the sale, rental and financing of dwellings. The FHA requires reasonable accommodations in rules, policies, practices, services and reasonable modifications to dwelling units and public common areas;
- Title II of the Americans With Disabilities Act (“ADA”), prohibits discrimination on the basis of disability status by public entities. Except as provided in §35.102 (b), of 28 CFR Part 35, the ADA applies to all services, programs and activities provided or made available by public entities (State and local governments); and
- Part 8, of Code of Federal Regulations, Title 24, Housing and Urban Development, entitled Non-Discrimination Based On Handicap In Federally Assisted Programs and Activities of the Department of Housing and Urban Development applies to recipients of federal funds and implements the requirements of the Rehabilitation Act.

#### **SECTION 5 - MONITORING AND ENFORCEMENT**

The FWHA Executive Office is responsible for monitoring FWHA’s compliance with, and enforcing the requirements under this Policy. Questions regarding this Policy, its interpretation or implementation should be made by contacting the FWHA Executive Office in writing, or in person by appointment, at 7315 S. Hanna Street, Fort Wayne, IN 46803; or by calling the 504 Coordinator at 260-449-7811. The 504 Coordinator may require the submission of data from FWHA public housing developments and field offices in order to evaluate and document FWHA’s compliance with this Policy.

#### **SECTION 6 - GENERAL PRINCIPLES FOR PROVIDING REASONABLE ACCOMMODATIONS**

Listed below are the general principles which provide a foundation for the Policy and which FWHA staff should apply when responding to requests for reasonable accommodations within all FWHA housing programs:

- 6.1 It is presumed that the individual with a disability is usually knowledgeable of the appropriate types of, and methods for providing, reasonable accommodations needed when making a request. However, FWHA reserves the right to investigate and offer equally effective alternatives to the requested accommodation, and/or alternative methods for providing the requested accommodation.
- 6.2. The procedure for evaluation and responding to requests for a reasonable accommodation relies on a cooperative relationship between FWHA and the applicant/resident. The process is **NOT** adversarial.
- 6.3. FWHA shall inform all applicants and residents of alternative forms of communication. The Request Form is designed to assist FWHA and our applicants/residents. If an applicant/ resident does not, or can not use the Request Form, FWHA will still respond to the request for an accommodation. The applicant/resident may also request assistance with the Request Form or such applicant/resident may request that the Request Form be provided in an equally effective format or means of communication.  
**Example(s):** Some examples of alternative equally effective forms of communication are include the following: Qualified interpreters, printed material, telecommunications devices for deaf persons (TDD's), Indiana Relay System, or other aurally delivered materials available to persons with hearing impairments. Qualified readers, taped texts audio recordings, Brailled materials, large print materials, or other effective methods of making visually delivered materials available to individuals with visual impairments.
- 6.4. If the accommodation is reasonable (see Procedures 3 below), FWHA will grant it.
- 6.5. In accordance with Procedure 3 (below), , FWHA will grant the request for a reasonable accommodation only to the extent that an undue financial and administrative burden is not created thereby.
- 6.6. All written documents required by or as a result of this Policy must contain plain language and, if requested, be in appropriate alternative formats in order to communicate information and decisions to the person requesting the accommodation.
- 6.7. Any required meetings with a person with a disability will be held in an accessible location.

## **SECTION 7 - AMENDMENT**

- 7.1. Policy. The Policy may be amended only by resolution of the Board of Commissioners.
- 7.2. Procedures. The Procedures may be amended within the scope of the Policy by the Executive Director of FWHA.

- 7.3. Legal Compliance. Any amendment to the Policy or Procedures shall be consistent with all applicable laws and regulations.

## **SECTION 8 - STAFF TRAINING**

504 Coordinator will ensure that staff training sessions are held at least annually concerning the Policy and the Procedures and all applicable federal, state and local requirements regarding reasonable accommodations.

## ***PART B - PROCEDURES***

### **PROCEDURE #1 - COMMUNICATION WITH APPLICANTS AND RESIDENTS**

1. At the time of application, any applicant requesting a reasonable accommodation must be provided with the Request for Reasonable Accommodation Form (the “**Request Form**”) (copy of which is affixed hereto as **Attachment 1**), or, upon the applicant’s request, the Request Form must be provided in an equally effective format.
2. FWHA Residents seeking accommodations may contact the housing management office located within their housing development or the management office for their scattered site residence. Also, residents may contact the Executive office directly to request the accommodation.
3. FWHA is responsible for informing all residents that a request may be submitted for reasonable accommodations for an individual with a disability. All residents will be provided the Request Form when requesting a reasonable accommodation. However, a resident may submit the request in writing, orally, or use another equally effective means of communication to request the accommodation. If a request is not submitted on a Request Form, the FWHA staff person receiving the request will complete and date a Request Form and forward it to the 504 Coordinator with a copy to the person making the request. Upon receiving the request, housing management and/or the 504 Coordinator will send the requestor an acknowledgement of the request, in writing or requested alternative format, within ten (10) business days<sup>2</sup>. If additional information or documentation is required, a written request should be issued to the resident by using the Request for Information or Verification Form (“**Request for Information**”), a copy of which is affixed hereto as **Attachment 2**. A submission date should be specified in the Request for Information so as not to delay FWHA’s review of the request. FWHA representative will discuss and review potential means of making accommodations before making a decision on implementation.
4. FWHA will consent to or deny the request within twenty (20) business days after receiving all needed information and documentation from the resident or issue an alternate time limit if circumstances require additional time. If an extended time is required, FWHA will update the requestor periodically, but at no time should more than 30 business days lapse between updates, unless agreed upon in writing by both parties.

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<sup>2</sup> The term “**business days**” shall mean those days of the week, excluding Saturdays, Sundays and holidays observed by FWHA

All decisions to grant or deny reasonable accommodations will be communicated in writing or if required, in an alternative format in order to communicate the decision to the applicant, participant, or resident. Exceptions to the twenty (20) business day period for notification of FWHA's decision on the request should be provided to the resident in writing setting forth the reasons for the delay. A copy each of the **Letter Denying Request for Reasonable Accommodations** and the **Letter Approving Request for Reasonable Accommodations** are affixed hereto as **Attachment 3** and **Attachment 4**, respectively.

5. FWHA will maintain at its Housing Leasing/Admissions Office; Management Offices; and Administrative Office written materials which summarizes this Policy and highlights the procedures for making a request for reasonable accommodations.

## **PROCEDURE #2 - SEQUENCE FOR MAKING DECISIONS**

1. Is the applicant/resident a qualified "individual with a disability"?
  - (a) If **NO**, we are not obligated to make a reasonable accommodation; therefore, we may deny the request.
  - (b) If **YES**, go to Step 2.
  - (c) If more information is needed, either write for more information using the standard *Request for Information* letter, or request a meeting using the standard *Request for Meeting* letter. (A copy of the Request for Meeting letter is affixed hereto as **Attachment 5**).
2. Is the requested accommodation related to the disability?
  - (a) If **NO**, we are not obligated to make the accommodation; therefore, we may deny the request.
  - (b) If **YES**, go to step 3.
  - (c) If more information is needed, either write for more information using the *Request for Information* Letter, or request a meeting using the *Request for Meeting* Letter.
3. Is the requested accommodation reasonable? This determination will be made by following Procedure #3 - Guidelines for Determining Reasonableness.
  - (a) If **YES**, we will approve the request for reasonable accommodation. A written description of the accommodation will be prepared and included in the Letter Approving *Request for Reasonable Accommodations*.
  - (b) If **NO**, we may deny the request. Submit the denial using the Letter Denying *Request for Reasonable Accommodations*.
  - (c) If more information is needed, either write for more information using the Letter Approving *Request for Reasonable Accommodations*, or request a meeting using the *Request for Meeting* Letter.

## **PROCEDURE #3 - GUIDELINES FOR DETERMINING REASONABLENESS**

1. In accordance with Policy Principle 6.1, FWHA will consider the requested method for providing reasonable accommodations for an individual with a disability. However, FWHA is

required to evaluate the requested method and may require the individual with a disability to provide further information to demonstrate the need for the requested accommodation to enable access to and use of the housing program. Additionally, FWHA may offer equally effective alternatives to the requested accommodation, and/or alternative methods for providing the requested accommodation.

2. Requests for reasonable accommodations will be considered on a case-by case basis. Decisions regarding reasonable accommodations will be made in compliance with all applicable accessibility laws and requirements. Additionally, in those circumstances where FWHA deems that a proposed reasonable accommodation would fundamentally alter the service, program, or activity, or would result in undue financial and administrative burdens, FWHA has the burden of proving such result(s).
3. The responsibility for the decision that a proposed reasonable accommodation would result in such alteration or burdens shall rest with the Executive Director or his/her designee after considering all resources available for use in the funding and operation of the service, program, or activity, and must be accompanied by written statement of the reasons for reaching that conclusion. If an action would result in such an alteration or such burdens, FWHA shall propose any other action that will not result in or require an alteration or burden.
4. Live-in-Aides. In some cases, an individual with a disability may require a live-in-aide. In accordance with the provisions of the FWHA dwelling lease, FWHA may permit a live-in to reside in the dwelling unit to assist an individual with a disability. A live-in-aide means a person (a) determined by FWHA to be essential to the care and well being of a family member with a disability; (b) is not obligated to support the family member; and (c) would not be living in the unit except to provide the supportive services. A live-in-aide would not be required to share a bedroom with another member of the household [see 24 CFR 966.4(d)(3)]. Prior to granting permission, the live-in aide must submit to a criminal background check in accordance with FWHA's ACOP and Administrative Plan policies and procedures. Additionally, medical verification of the need for a live-in aide is required., and the following factors will be considered by FWHA in determining whether to approve a live-in aide:
  - (1) Whether the addition of a new occupant would create a situation of overcrowding in the dwelling unit, thereby requiring a transfer to another dwelling unit;
  - (2) The availability of an appropriate dwelling unit; and/or
  - (3) FWHA's obligation to make reasonable accommodation for persons with disabilities.

5. Verification. FWHA may verify a person's disability only to the extent necessary to ensure that applicants are qualified for the housing for which they are applying; that applicants are qualified for deductions used in determining adjusted income; that applicants are entitled to any preference they may claim; and that applicants who have requested a reasonable accommodation have a need for the requested accommodation. FWHA may not require applicants to provide access to confidential medical records in order to verify a disability nor may FWHA require specific details as to the disability. FWHA may require documentation of the manifestation of the disability that causes a need for a specific accommodation or accessible unit. FWHA may not ask what the specific disability is.

***ATTACHMENTS TO PROCEDURES***

**ATTACHMENT 1 - REQUEST FOR A REASONABLE ACCOMMODATION**

**ATTACHMENT 2 - REQUEST FOR INFORMATION OR VERIFICATION**

**ATTACHMENT 3 - LETTER DENYING REQUEST FOR REASONABLE ACCOMMODATIONS**

**ATTACHMENT 4 - LETTER APPROVING REQUEST FOR REASONABLE ACCOMMODATIONS**

**ATTACHMENT 5 - REQUEST FOR MEETING**

**Fort Wayne Housing Authority**  
**7315 S. Hanna Street Fort Wayne IN 46816**

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REQUEST FOR A REASONABLE ACCOMMODATION

If you need:

- a change in our policies or procedures
- a repair or change in your apartment
- change to some other part of the property
- a change in the way we communicate with you because of a disability, you may ask for this change, which is called a “reasonable accommodation.”

Requests for reasonable accommodations will be considered on a case-by-case basis. Decisions regarding reasonable accommodations will be made in compliance with all applicable accessibility laws and requirements. Additionally, in those circumstances where FWHA deems that a proposed reasonable accommodation would fundamentally alter the service, program, or activity, or would result in undue financial and administrative burdens, FWHA has the burden of proving such result.

We will make every effort to render a decision within twenty 20 business days.

We will let you know if we need more information or verification from you or if we would like to discuss other ways of meeting your needs.

If we turn down your request, we will explain our decision, and you may give us additional information.

Please advise us if you need help in using the form, or if you wish to receive this Request Form in an alternative format to meet your communication needs.

**Fort Wayne Housing Authority**  
**7315 S. Hanna Street Fort Wayne IN 46816**

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REQUEST FOR A REASONABLE ACCOMMODATION

The following member of my household has a disability:

Please provide this reasonable accommodation (specify accommodation(s)):

I need this reasonable accommodation because:

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Signed: \_\_\_\_\_

**Fort Wayne Housing Authority**  
**7315 S. Hanna Street Fort Wayne IN 46816**

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REQUEST FOR INFORMATION OR VERIFICATION

Date:

To:

Dear Applicant or Resident:

We have received your Request for a Reasonable Accommodation. We need to know more about [issue, simply and clearly stated] before we can decide.

We need to know more because [reason, simple and clearly stated].

You can give us more information by [acceptable methods of verification]. If this is a problem for you, other ways of providing the information may also be acceptable.

We will not make a decision until we have this new information.

If you think that you have given us this information, or if you think that we should not ask for this information, please call us at 260-449-7811. Please call if you have any other questions.

**Fort Wayne Housing Authority**  
**7315 S. Hanna Street Fort Wayne IN 46803**

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**DENIAL OF REQUEST FOR REASONABLE ACCOMMODATION**

Date:

To:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Dear Applicant or Resident:

You requested the following change or accommodation [describe request]. We have attached a copy of your request form. We have **denied** your request because:

- You do not meet the definition of an individual with disabilities and we are not required to provide a reasonable accommodation.
- We think the accommodation you requested is not reasonable because we have decided:

You do not need this accommodation in order to enjoy or participate equally in our housing.

It will create undue financial and administrative burdens for us.

It will change the fundamental nature of our program.

We have decided this because [give reasons, in clear and simple language].

We relied on these facts to deny your request [give facts, in clear and simple language].

To make this decision we [tell what documents or records we reviewed, tell which people we spoke with, describe other aspects of our investigation process].

If you disagree with our decision, you may contact the following agencies:

U.S. Department of Housing and Urban Development  
Office of Fair Housing & Equal Opportunity  
151 North Delaware Street  
12th Floor Mail Station  
Indianapolis, IN 46204-2526

Phone: 1-800-765-9372  
TTY: 1-800-927-9275

Signature and closing

**Fort Wayne Housing Authority**  
**7315 S. Hanna Street Fort Wayne IN 46803**

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APPROVAL OF REQUEST FOR A REASONABLE ACCOMMODATION

Date:

To:

Dear Applicant or Program Participant:

We have approved your request for the following change or reasonable accommodation [description] :

\_\_\_\_\_ We can provide you with this accommodation by [date].

\_\_\_\_\_ To make the change you requested, we must have three bids and then arrange installation. This is why we are not able to provide you with the accommodation immediately.

\_\_\_\_\_ [other reason for delay]. Please call us at [our telephone number] if you have any questions.

If you think this change or reasonable accommodation is not what you requested, if it is not acceptable, or if you object to the amount of time it will take to provide it, you may contact the Executive Office at 260-449-7811

If FWHA fails to provide this account you may contact this agency:

U.S. Department of Housing and Urban Development  
Office of Fair Housing & Equal Opportunity  
151 North Delaware Street  
12th Floor Mail Station  
Indianapolis, IN 46204-2526

Phone: 1-800-765-9372  
TTY: 1-800-927-9275

[signature and closing]

**Fort Wayne Housing Authority**  
**7315 S. Hanna Street Fort Wayne IN 46803**

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REQUEST FOR A MEETING

Date: To:

Dear Applicant or Program Participant:

We have received your request for a reasonable accommodation. It would help us make our decision if we could meet with you. You may bring someone to assist you with the meeting.

We would like to meet on [date, time, place]. If you cannot come at that time or if the meeting location is a problem, please call us at 260-449-7811.

We will talk about [describe issue, simply and clearly] at this meeting.

Please come ready to talk to us about the changes you want. Please bring copies of any information that you would like to give us.

We look forward to meeting with you.

[signature and closing]

**U.S. DEPARTMENT OF JUSTICE**  
CIVIL RIGHTS DIVISION

**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**  
OFFICE OF FAIR HOUSING AND EQUAL OPPORTUNITY

*Washington, D.C.*  
*March 5, 2008*

**JOINT STATEMENT OF THE  
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
AND THE DEPARTMENT OF JUSTICE**

***REASONABLE MODIFICATIONS UNDER THE FAIR HOUSING ACT***

**Introduction**

The Department of Justice (“DOJ”) and the Department of Housing and Urban Development (“HUD”) are jointly responsible for enforcing the federal Fair Housing Act<sup>1</sup> (the “Act”), which prohibits discrimination in housing on the basis of race, color, religion, sex, national origin, familial status, and disability.<sup>2</sup> One type of disability discrimination prohibited by the Act is a refusal to permit, at the expense of the person with a disability, reasonable modifications of existing premises occupied or to be occupied by such person if such modifications may be necessary to afford such person full enjoyment of the premises.<sup>3</sup> HUD and DOJ frequently respond to complaints alleging that housing providers have violated the Act by refusing reasonable modifications to persons with disabilities. This Statement provides technical assistance regarding the rights and obligations of persons with disabilities and housing providers under the Act relating to reasonable modifications.<sup>4</sup>

<sup>1</sup>The Fair Housing Act is codified at 42 U.S.C. §§ 3601-3619.

<sup>2</sup>The Act uses the term “handicap” instead of “disability.” Both terms have the same legal meaning. See *Bragdon v. Abbott*, 524 U.S. 624, 631 (1998) (noting that the definition of “disability” in the Americans with Disabilities Act is drawn almost verbatim “from the definition of ‘handicap’ contained in the Fair Housing Amendments Act of 1988”). This document uses the term “disability,” which is more generally accepted.

<sup>3</sup>42 U.S.C. § 3604(f)(3)(A).

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This Statement does not address the principles relating to reasonable accommodations. For further information see the Joint Statement of the Department of Housing and Urban

This Statement is not intended to provide specific guidance regarding the Act's design and construction requirements for multifamily dwellings built for first occupancy after March 13, 1991. Some of the reasonable modifications discussed in this Statement are features of accessible design that are required for covered multifamily dwellings pursuant to the Act's design and construction requirements. As a result, people involved in the design and construction of multifamily dwellings are advised to consult the Act at 42 U.S.C. § 3604(f)(3)(c), the implementing regulations at 24 C.F.R. § 100.205, the Fair Housing Accessibility Guidelines, and the Fair Housing Act Design Manual. All of these are available on HUD's website at [www.hud.gov/offices/fheo/disabilities/index.cfm](http://www.hud.gov/offices/fheo/disabilities/index.cfm). Additional technical guidance on the design and construction requirements can also be found on HUD's website and the Fair Housing Accessibility FIRST website at: <http://www.fairhousingfirst.org>.

## **Questions and Answers**

### **1. What types of discrimination against persons with disabilities does the Act prohibit?**

The Act prohibits housing providers from discriminating against housing applicants or residents because of their disability or the disability of anyone associated with them and from treating persons with disabilities less favorably than others because of their disability. The Act makes it unlawful for any person to refuse "to permit, at the expense of the [disabled] person, reasonable modifications of existing premises occupied or to be occupied by such person if such modifications may be necessary to afford such person full enjoyment of the premises, except that, in the case of a rental, the landlord may where it is reasonable to do so condition permission for a modification on the renter agreeing to restore the interior of the premises to the condition that existed before the modification, reasonable wear and tear excepted."<sup>5</sup> The Act also makes it unlawful for any person to refuse "to make reasonable accommodations in rules, policies, practices, or services, when such accommodations may be necessary to afford ... person(s) [with disabilities] equal opportunity to use and enjoy a dwelling." The Act also prohibits housing providers from refusing residency to persons with disabilities, or, with some narrow exceptions<sup>6</sup>,

Development and the Department of Justice: Reasonable Accommodations Under the Fair Housing Act, dated May 17, 2004. This Joint Statement is available at [www.hud.gov/offices/fheo/disabilities/index.cfm](http://www.hud.gov/offices/fheo/disabilities/index.cfm) and [http://www.usdoj.gov/crt/housing/jointstatement\\_ra.htm](http://www.usdoj.gov/crt/housing/jointstatement_ra.htm). See also 42 U.S.C. § 3604(f)(3)(B).

This Statement also does not discuss in depth the obligations of housing providers who are recipients of federal financial assistance to make and pay for structural changes to units and common and public areas that are needed as a reasonable accommodation for a person's disability. See Question 31.

<sup>5</sup> 42 U.S.C. § 3604(f)(3)(A). HUD regulations pertaining to reasonable modifications may be found at 24 C.F.R. § 100.203.

<sup>6</sup> The Act contemplates certain limits to the receipt of reasonable accommodations or reasonable modifications. For example, a tenant may be required to deposit money into an interest bearing placing conditions on their residency, because those persons may require reasonable modifications or reasonable accommodations.

## **2. What is a reasonable modification under the Fair Housing Act?**

A reasonable modification is a structural change made to existing premises, occupied or to be occupied by a person with a disability, in order to afford such person full enjoyment of the premises. Reasonable modifications can include structural changes to interiors and exteriors of dwellings and to common and public use areas. A request for a reasonable modification may be made at any time during the tenancy. The Act makes it unlawful for a housing provider or homeowners' association to refuse to allow a reasonable modification to the premises when such a modification may be necessary to afford persons with disabilities full enjoyment of the premises.

To show that a requested modification may be necessary, there must be an identifiable relationship, or nexus, between the requested modification and the individual's disability. Further, the modification must be "reasonable." Examples of modifications that typically are reasonable include widening doorways to make rooms more accessible for persons in wheelchairs; installing grab bars in bathrooms; lowering kitchen cabinets to a height suitable for persons in wheelchairs; adding a ramp to make a primary entrance accessible for persons in wheelchairs; or altering a walkway to provide access to a public or common use area. These examples of reasonable modifications are not exhaustive.

## **3. Who is responsible for the expense of making a reasonable modification?**

The Fair Housing Act provides that while the housing provider must permit the modification, the tenant is responsible for paying the cost of the modification.

## **4. Who qualifies as a person with a disability under the Act?**

The Act defines a person with a disability to include (1) individuals with a physical or mental impairment that substantially limits one or more major life activities; (2) individuals who are regarded as having such an impairment; and (3) individuals with a record of such an impairment.

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, Human

Immunodeficiency Virus infection, mental retardation, emotional illness, drug addiction (other than addiction caused by current, illegal use of a controlled substance) and alcoholism.

account to ensure that funds are available to restore the interior of a dwelling to its previous state. See, e.g., Question 21 below. A reasonable accommodation can be conditioned on meeting reasonable safety requirements, such as requiring persons who use motorized wheelchairs to operate them in a manner that does not pose a risk to the safety of others or cause damage to other persons' property. See Joint Statement on Reasonable Accommodations, Question 11.

The term "substantially limits" suggests that the limitation is "significant" or "to a large degree."

The term "major life activity" means those activities that are of central importance to daily life, such as seeing, hearing, walking, breathing, performing manual tasks, caring for one's self, learning, and speaking. This list of major life activities is not exhaustive.

## **5. Who is entitled to a reasonable modification under the Fair Housing Act?**

Persons who meet the Fair Housing Act's definition of "person with a disability" may be entitled to a reasonable modification under the Act. However, there must be an identifiable relationship, or nexus, between the requested modification and the individual's disability. If no such nexus exists, then the housing provider may refuse to allow the requested modification.

**Example 1:** A tenant, whose arthritis impairs the use of her hands and causes her substantial difficulty in using the doorknobs in her apartment, wishes to replace the doorknobs with levers. Since there is a relationship between the tenant's disability and the requested modification and the modification is reasonable, the housing provider must allow her to make the modification at the tenant's expense.

**Example 2:** A homeowner with a mobility disability asks the condo association to permit him to change his roofing from shaker shingles to clay tiles and fiberglass shingles because he alleges that the shingles are less fireproof and put him at greater risk during a fire. There is no evidence that the shingles permitted by the homeowner's association provide inadequate fire protection and the person with the disability has not identified a nexus between his disability and the need for clay tiles and fiberglass shingles. The homeowner's association is not required to permit the homeowner's modification because the homeowner's request is not reasonable and there is no nexus between the request and the disability.

## **6. If a disability is not obvious, what kinds of information may a housing provider request from the person with a disability in support of a requested reasonable modification?**

A housing provider may not ordinarily inquire as to the nature and severity of an individual's disability. However, in response to a request for a reasonable modification, a

housing provider may request reliable disability-related information that (1) is necessary to verify that the person meets the Act's definition of disability (i.e., has a physical or mental impairment that substantially limits one or more major life activities), (2) describes the needed modification, and (3) shows the relationship between the person's disability and the need for the requested modification. Depending on the individual's circumstances, information verifying that the person meets the Act's definition of disability can usually be provided by the individual herself (e.g., proof that an individual under 65 years of age receives Supplemental Security Income or Social Security Disability Insurance benefits or a credible statement by the individual). A doctor or other medical professional, a peer support group, a non-medical service agency, or a reliable third party who is in a position to know about the individual's disability may also provide verification of a disability. In most cases, an individual's medical records or detailed information about the nature of a person's disability is not necessary for this inquiry.

Once a housing provider has established that a person meets the Act's definition of disability, the provider's request for documentation should seek only the information that is necessary to evaluate if the reasonable modification is needed because of a disability. Such information must be kept confidential and must not be shared with other persons unless they need the information to make or assess a decision to grant or deny a reasonable modification request or unless disclosure is required by law (e.g., a court-issued subpoena requiring disclosure).

#### **7. What kinds of information, if any, may a housing provider request from a person with an obvious or known disability who is requesting a reasonable modification?**

A housing provider is entitled to obtain information that is necessary to evaluate whether a requested reasonable modification may be necessary because of a disability. If a person's disability is obvious, or otherwise known to the housing provider, and if the need for the requested modification is also readily apparent or known, then the provider may not request any additional information about the requester's disability or the disability-related need for the modification.

If the requester's disability is known or readily apparent to the provider, but the need for the modification is not readily apparent or known, the provider may request only information that is necessary to evaluate the disability-related need for the modification.

**Example 1:** An applicant with an obvious mobility impairment who uses a motorized scooter to move around asks the housing provider to permit her to install a ramp at the entrance of the apartment building. Since the physical disability (i.e., difficulty walking) and the disability-related need for the requested modification are both readily apparent, the provider may not require the applicant to provide any additional information about her disability or the need for the requested modification.

<sup>8</sup> Persons who meet the definition of disability for purposes of receiving Supplemental Security Income (“SSI”) or Social Security Disability Income (“SSDI”) benefits in most cases meet the definition of a disability under the Fair Housing Act, although the converse may not be true. See, e.g., Cleveland v. Policy Management Systems Corp, 526 U.S. 795, 797 (1999) (noting that SSDI provides benefits to a person with a disability so severe that she is unable to do her previous work and cannot engage in any other kind of substantial gainful work whereas a person pursuing an action for disability discrimination under the Americans with Disabilities Act may state a claim that “with a reasonable accommodation” she could perform the essential functions of the job).

**Example 2:** A deaf tenant asks his housing provider to allow him to install extra electrical lines and a cable line so the tenant can use computer equipment that helps him communicate with others. If the tenant’s disability is known, the housing provider may not require him to document his disability; however, since the need for the electrical and cable lines may not be apparent, the housing provider may request information that is necessary to support the disability-related need for the requested modification.

## **8. Who must comply with the Fair Housing Act’s reasonable modification requirements?**

Any person or entity engaging in prohibited conduct – i.e., refusing to allow an individual to make reasonable modifications when such modifications may be necessary to afford a person with a disability full enjoyment of the premises – may be held liable unless they fall within an exception to the Act’s coverage. Courts have applied the Act to individuals, corporations, associations and others involved in the provision of housing and residential lending, including property owners, housing managers, homeowners and condominium associations, lenders, real estate agents, and brokerage services. Courts have also applied the Act to state and local governments, most often in the context of exclusionary zoning or other land-use decisions. See, e.g., City of Edmonds v. Oxford House, Inc., 514 U.S. 725, 729 (1995); Project Life v. Glendening, 139 F. Supp. 2d 703, 710 (D. Md. 2001), aff’d, 2002 WL 2012545 (4th Cir. 2002).

## **9. What is the difference between a *reasonable accommodation* and a *reasonable modification* under the Fair Housing Act?**

Under the Fair Housing Act, a *reasonable modification* is a structural change made to the premises whereas a *reasonable accommodation* is a change, exception, or adjustment to a rule, policy, practice, or service. A person with a disability may need either a reasonable accommodation or a reasonable modification, or both, in order to have an equal opportunity to use and enjoy a dwelling, including public and common use spaces. Generally, under the Fair Housing Act, the housing provider is responsible for the costs associated with a reasonable accommodation unless it is an undue financial and administrative burden, while the tenant or someone acting on the tenant’s behalf, is responsible for costs associated with a reasonable modification. See Reasonable Accommodation Statement, Questions 7 and 8.

**Example 1:** Because of a mobility disability, a tenant wants to install grab bars in the bathroom. This is a reasonable modification and must be permitted at the tenant's expense.

Housing providers that receive federal financial assistance are also subject to the requirements of Section 504 of the Rehabilitation Act of 1973. 29 U.S.C. § 794. Section 504, and its implementing regulations at 24 C.F.R. Part 8, prohibit discrimination based on disability, and obligate housing providers to make and pay for structural changes to facilities, if needed as a reasonable accommodation for applicants and tenants with disabilities, unless doing so poses an undue financial and administrative burden. See Question 31.

**Example 2:** Because of a hearing disability, a tenant wishes to install a peephole in her door so she can see who is at the door before she opens it. This is a reasonable modification and must be permitted at the tenant's expense.

**Example 3:** Because of a mobility disability, a tenant wants to install a ramp outside the building in a common area. This is a reasonable modification and must be permitted at the tenant's expense. See also Questions 19, 20 and 21.

**Example 4:** Because of a vision disability, a tenant requests permission to have a guide dog reside with her in her apartment. The housing provider has a "no-pets" policy. This is a request for a reasonable accommodation, and the housing provider must grant the accommodation.

## **10. Are reasonable modifications restricted to the interior of a dwelling?**

No. Reasonable modifications are not limited to the interior of a dwelling. Reasonable modifications may also be made to public and common use areas such as widening entrances to fitness centers or laundry rooms, or for changes to exteriors of dwelling units such as installing a ramp at the entrance to a dwelling.

## **11. Is a request for a parking space because of a physical disability a *reasonable accommodation* or a *reasonable modification*?**

Courts have treated requests for parking spaces as requests for a reasonable accommodation and have placed the responsibility for providing the parking space on the housing provider, even if provision of an accessible or assigned parking space results in some cost to the provider. For example, courts have required a housing provider to provide an assigned space even though the housing provider had a policy of not assigning parking spaces or had a waiting list for available parking. However, housing providers may not require persons with disabilities to pay extra fees as a condition of receiving accessible parking spaces.

Providing a parking accommodation could include creating signage, repainting markings, redistributing spaces, or creating curb cuts. This list is not exhaustive.

**12. What if the structural changes being requested by the tenant or applicant are in a building that is subject to the design and construction requirements of the Fair Housing Act and the requested structural changes are a feature of accessible design that should have already existed in the unit or common area, e.g., doorways wide enough to accommodate a wheelchair, or an accessible entryway to a unit.**

7

The Fair Housing Act provides that covered multifamily dwellings built for first occupancy after March 13, 1991, shall be designed and constructed to meet certain minimum accessibility and adaptability standards. If any of the structural changes needed by the tenant are ones that should have been included in the unit or public and common use area when constructed then the housing provider may be responsible for providing and paying for those requested structural changes. However, if the requested structural changes are not a feature of accessible design that should have already existed in the building pursuant to the design and construction requirements under the Act, then the tenant is responsible for paying for the cost of the structural changes as a reasonable modification.

Although the design and construction provisions only apply to certain multifamily dwellings built for first occupancy since 1991, a tenant may request reasonable modifications to housing built prior to that date. In such cases, the housing provider must allow the modifications, and the tenant is responsible for paying for the costs under the Fair Housing Act.

For a discussion of the design and construction requirements of the Act, and their applicability, see HUD's website at: [www.hud.gov/offices/fheo/disabilities/index.cfm](http://www.hud.gov/offices/fheo/disabilities/index.cfm) and the Fair Housing Accessibility FIRST website at: <http://www.fairhousingfirst.org>.

**Example 1:** A tenant with a disability who uses a wheelchair resides in a ground floor apartment in a non-elevator building that was built in 1995. Buildings built for first occupancy after March 13, 1991 are covered by the design and construction requirements of the Fair Housing Act. Because the building is a non-elevator building, all ground floor units must meet the minimum accessibility requirements of the Act. The doors in the apartment are not wide enough for passage using a wheelchair in violation of the design and construction requirements but can be made so through retrofitting. Under these circumstances, one federal court has held that the tenant may have a potential claim against the housing provider.

**Example 2:** A tenant with a disability resides in an apartment in a building that was built in 1987. The doors in the unit are not wide enough for passage using a wheelchair but can be made so through retrofitting. If the tenant meets the other requirements for obtaining a modification, the tenant may widen the doorways, at her own expense.

**Example 3:** A tenant with a disability resides in an apartment in a building that was built in 1993 in compliance with the design and construction requirements of the Fair Housing Act. The tenant wants to install grab bars in the bathroom because of her disability. Provided that the tenant meets the other requirements for obtaining a modification, the tenant may install the grab bars at her own expense.

### **13. Who is responsible for expenses associated with a reasonable modification, e.g., for upkeep or maintenance?**

The tenant is responsible for upkeep and maintenance of a modification that is used exclusively by her. If a modification is made to a common area that is normally maintained by the housing provider, then the housing provider is responsible for the upkeep and maintenance of the modification. If a modification is made to a common area that is not normally maintained by the housing provider, then the housing provider has no responsibility under the Fair Housing Act to maintain the modification.

**Example 1:** Because of a mobility disability, a tenant, at her own expense, installs a lift inside her unit to allow her access to a second story. She is required to maintain the lift at her expense because it is not in a common area.

**Example 2:** Because of a mobility disability, a tenant installs a ramp in the lobby of a multifamily building at her own expense. The ramp is used by other tenants and the public as well as the tenant with the disability. The housing provider is responsible for maintaining the ramp.

**Example 3:** A tenant leases a detached, single-family home. Because of a mobility disability, the tenant installs a ramp at the outside entrance to the home. The housing provider provides no snow removal services, and the lease agreement specifically states that snow removal is the responsibility of the individual tenant. Under these circumstances, the housing provider has no responsibility under the Fair Housing Act to remove snow on the tenant's ramp. However, if the housing provider normally provides snow removal for the outside of the building and the common areas, the housing provider is responsible for removing the snow from the ramp as well.

### **14. In addition to current residents, are prospective tenants and buyers of housing protected by the reasonable modification provisions of the Fair Housing Act?**

Yes. A person may make a request for a reasonable modification at any time. An individual may request a reasonable modification of the dwelling at the time that the potential tenancy or purchase is discussed. Under the Act, a housing provider cannot deny or restrict access to housing because a request for a reasonable modification is made. Such conduct would constitute discrimination. The modification does not have to be made, however, unless it is reasonable. See Questions 2, 16, 21 and 23.

### **15. When and how should an individual request permission to make a modification?**

Under the Act, a resident or an applicant for housing makes a reasonable modification request whenever she makes clear to the housing provider that she is requesting permission to make a structural change to the premises because of her disability. She should explain that she has a disability, if not readily apparent or not known to the housing provider, the type of modification she is requesting, and the relationship between the requested modification and her disability.

An applicant or resident is not entitled to receive a reasonable modification unless she requests one. However, the Fair Housing Act does not require that a request be made in a particular manner or at a particular time. A person with a disability need not personally make the reasonable modification request; the request can be made by a family member or someone else who is acting on her behalf. An individual making a reasonable modification request does not need to mention the Act or use the words “reasonable modification.” However, the requester must make the request in a manner that a reasonable person would understand to be a request for permission to make a structural change because of a disability.

Although a reasonable modification request can be made orally or in writing, it is usually helpful for both the resident and the housing provider if the request is made in writing. This will help prevent misunderstandings regarding what is being requested, or whether the request was made. To facilitate the processing and consideration of the request, residents or prospective residents may wish to check with a housing provider in advance to determine if the provider has a preference regarding the manner in which the request is made. However, housing providers must give appropriate consideration to reasonable modification requests even if the requester makes the request orally or does not use the provider's preferred forms or procedures for making such requests.

**16. Does a person with a disability have to have the housing provider’s approval before making a reasonable modification to the dwelling?**

Yes. A person with a disability must have the housing provider’s approval before making the modification. However, if the person with a disability meets the requirements under the Act for a reasonable modification and provides the relevant documents and assurances, the housing provider cannot deny the request.

**17. What if the housing provider fails to act promptly on a reasonable modification request?**

A provider has an obligation to provide prompt responses to a reasonable modification request. An undue delay in responding to a reasonable modification request may be deemed a failure to permit a reasonable modification.

**18. What if the housing provider proposes that the tenant move to a different unit in lieu of making a proposed modification?**

The housing provider cannot insist that a tenant move to a different unit in lieu of allowing the tenant to make a modification that complies with the requirements for reasonable modifications. See Questions 2, 21 and 23. Housing providers should be aware that persons with disabilities typically have the most accurate knowledge regarding the functional limitations posed by their disability.

**Example:** As a result of a mobility disability, a tenant requests that he be permitted, at his expense, to install a ramp so that he can access his apartment using his motorized wheelchair. The existing entrance to his dwelling is not wheelchair accessible because the route to the front door requires going up a step. The housing provider proposes that in lieu of installing the ramp, the tenant move to a different unit in the building. The tenant is not obligated to accept the alternative proposed by the housing provider, as his request to modify his unit is reasonable and must be approved.

**19. What if the housing provider wants an alternative modification or alternative design for the proposed modification that does not cost more but that the housing provider considers more aesthetically pleasing?**

In general, the housing provider cannot insist on an alternative modification or an alternative design if the tenant complies with the requirements for reasonable modifications. See Questions 2, 21 and 23. If the modification is to the interior of the unit and must be restored to its original condition when the tenant moves out, then the housing provider cannot require that its design be used instead of the tenant's design. However, if the modification is to a common area or an aspect of the interior of the unit that would not have to be restored because it would not be reasonable to do so, and if the housing provider's proposed design imposes no additional costs and still meets the tenant's needs, then the modification should be done in accordance with the housing provider's design. See Question 24 for a discussion of the restoration requirements.

**Example 1:** As a result of a mobility disability, a tenant requests that he be permitted, at his expense, to install a ramp so that he can access his apartment using his motorized wheelchair. The existing entrance to his dwelling is not wheelchair accessible because the route to the front door requires going up a step. The housing provider proposes an alternative design for a ramp but the alternative design costs more and does not meet the tenant's needs. The tenant is not obligated to accept the alternative modification, as his request to modify his unit is reasonable and must be approved.

**Example 2:** As a result of a mobility disability, a tenant requests permission to widen a doorway to allow passage with her wheelchair. All of the doorways in the unit are trimmed with a decorative trim molding that does not cost any more than the standard trim molding. Because in usual circumstances it would not be reasonable to require that the doorway be restored at the end of the tenancy, the tenant should use the decorative trim when he widens the doorway.

**20. What if the housing provider wants a more costly design for the requested modification?**

If the housing provider wishes a modification to be made with more costly materials, in order to satisfy the landlord's aesthetic standards, the tenant must agree only if the housing provider pays those additional costs. Further, as discussed in Questions 21 and 23 below, housing providers may require that the tenant obtain all necessary building permits and may require that the work be performed in a workmanlike manner. If the housing provider requires more costly materials be used to satisfy her workmanship preferences beyond the requirements of the applicable local codes, the tenant must agree only if the housing provider pays for those additional costs as well. In such a case, however, the housing provider's design must still meet the tenant's needs.

**21. What types of documents and assurances may a housing provider require regarding the modification before granting the reasonable modification?**

A housing provider may require that a request for a reasonable modification include a description of the proposed modification both before changes are made to the dwelling and before granting the modification. A description of the modification to be made may be provided to a housing provider either orally or in writing depending on the extent and nature of the proposed modification. A housing provider may also require that the tenant obtain any building permits needed to make the modifications, and that the work be performed in a workmanlike manner.

The regulations implementing the Fair Housing Act state that housing providers generally cannot impose conditions on a proposed reasonable modification. For example, a housing provider cannot require that the tenant obtain additional insurance or increase the security deposit as a condition that must be met before the modification will be allowed. However, the Preamble to the Final Regulations also indicates that there are some conditions that can be placed on a tenant requesting a reasonable modification. For example, in certain limited and narrow circumstances, a housing provider may require that the tenant deposit money into an interest bearing account to ensure that funds are available to restore the interior of a dwelling to its previous state, ordinary wear and tear excepted. Imposing conditions not contemplated by the Fair Housing Act and its implementing regulations may be the same as an illegal refusal to permit the modification.

**22. May a housing provider or homeowner's association condition approval of the requested modification on the requester obtaining special liability insurance?**

No. Imposition of such a requirement would constitute a violation of the Fair Housing Act.

**Example:** Because of a mobility disability, a tenant wants to install a ramp outside his unit. The housing provider informs the tenant that the ramp may be installed, but only after the tenant obtains separate liability insurance for the ramp out of concern for the housing provider's potential liability. The housing provider may not impose a requirement of liability insurance as a condition of approval of the ramp.

**23. Once the housing provider has agreed to a reasonable modification, may she insist that a particular contractor be used to perform the work?**

No. The housing provider cannot insist that a particular contractor do the work. The housing provider may only require that whoever does the work is reasonably able to complete the work in a workmanlike manner and obtain all necessary building permits.

**24. If a person with a disability has made reasonable modifications to the interior of the dwelling, must she restore *all* of them when she moves out?**

The tenant is obligated to restore those portions of the interior of the dwelling to their previous condition only where “it is reasonable to do so” and where the housing provider has requested the restoration. The tenant is not responsible for expenses associated with reasonable wear and tear. In general, if the modifications do not affect the housing provider’s or subsequent tenant’s use or enjoyment of the premises, the tenant cannot be required to restore the modifications to their prior state. A housing provider may choose to keep the modifications in place at the end of the tenancy. See also Question 28.

**Example 1:** Because the tenant uses a wheelchair, she obtained permission from her housing provider to remove the base cabinets and lower the kitchen sink to provide for greater accessibility. It is reasonable for the housing provider to ask the tenant to replace the cabinets and raise the sink back to its original height.

**Example 2:** Because of a mobility disability, a tenant obtained approval from the housing provider to install grab bars in the bathroom. As part of the installation, the contractor had to construct reinforcements on the underside of the wall. These reinforcements are not visible and do not detract from the use of the apartment. It is reasonable for the housing provider to require the tenant to remove the grab bars, but it is not reasonable for the housing provider to require the tenant to remove the reinforcements.

**Example 3:** Because of a mobility disability, a tenant obtained approval from the housing provider to widen doorways to allow him to maneuver in his wheelchair. In usual circumstances, it is not reasonable for the housing provider to require him to restore the doorways to their prior width.

**25. Of the reasonable modifications made to the interior of a dwelling that must be restored, must the person with a disability pay to make those restorations when she moves out?**

Yes. Reasonable restorations of the dwelling required as a result of modifications made to the interior of the dwelling must be paid for by the tenant unless the next occupant of the dwelling wants to retain the reasonable modifications and where it is reasonable to do so, the next occupant is willing to establish a new interest bearing escrow account. The subsequent tenant would have to restore the modifications to the prior condition at the end of his tenancy if it is reasonable to do so and if requested by the housing provider. See also Question 24.

**26. If a person with a disability has made a reasonable modification to the exterior of the dwelling, or a common area, must she restore it to its original condition when she moves out?**

No. The Fair Housing Act expressly provides that housing providers may only require restoration of modifications made to interiors of the dwelling at the end of the tenancy. Reasonable modifications such as ramps to the front door of the dwelling or modifications made to laundry rooms or building entrances are not required to be restored.

**27. May a housing provider increase or require a person with a disability to pay a security deposit if she requests a reasonable modification?**

No. The housing provider may not require an increased security deposit as the result of a request for a reasonable modification, nor may a housing provider require a tenant to pay a security deposit when one is not customarily required. However, a housing provider may be able to take other steps to ensure that money will be available to pay for restoration of the interior of the premises at the end of the tenancy. See Questions 21 and 28.

**28. May a housing provider take other steps to ensure that money will be available to pay for restoration of the interior of the premises at the end of the tenancy?**

Where it is necessary in order to ensure with reasonable certainty that funds will be available to pay for the restorations at the end of the tenancy, the housing provider may negotiate with the tenant as part of a restoration agreement a provision that requires the tenant to make payments into an interest-bearing escrow account. A housing provider may not routinely require that tenants place money in escrow accounts when a modification is sought. Both the amount and the terms of the escrow payment are subject to negotiation between the housing provider and the tenant.

Simply because an individual has a disability does not mean that she is less creditworthy than an individual without a disability. The decision to require that money be placed in an escrow account should be based on the following factors: 1) the extent and nature of the proposed modifications; 2) the expected duration of the lease; 3) the credit and tenancy history of the individual tenant; and 4) other information that may bear on the risk to the housing provider that the premises will not be restored.

If the housing provider decides to require payment into an escrow account, the amount of money to be placed in the account cannot exceed the cost of restoring the modifications, and the period of time during which the tenant makes payment into the escrow account must be reasonable. Although a housing provider may require that funds be placed in escrow, it does not automatically mean that the full amount of money needed to make the future restorations can be required to be paid at the time that the modifications are sought. In addition, it is important to note that interest from the account accrues to the benefit of the tenant. If an escrow account is established, and the housing provider later decides not to have the unit restored, then all funds in the account, including the interest, must be promptly returned to the tenant.

**Example 1:** Because of a mobility disability, a tenant requests a reasonable modification. The modification includes installation of grab bars in the bathroom. The tenant has an excellent credit history and has lived in the apartment for five years before becoming disabled. Under these circumstances, it may not be reasonable to require payment into an escrow account.

**Example 2:** Because of a mobility disability, a new tenant with a poor credit history wants to lower the kitchen cabinets to a more accessible height. It may be reasonable for the housing provider to require payment into an interest bearing escrow account to ensure that funds are available for restoration.

**Example 3:** A housing provider requires all tenants with disabilities to pay a set sum into an interest bearing escrow account before approving any request for a reasonable modification. The amount required by the housing provider has no relationship to the actual cost of the restoration. This type of requirement violates the Fair Housing Act.

**29. What if a person with a disability moves into a rental unit and wants the carpet taken up because her wheelchair does not move easily across carpeting? Is that a reasonable accommodation or modification?**

Depending on the circumstances, removal of carpeting may be either a reasonable accommodation or a reasonable modification.

**Example 1:** If the housing provider has a practice of not permitting a tenant to change flooring in a unit and there is a smooth, finished floor underneath the carpeting, generally, allowing the tenant to remove the carpet would be a reasonable accommodation.

**Example 2:** If there is no finished flooring underneath the carpeting, generally, removing the carpeting and installing a finished floor would be a reasonable modification that would have to be done at the tenant's expense. If the finished floor installed by the tenant does not affect the housing provider's or subsequent tenant's use or enjoyment of the premises, the tenant would not have to restore the carpeting at the conclusion of the tenancy. See Questions 24 and 25.

**Example 3:** If the housing provider has a practice of replacing the carpeting before a new tenant moves in, and there is an existing smooth, finished floor underneath, then it would be a reasonable accommodation of his normal practice of installing new carpeting for the housing provider to just take up the old carpeting and wait until the tenant with a mobility disability moves out to put new carpeting down.

**30. Who is responsible for paying for the costs of structural changes to a dwelling unit that has not yet been constructed if a purchaser with a disability needs different or additional features to make the unit meet her disability-related needs?**

If the dwelling unit is not subject to the design and construction requirements (*i.e.*, a detached single family home or a multi-story townhouse without an elevator), then the purchaser

is responsible for the additional costs associated with the structural changes. The purchaser is responsible for any additional cost that the structural changes might create over and above what the original design would have cost.

If the unit being purchased is subject to the design and construction requirements of the Fair Housing Act, then all costs associated with incorporating the features required by the Act are borne by the builder. If a purchaser with a disability needs different or additional features added to a unit under construction or about to be constructed beyond those already required by the Act, and it would cost the builder more to provide the requested features, the structural changes would be considered a reasonable modification and the additional costs would have to be borne by the purchaser. The purchaser is responsible for any additional cost that the structural changes might create over and above what the original design would have cost.

**Example 1:** A buyer with a mobility disability is purchasing a single family dwelling under construction and asks for a bathroom sink with a floorless base cabinet with retractable doors that allows the buyer to position his wheelchair under the sink. If the cabinet costs more than the standard vanity cabinet provided by the builder, the buyer is responsible for the additional cost, not the full cost of the requested cabinet. If, however, the alternative cabinet requested by the buyer costs less than or the same as the one normally provided by the builder, and the installation costs are also the same or less, then the builder should install the requested cabinet without any additional cost to the buyer.

**Example 2:** A buyer with a mobility disability is purchasing a ground floor unit in a detached townhouse that is designed with a concrete step at the front door. The buyer requests that the builder grade the entrance to eliminate the need for the step. If the cost of providing the at-grade entrance is no greater than the cost of building the concrete step, then the builder would have to provide the at-grade entrance without additional charge to the purchaser.

**Example 3:** A buyer with a mobility disability is purchasing a unit that is subject to the design and construction requirements of the Fair Housing Act. The buyer wishes to have grab bars installed in the unit as a reasonable modification to the bathroom. The builder is responsible for installing and paying for the wall reinforcements for the grab bars because these reinforcements are required under the design and construction provisions of the Act. The buyer is responsible for the costs of installing and paying for the grab bars.

**31. Are the rules the same if a person with a disability lives in housing that receives federal financial assistance and the needed structural changes to the unit or common area are the result of the tenant having a disability?**

Housing that receives federal financial assistance is covered by both the Fair Housing Act and Section 504 of the Rehabilitation Act of 1973. Under regulations implementing Section 504, structural changes needed by an applicant or resident with a disability in housing receiving federal financial assistance are considered reasonable accommodations. They must be paid for by

the housing provider unless providing them would be an undue financial and administrative burden or a fundamental alteration of the program or unless the housing provider can accommodate the individual's needs through other means. Housing that receives federal financial assistance and that is provided by state or local entities may also be covered by Title II of the Americans with Disabilities Act.

**Example 1:** A tenant who uses a wheelchair and who lives in privately owned housing needs a roll-in shower in order to bathe independently. Under the Fair Housing Act the tenant would be responsible for the costs of installing the roll-in shower as a reasonable modification to his unit.

**Example 2:** A tenant who uses a wheelchair and who lives in housing that receives federal financial assistance needs a roll-in shower in order to bathe independently. Under Section 504 of the Rehabilitation Act of 1973, the housing provider would be obligated to pay for and install the roll-in shower as a reasonable accommodation to the tenant unless doing so was an undue financial and administrative burden or unless the housing provider could meet the tenant's disability-related needs by transferring the tenant to another appropriate unit that contains a roll-in shower.

HUD has provided more detailed information about Section 504's requirements. See [www.hud.gov/offices/fheo/disabilities/sect504.cfm](http://www.hud.gov/offices/fheo/disabilities/sect504.cfm).

**32. If a person believes that she has been unlawfully denied a reasonable modification, what should that person do if she wants to challenge that denial under the Act?**

When a person with a disability believes that she has been subjected to a discriminatory housing practice, including a provider's wrongful denial of a request for a reasonable modification, she may file a complaint with HUD within one year after the alleged denial or may file a lawsuit in federal district court within two years of the alleged denial. If a complaint is filed, HUD will investigate the complaint at no cost to the person with a disability.

There are several ways that a person may file a complaint with HUD:

By placing a toll-free call to 1-800-669-9777 or TTY 1-800-927-9275;

By completing the "on-line" complaint form available on the HUD internet site: <http://www.hud.gov>; or

By mailing a completed complaint form or letter to:

Office of Fair Housing and Equal Opportunity  
Department of Housing & Urban Development  
451 Seventh Street, S.W., Room 5204  
Washington, DC 20410-2000

Upon request, HUD will provide printed materials in alternate formats (large print, audio tapes, or Braille) and provide complainants with assistance in reading and completing forms.

The Civil Rights Division of the Justice Department brings lawsuits in federal courts across the country to end discriminatory practices and to seek monetary and other relief for individuals whose rights under the Fair Housing Act have been violated. The Civil Rights Division initiates lawsuits when it has reason to believe that a person or entity is involved in a “pattern or practice” of discrimination or when there has been a denial of rights to a group of persons that raises an issue of general public importance. The Division also participates as *amicus curiae* in federal court cases that raise important legal questions involving the application and/or interpretation of the Act. To alert the Justice Department to matters involving a pattern or practice of discrimination, matters involving the denial of rights to groups of persons, or lawsuits raising issues that may be appropriate for *amicus* participation, contact:

U.S. Department of Justice Civil Rights Division Housing and Civil  
Enforcement Section – G St. 950 Pennsylvania Avenue, N.W.  
Washington, DC 20530

For more information on the types of housing discrimination cases handled by the Civil Rights Division, please refer to the Housing and Civil Enforcement Section’s website at <http://www.usdoj.gov/crt/housing/hcehome.html>.

A HUD or Department of Justice decision not to proceed with a Fair Housing Act matter does not foreclose private plaintiffs from pursuing a private lawsuit. However, litigation can be an expensive, time-consuming, and uncertain process for all parties. HUD and the Department of Justice encourage parties to Fair Housing Act disputes to explore all reasonable alternatives to litigation, including alternative dispute resolution procedures, such as mediation. HUD attempts to conciliate all Fair Housing Act complaints. In addition, it is the Department of Justice’s policy to offer prospective defendants the opportunity to engage in pre-suit settlement negotiations, except in the most unusual circumstances.

**Attachment B**

**Fort Wayne Housing Authority**

**Housing Choice Voucher Program  
Administrative Plan**

*HQS Inspection Addendum*

# *HQS Inspection Addendum*

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## HQS Inspection Addendum

The FWHA HQS Inspection Addendum is supplemental to HUD's Housing Quality Standards for the Housing Choice Voucher and Project Based Programs.

As described in HUD's Housing Inspection Manual,

**"The HUD Housing Quality Standards are a basic 'floor' or minimum standards that apply across the country to units on the Section 8 Housing Choice Voucher Program. In areas with relatively higher quality housing available, PHAs will be able to adopt a higher standard".**

FWHA utilizes both HUD's Housing Quality Standards as well as the additional FWHA Inspection Addendum Requirements as a basis for evaluating a unit each time it is inspected. These additional standards are as set forth in this section. The City of Fort Wayne has a Sanitary and Building Code at [http://www.cityoffortwayne.org/index.php?option=com\\_content&task=view&id=396&Itemid=509](http://www.cityoffortwayne.org/index.php?option=com_content&task=view&id=396&Itemid=509), hereinafter referred to as the Codes) that regulate all housing in the City. In some instances the Codes may supersede and are more comprehensive than HUD's Housing Quality Standards and FWHA's Inspection Addendum. Notwithstanding the property owner's obligation to comply with the City Code, FWHA HQS Inspectors will enforce the Housing Quality Standards and this Addendum.

Although FWHA's Housing Quality Standards inspectors will not specifically check for all violations of the City Sanitary and Building Codes (FWHA is not the appropriate enforcement agency for this responsibility), FWHA performs periodic training for its inspectors on HQS and FWHA's additional standards.

**Because of the wide variety of housing types, site conditions, evolving codes, and family compositions, not every conceivable building deficiency is represented in the FWHA HQS Inspection Addendum. FWHA reserve the right to review on a case-by-case basis all issues relating to safety and inspection compliance.**

**The following statement must be included with all Inspection Reports:**

***"This inspection has been performed to determine compliance under the HUD\FWHA Section 8 Program. While some of the HQS Inspection Addendum may be similar or identical to provisions of local Codes, this inspection does not certify compliance with said Codes. In all instances, it is the owner's responsibility to maintain property to meet all applicable state and local Codes and a tenant's right to request an inspection by the local Code Enforcement Agency."***

Known violations and continued non-conformance with the Codes will be a factor in the FWHA's determination of rent reasonableness, the provision of an annual rent adjustment at reexamination time and the scheduling of more frequent reinspections, consistent with FWHA's Marginal Unit Policy 16.14

Non-compliance with the HUD Housing Quality Standards and/or the FWHA HQS Inspection Addendum and/or repeated and regular non-compliance in accordance with the Marginal Unit Policy are grounds for:

Rejecting the unit at initial inspection

Suspending or abating all or some percentage of the subsidy

Terminating the HAP contract with the owner

Termination of tenant participation in the program

### **FWHA Inspection Requirements**

In that the FWHA HQS Inspection Addendum is supplemental to the HQS Inspection Requirements, please note that the numbering system used for the FWHA HQS Inspection Addendum is designed to conform as closely as possible to the numbering system used in HUD's Housing Inspection Manual and the FWHA Standard Inspection Checklist. See attachment 16-A.

#### ***16.1 All Habitable Rooms***

Living Room, Kitchen, Bathroom, All Other Rooms Used for Living or Sleeping and Interior Halls

##### **16.1.1 Room Present (1-4.1)**

##### **16.1.2 Ceiling Height**

Ceiling heights in all habitable rooms must not be hazardous for their use.

Is the ceiling height of any part of any habitable room less than 5' high 10" If so, such area of 5' 10" or less ceiling height shall not be considered in computing the total floor area of either the room or the dwelling unit.

##### **16.1.3 Below Grade Space**

Is any part of the dwelling unit below the average grade of the adjoining ground?

If so, no room or area in a dwelling may be used for living if such room or area has more than half its floor to ceiling height below the average grade of the adjoining ground and such room or area is subject to chronic dampness.

#### **16.1.4 Screens (1-4.5)**

Upon initial inspection, is there at least one screen in each room used for living or sleeping? A screen door will meet this requirement.

Screens may be either permanently installed or expandable. The inspector shall make sure this requirement is met regardless of the time of year the inspection occurs. The inspector shall insure that screens are in the unit or otherwise available, and that the number of screens is appropriate to meet this requirement. During the time between October 31 st and March 31 st an extension of time to comply may be given to the owner. Tenants may be held responsible for damage to the screens caused by occupants under the Family Obligations. A bathroom with no vent fan must have a screen in the window.

#### ***16.2 Kitchen***

All units are required to contain a kitchen for the storage and preparation of food. Space for this purpose must be available. Storage includes cabinets, pantries, and closets with shelves. If there is no such built in space a table for food preparation and a portable storage cabinet will satisfy the requirement.

##### **16.2.1 Electricity (2.2)**

There must be at least **two** working electrical outlets in the kitchen. A permanently installed light fixture and at least two outlets are required for each kitchen. The presence of two outlets and no light fixture is not acceptable. Having two working outlets in a kitchen prevents circuit overloading, hazard use of extension cords, and can prevent damage to flooring if the only outlet were behind the refrigerator.

##### **16.2.2 Floor Condition (2.8)**

Is the floor surface covered by a smooth, non-corrosive, non-absorbent and waterproof material?

FWHA will allow kitchens and bathrooms to have permanently installed carpeting, provided that the carpet condition meets HQS, which assures that the carpeting is in decent condition, free from excessive mold, mildew or other unsanitary health hazard and that the sub floor below is not subject to chronic water damage.

Resilient sheet flooring, resilient tile and ceramic tile are acceptable materials. Flooring should be well adhered to the substrate and all seams in sheet material should be sealed.

Wood flooring is acceptable only if it has a durable and water-resistant finish with no cracks large enough to allow the accumulation of dirt, food or the harborage of insects.

### **16.2.3 Stove or Range with Oven (2.9)**

#### **16.2.3.1 Substituting a Microwave for an Oven, Stove or Range**

A microwave oven may be substituted for a stove provided that the HCVP is informed and approves and that the substitution is agreeable to both the owner and tenant. If not FWHA approved an incorrect utility calculation could result. A microwave oven shall not be considered adequate where either the owner or the tenant fail to maintain a required utility. The appliance may be either owner supplied or tenant supplied. If the microwave is owner supplied, the owner must offer the same option to all other tenants in the building. If owner supplied and not present, a fail rating is required. If tenant supplied and not present on initial inspection, mark the item inconclusive and follow up as needed. Hotplates are not acceptable substitutes.

### **16.2.4 Space for Storage and Preparation of Food (2.12)**

The space for storage and surface for preparation of food must be in good condition and impervious to water damage. Cabinets that are not securely attached to the wall will fail inspection. Pantry closets, shelves, counter tops and under sink storage areas must be free from defects which make them difficult to keep clean or encourage infestation.

Space for preparation of food (counter tops, etc.) must be free of damage, holes, and lifting surfaces that allow contamination, food build up, or insects. All such surfaces must be easily cleanable. (Also see FW Health Dept Sanitary Code ).

### **16.2.5 Sink (2.11)**

HQS Requirements:

A permanently attached sink with properly working faucets connected to a hot and cold water supply and connected to a properly connected drain with sewer gas trap is required. The sink cannot be, or double as the bathroom sink. If hot water is not on for initial inspection record as inconclusive and follow up as required.

Water supply sufficient in quantity and pressure to meet ordinary needs is required. Hot water temperature must not create a scald hazard. 110 - 130 degrees F is acceptable. (See

FW City Code). Supply and drain lines must be free of leaks, and basins must have a finished surface that can be easily kept sanitary.

### **16.2.6 Refrigerator (2.10)**

HQS Requirements:

A working refrigerator capable of maintaining a temperature low enough so that food does not spoil over a reasonable time and capable of storing frozen foods is required. The refrigerator must be adequate in size relative to the needs of the family. An undersized refrigerator will fail. If owner supplied it must be present at initial inspection. If tenant supplied record as inconclusive and follow up as required.

### **16.2.7 Optional Equipment**

Owner installed optional equipment may include but is not limited to dishwasher, laundry facilities, air conditioner, garbage disposal, microwave, and range hood.

Owner installed optional equipment usually adds to the value of the unit and is a consideration in determination of rent reasonableness. The working condition of owner installed optional equipment must be noted on the initial inspection report. Thereafter, the owner is responsible to maintain all optional equipment in working condition. However, if upon annual inspection optional equipment fails due to the tenants' misuse, the unit will not fail inspection or cause the tenant's termination, but should be noted as a recommended repair. *To determine ownership of optional equipment, the inspector will ask either the landlord or participant who owns the equipment in question.*

#### **16.2.7.1 Range Hood**

A range hood ventilation fan must be covered by either a filter that is designed to cover the fan, or other protective covering in order to prevent injury from exposed fan blades. The filter should be checked for excessive grease build-up that may be a fire hazard.

### **16.3 Bathroom (3.1-12)**

At least one working bathroom is required for the exclusive use of the occupant. There must be an operational toilet, washbasin, and tub or shower each connected to an approved water supply and disposal system.

It is allowable for the fixtures to be located in separate areas of the unit. At a minimum the toilet is required to be surrounded by an enclosure for privacy.

All fixtures must be securely attached. (Not loose)

Surfaces of fixtures must be free of defects that make them difficult to keep clean. A seriously flawed porcelain or a defective painted surface in a sink or bathtub requires a fail rating.

Water temperature must not present a scald hazard. Maximum temperature should not exceed 130 degrees F.

### **16.3.1 Wall Condition (3.7)**

Walls around the tub area must be covered by a smooth, non-corrosive, non-absorbent and waterproof material up to a height of 48". Where there is an installed showerhead or shower compartment, the walls must be covered up to a height of 6'. A circular shower curtain rod that encloses the tub is acceptable.

### **16.3.2 Floor Condition (3.8)**

The floor surface of every room containing a toilet, shower or bathtub must be covered by a smooth, non-corrosive, non-absorbent and waterproof material or permanently installed carpet that is free from mold, mildew or other unsanitary condition.

Resilient sheet flooring, resilient tile and ceramic tile are also acceptable materials. Flooring should be well adhered to the substrate and all seams in sheet material should be sealed. Carpet may be installed over a well-sealed floor.

Wood flooring is acceptable only if it has a durable and water resistant finish with no cracks large enough to allow the accumulation of dirt, food or the harborage of insects.

### **16.3.3 Toilet (3.9)**

A working toilet must be available for the exclusive use of the occupants of the unit. Facilities, which are used by other occupants of other units, are not acceptable. The toilet must be contained in a separate room in the unit that provides for privacy.

### **16.3.4 Ventilation (3.12)**

Does the bathroom have chronic dampness as evidenced by regular and/or periodic appearance of moisture, water, mold, mildew or fungi?

If plumbing and ventilation are in good repair and properly used, there should not be chronic dampness. If chronic dampness, mold, mildew, or fungi is present, it may require special cleaning and treatment with mildewcide and paint or replacement.

In order to prevent the accumulation of unhealthful odors, sewer gas, and the build up of mold on surfaces, an operable window or a working ventilation system is required in bathrooms. The types of ventilation systems that are allowable are electric vent fan either wall or ceiling mounted, gravity flow vents, and shafts that allow air to escape to the outside. The absence of approved ventilation requires a fail rating. If a window is to be used for bathroom ventilation, a screen is required.

### **16.3.5 Space for Storage and Optional Equipment**

The space for storage in the bathroom must be in good condition and free from water damage. Cabinets that are not securely attached to the wall will fail inspection. Shelves, counter tops and under sink storage areas must be free from defects which make them difficult to keep clean or encourage infestation.

Owner installed optional equipment may include but is not limited to medicine cabinet, towel bars, soap dish and other accessories.

## ***16.4 Other Rooms Used For Living***

### **16.4.1 Space and Use - Square Footage (4.1)**

Every room that may be used for sleeping must contain at least 70 sq. feet for one occupant, or at least 50 sq. feet per person for two occupants.

### **16.4.2 Security (4.4)**

#### **16.4.2.1 Bedroom and Other Interior Door Locks:**

All egress and interior room doors shall be readily openable from the side from which egress is to be made without the use of a key or special knowledge. This means that padlocks, slide bolts, and hook and eye locks are not allowed on the outside of bedroom or other interior room doors.

Doors may be equipped with a night latch, hook and eye, slide bolt or security chain provided such devices are openable from the inside without the use of a key or tool and mounted at a reasonable height for the occupant.

**No room, which contains the unit entry or exit door or fire escape window, may be lockable. If the windows in a room are equipped with security bars at least one set is required to be openable for fire egress.**

If a unit door provides access to a common basement it must be fitted with key lock hardware with the key side facing the basement. Also, remember that if the unit has a stair or hatch to a common attic the same need for security applies. For stairway doors, a keyed lockset or padlock is required. In the case of an attic hatch, since inspectors are not always able to ascertain if the attic has fire or partition walls, it is a good practice to ask the owner or agent and have them initial the inspection checklist to attest that there are partition walls. If the attic is a common space locking or screwing closed the hatch is required.

### **16.4.2.2 Exits**

HQS Requirements:

To ensure that the occupants have an acceptable means of exit that is not blocked in case of fire. Acceptable fire exit means that the building has an alternate means of egress that meets local or state requirements. Blocked means that the exit is unusable due to conditions such as debris, storage, air conditioner in egress window, door nailed shut, door swelled shut, or broken lock. A fail rating is required if there is no acceptable means of fire exit. Exits blocked by the tenant may fail as tenant caused. Inspectors should require that the exit be cleared immediately if possible.

### **16.4.3 Natural Light Requirement (4.9)**

All bedrooms or any other rooms used for sleeping must have at least one openable window.

Acceptable under certain conditions are windows in rooms used for sleeping that open onto common areas rather than to the outside. These are acceptable provided the windows allow adequate natural light to permit normal indoor activities. For example: a bedroom window which faces onto a common area with a large vaulted glass ceiling, or which faces onto an enclosed sun porch may pass. The emphasis of this requirement is to provide adequate natural light in the bedroom.

### ***16.5 All Secondary Rooms Not Used For Living* 16.5.1 Garage**

If the garage door opens directly into the unit, it must be a solid core fire rated wood or metal door. A hollow wood or plastic "panel style" door is not acceptable.

A door from a garage cannot enter directly into a sleeping room.

### **16.5.2 Laundry**

A gas dryer must be vented to the outdoors, shaft or crawlspace. An electric dryer is not required to be vented to the outdoors but they must be properly vented to a lint trap to prevent the build up of combustible dust and prevent excessive moisture problems like mold and mildew. Check behind the dryer whenever possible for excessive lint and dust build-up which could be a fire hazard.

Washing machine drain standpipes must be capped if not in use for an extended period of time. Although a trap is usually present, if not used for an extended period of time, the water in the trap will eventually evaporate, which may allow the escape of sewer gases.

Washing machines and dryers are not portable or hand held appliances. They constitute a motored load and FWHHA does not require GFCI protection for the outlets serving them. It is allowable for the outlet and the drainpipe to be in close proximity to one another. Inspectors may require approval of the local wiring inspector if the installation appears not to have been professionally installed.

## ***16.6 Building Exterior***

### **16.6.1 Condition of Stairs, Rails and Porches (6.2)**

#### **16.6.1.1 Protective Railings**

There must be a wall or protective railing at least 36" high around every porch, balcony, loft or roof which is more than 30" from the ground and intended for use by the occupant.

Waivers for railing height and baluster spacing may also be requested when the building is an historic structure or an ornately decorated Victorian home where the current railing and balusters are in excellent condition and do not require repair. Only first floor porches no more than 5 feet from the ground could be considered, and the tenant and owner must request the waiver in writing. This does not apply to homes with no railings. In order to pass inspection a handrail must be graspable. This means that a solid wall cap that exceeds 4 inches wide will not serve as a handrail and so must be fitted with a graspable handrail. Handrail stock up to 2x4 inches or other size approved by the local building department is acceptable.

A railing or other protective structure is required when retaining walls with a difference in grade level in excess of 4 feet are located within 2 feet of a walk, path, parking lot or driveway on the high side.

The top step or landing shall be counted as a step when determining if a handrail is required. Counting 4 or more risers will always assure this requirement is met.

A basement bulkhead requires a handrail if used by the tenant on a regular basis.

### **16.6.1.2 Foundations - Porch, Deck, Stairway (6.1-2)**

Are porches, decks and stairways structurally sound? Does every porch or exterior stair have an adequate foundation to ensure stability?

Wood post sitting on pavement, concrete block, ground or asphalt without a foundation may not be acceptable if the structure is subject to excess sway or movement.

The following Building Code guidelines should be considered in determining the structural soundness of all porches, decks, and stairways. Since many existing homes preexist the current Building Code some variation is permissible. Tenants may be allowed input into determinations. Incidents that present a hazard are required to be corrected or owners may submit written approval of the condition from the local building department. All such documentation is to be maintained in the tenant file.

Generally, joist spacing for porches and decks should be 12-24 inches.

Ledger boards (*the board that connects the structure to the house*) should be bolted to the framing, not just nailed.

All porches, decks, stairs and railings should be adequate to support a 200 lb. load; consider the ability to support a refrigerator.

8 1/4" is the maximum riser height, with no more than 1/4" difference between each riser. Further, 9" is the minimum tread width. Stairways that do not conform to these requirements may present a tripping hazard.

No more than 15 treads between landings on a stairway are generally acceptable for adequate structural support and fire exit safety.

Support stringers must be adequate to support stair treads. Generally, 2"x12" stringers are acceptable.

### **16.6.1.3 Balusters on Decks, Porches and Lofts, and Decks Over 30" From the Ground**

All decks, porches and lofts must have balusters spaced at no more than 6" intervals (that is, so a six-inch sphere cannot pass through the opening) in all units occupied by children less than six years of age. Waivers for railing height and baluster spacing may also be requested when the building is an historic structure or an ornately decorated Victorian home where the current railing and balusters are in excellent condition and do not require repair. Only first floor porches no more than 5 feet from the ground could be considered and the tenant and owner must request the waiver in writing. This does not apply to

homes with no railings. Remember to inspect for railings and balusters or fall bars on both open sides of the stairs if applicable.

### **16.6.2 Condition of Roof and Gutters (6.3)**

The roof must be structurally sound and capable of protecting the tenant's unit from the outside elements. If the roof cannot be seen, record as unobservable and pass the item so long as there is no evidence of water penetration in the unit.

Gutters and downspouts are not required by the HQS. If gutters and downspouts are present and their poor condition causes significant amounts of water to enter the dwelling by rotting an exterior wall, a fail rating is required.

### **16.6.3 Condition of Exterior Surfaces (6.4)**

All exterior walls must be sound and free from hazards to assure that the tenant is not exposed to any danger of structural collapse and that the walls are weather tight.

#### **16.6.3.1 Excessive Chipping and Peeling Paint**

Regardless of the family composition, whenever chipping and peeling paint, or areas of missing siding allow weather to damage the framing or sheathing or allow wind, water or moisture to penetrate the walls, the inspection will fail.

#### **16.6.3.2 Seasonal Repairs**

Sometimes there a seasonal consideration that makes treatment of exterior chipping and peeling paint or cement repairs to chimneys difficult to implement.

FWHA strongly encourages HQS staff to exercise good judgment and to weigh the interests of the household against the seasonal requirement to prevent the loss of decent, safe, and sanitary housing. A letter of intent from the owner agreeing to complete the repairs with a start and completion date included should be filed, and follow up reinspection must be made. This exception does not apply to lead paint on units housing children under 6 years old. For exterior fail items occurring after October, 1<sup>st</sup> the inspector may grant an extension to complete those repairs not to exceed June 1 of the following year.

#### **16.6.3.3 Condition of Chimney (6.5)**

Masonry chimneys are required to be free of the potential for collapse that could result in the occupants being injured by falling bricks. The chimney must be capable of safely

carrying smoke, fumes, and exhaust gasses to the outdoors. On the exterior, loose bricks or deteriorated mortar joints can allow bricks to fall off the roof or down into the chimney where flue gasses may be prevented from escaping safely. If the chimney cannot be observed from the ground, inspectors should check inside the basement for a clean out hatch so that the ability of the chimney to allow exhaust gasses to exit the building can be confirmed. If the clean out hatch contains bricks and cement debris, it may be necessary to observe the chimney from a position farther away, like the next street over.

Also, advise clients against strapping antennas or other such devices to the chimney because of the effect of the added wind load. On the interior of the home, look for deterioration of the base of the chimney in the form of soft chalking brick. This condition is known as spalling. This is often caused by soot (particularly from an oil-fired heating system) collected in the bottom of the chimney mixing with rainwater coming down an uncapped chimney. The result is constant moisture and corrosive elements in the soot eating away the brick. An obstructed chimney or a dangerous loose brick hazard may constitute a 24-hour violation.

Metal Chimney:

If the chimney is metal, check that all the parts are connected and fit tightly together and that it is properly attached to the building and high enough to clear the wall and roof.

## ***16.7 Heating and Plumbing***

### **16.7.1 Adequacy of Heating (7.1)**

HQS Requirements:

The heating equipment is required to be capable of providing heat either directly or indirectly to all rooms used for living.

Directly means that each room used for living has a heat source such as a radiator, working hot air register, or baseboard heat. (Direct heat source)

Indirectly means that if there is no heat source present in the room, heat can enter the room easily from a heated adjacent room or from below through a floor grate. (Indirect heat source)

Adequate heat means that the heating system is capable of delivering enough heat to assure a healthy living environment in the unit appropriate to the climate.

If there is no direct or indirect heat source(s) in a room used for living, a fail rating is required if the room temperature is below code minimums. If there is heat, its adequacy

must be determined. If the unit is occupied, questioning the tenant as to the adequacy of the heat is acceptable. If the unit is not occupied or the tenant has not lived in the unit long enough to require the heat being used, a follow-up inspection may be needed to satisfy the requirement. In certain cases the adequacy of the heat can be determined by simply comparing the size of the heating system to the area to be heated. For example, a small, vented space heater in a living room is probably inadequate for heating anything larger than a small apartment or mobile home.

In areas where the climate requires regular heating, portable electric room heaters as the primary source of heat are not acceptable and a fail rating is required. Similarly, a kitchen stove with a built in space heater should not be considered adequate for the primary heat in areas where the climate requires regular heating.

#### **16.7.1.1 Unit Temperature Requirement**

The air temperature in the unit should be no higher than 78 degrees F. or lower than 64 degrees F from September 15th to June 15th inclusive.

In cases of tenant complaint it may be necessary to check actual room temperature. Room temperature can be read at a height of 5' above floor level on a wall any point more than 5' from an exterior wall. Tenants may be referred to the local Board of Health.

#### **16.7.2 Safety of Heating Equipment (7.2)**

##### HQS Requirements:

The heating system must be designed to properly vent combustion gasses outdoors and be free of other types of unsafe heating conditions to assure that the occupants are not exposed to hazards of fire or escaping exhaust gasses. (*See Housing Inspection Manual pages 106 through 113 and 208 through 210*) If there is a question as to the safety of the heating system operation inspectors should require the system be checked and approved in writing by the local building dept. or a licensed heating professional.

##### HQS fail rating required for:

Escaping gases from disconnected or broken vent pipes.

Unvented fuel burning space heaters (*except electric heaters*).

Improper fuel storage and supply lines. (*Oil tanks should be 5 feet away from heating appliance*)

Fuel storage tanks must be raised off the floor on a stable base to prevent leaks from movement.

A shut off valve must be located at the base of the tank.

Fuel lines running across floors must be protected by conduit or cement.

Fuel leaks. *(Check for containers catching leaks or excessive stains around tanks and lines)*

A fuel tank not vented and not filled from outside the building.

The lack of a manual shut-off device for a gas-burning appliance.

Presence of combustible material around heating equipment.

Lack of a proper vent. *(Flue pipes should be fit tightly together and pitched slightly up toward the chimney).*

A flue pipe or collar that does not fit tightly against a wall or chimney. *(Check to see that flue pipes are well cemented and no gaps are present where they meet the chimney).*

Flue pipes not being properly directed from the appliance to the chimney. *(Should be a straight run with slight upward pitch).*

Inadequate clearance between a flue pipe and combustible materials or walls.

Improper installation of the equipment.

Improper maintenance of the equipment.

Heavy build up of soot and creosote around the chimney and flue connections.

Inadequate source of clear return air in a forced warm air system.

Return air not drawn from an area separate from the furnace area in a warm air system.

Major leaks in radiators or duct work which may promote heat loss and affect the heating system capability to satisfactorily heat all habitable rooms in the unit.

Pass with comment:

Dirty heat registers.

A hissing radiator valve. *(Unless a scald hazard or contributes to chronic dampness).*

Covers missing from baseboard radiation. (*Unless in a traffic area and a cut hazard*).

### FWHA Requirements:

Safety of Heating Equipment 16.7.2: FWHA requires that pressure relief valves on boilers and hot water heaters be fitted with overflow tubes or downspouts to prevent injury during operation. (*The lack of downspouts on boilers was cited as failed by HUD at audit.*) The operating pressure of the relief valve on a boiler (generally 30 lbs.) and the increased water temperature (180° F. to 220° F.) can make injury as, or more severe than that caused by a water heater. The length of the tube should be approximately 6 to 12 inches above the floor or reasonable to prevent an injury. The tubing material shall be able to not melt or collapse at or below a temperature of 250 degrees F. It is often in an owner's best interest to have the tube long enough to prevent damage and corrosion of the appliance's enclosure cabinet. Look for cabinet deterioration. All heating systems except electric are required to be properly connected to a chimney or otherwise properly exhausted to the outdoors.

#### **16.7.2.1 Prohibited and Unsafe Heating Equipment and Conditions**

Is the unit free from prohibited and unsafe heating equipment?

Gas space heaters are never allowed in a room used for sleeping or a bathroom, unless they are direct-vented appliances that draw intake air from outside of the unit.

The following types of heaters are considered unsafe:

All unvented heaters

All portable space heaters

Parlor heaters

Cabinet heaters

Any room heater where the fuel tank is located less than 42" from the burner

Unvented floor furnaces also known as joist heaters

Heaters that use kerosene, range oil, #1 fuel oil, or any portable wick-type heater

#### **16.7.2.2 Wood, Coal, or other Solid Fuel-Burning Stoves**

At initial inspection, if the unit is equipped with a working wood, coal, or other solid fuel-burning stove, the owner must document inspection by a qualified professional, with cleaning if necessary. If the tenant uses the wood, coal, or other solid fuel-burning stove

regularly during heating season, inspection and / or cleaning is required once every two years at annual inspection. Owners must educate tenants on the proper use of the equipment and disposal of ash.

### **16.7.2.3 Floor Furnaces**

Floor furnaces that are properly vented and installed are not prohibited and FWHA does not require waivers for them. To do so would unduly restrict tenant access to otherwise acceptable housing. FWHA does require that floor furnaces be checked or serviced by licensed technicians in the event of trouble or complaint. Advise clients to take precautions for safety.

### **16.7.2.4 Oil Supply Lines**

All oil supply lines that may be subject to damage and in direct contact with the earth or concrete shall be covered with protective concrete or enclosed in a continuous protective sleeve. Plastic (PVC) tubing shall be one method of enclosing the oil line. Overhead oil lines do not require such protection.

### **16.7.2.5 Certification**

FWHA reserves the right to require current documentation of proper heating system operation by licensed technicians, heating contractors, local code inspectors, or utility company at any time in the event of tenant complaint or if the inspector has any reason to suspect improper or hazardous operation of any heating system. Emergency situations such as no heat during heating season (September 15 through June 15 inclusive), gas or oil leaks, carbon monoxide hazards, or other life threatening circumstance shall be treated as 24 hour violations. All non-emergency repairs such as improper operation, built up soot, inconsistent operation, or poor overall condition requiring heating system certification by licensed professionals shall allow the owner 30 days (or within a documented HQS Inspector's approved extension) to provide the required current documentation regardless of the age or type of the appliance. Failure to provide current heating system certification may result in rent withholding and/or contract termination. All unvented heating appliances are prohibited by HUD. All non-electric heating appliances including floor furnaces, gas logs, or gas on gas stoves are required to be properly connected to a chimney by means of a flue pipe or otherwise properly exhausted to the outdoors.

## **16.7.3 Ventilation and Adequacy of Cooling (7.3)**

### HQS Requirements:

Units are required to have adequate ventilation and cooling by means of openable windows or a working cooling system to assure that there is adequate air circulation.

If there are at least two properly operating openable windows present, it is fairly safe to assume that the unit meets the definition of "some openable windows ". The final

decision on adequacy of airflow depends upon the size and placement of the windows and the size of the unit. If the building is very close to other buildings, (*such as pictured on page 114 of the Housing Inspection Manual*) inquire as to whether or not airflow is seriously affected.

The phrase "working cooling equipment" includes central fan ventilation systems, evaporative cooling systems, and room or central air conditioning. Ask the tenant or owner / manager if the equipment is working properly.

### **16.7.3.1 Dampness**

Does any habitable room have chronic dampness as evidenced by regular and/or periodic appearance of moisture, mold, mildew or fungi?

If plumbing and ventilation are in good repair and properly used, there should not be chronic dampness. If chronic dampness, mold, mildew or fungi, it may require special cleaning and treatment with mildewcide and paint or replacement.

*Here are some suggestions for reducing the amount of moisture in homes.*

Install adequate mechanical ventilation to outdoors in kitchens.

Keep rainwater out by using drainage planes (overlaps to shed water) and appropriate flashing. Also protect all siding and trim from moisture penetration by painting all 6 sides of the boards.

Keep ground water out by maintaining gutters and downspouts to divert water away from the building, properly grade around the foundation to direct water away, or install perimeter drains. (*The more you know about gutters and downspouts, the more important they become.*)

Reduce moisture in attics and crawlspaces. Vent roofs and do not vent crawlspaces.

Vent interior moisture sources to outdoors. Do not vent dryers indoors. Do not vent bath fans into attics. \*Properly vent all gas burning appliances and heaters.

Insulate ductwork located outside of conditioned spaces or locate it within conditioned spaces.

Install energy efficient windows to reduce the amount of condensation on the glass.

## 16.7.4 Water Heater (7.4)

### 16.7.4.1 Hot Water Temperature

The temperature of hot water supplied to all faucets should be between 110 degrees F. and 130 degrees F.

If water is too hot or too cold, check proper operation of hot water heater and general condition of hot water heater and its piping. In cases of tenant complaint it may be necessary to check actual water temperature.

#### HQS fail rating required for:

Location that presents a hazard: Gas water heaters may not be located in bedrooms or other living areas where safety hazards may exist. Exceptions may be made if safety dividers or shields are installed or the installation is approved by the local building dept.

Combustible materials piled around or against the water heater are fire hazards. *(solids and liquids)*

Gas leakage. *(Strong gas smells may indicate gas leaks.)*

Flooding danger.

Seriously cracked or broken vent / flue pipes on gas or oil fired water heaters that will allow exhaust gasses to escape into the unit.

Absence of a temperature and pressure relief valve with a proper overflow tube or downspout attached to direct any hot water discharge from creating a scald hazard. The downspout shall be of a material that will not melt or collapse at temperatures at or below 250 degrees F. and the downspout shall terminate between 6-12 inches above floor level. *(Remember that a blocked or plugged pressure relief valve can have the effect of turning a water heater into a very powerful bomb. There are instances when an exploding water heater blows, like a rocket, right through the floors and out through the roof of a house.)*

Improper flues for venting exhaust gasses. *(Remember a slight upward pitch, tightly fit connections, and no gaps around the connection to the chimney are required.)*

Flue pipes must have proper clearance from combustable walls or materials. *(See page 112 Housing Inspection Manual - Figure 38) Flue pipes can become very hot. If there is not enough clearance at points where the flue enters or runs through a wall, over time the combustibility*

*of the surrounding material will increase creating a fire hazard. Also, look for wires in contact with flue pipes to prevent shock hazards. Electric hot water heaters do not require flue pipes.*

Serious leaks from the tank or supply piping.

Tagged by the local building dept. or utility company for unsafe condition.

#### **16.7.4.2 Gas Fueled Hot Water Heaters (7.4)**

No gas-fueled hot water heater may be located in a room used for sleeping or a bathroom, unless they are direct-vented appliances or draw intake air from outside of the sleeping room and the local building department has approved the installation.

#### **16.7.5 Approvable Water Supply (7.5)**

HQS Requirements: *(Page 116 Housing Inspection Manual)*

To guarantee that the occupant has adequate clean water the unit must be served by an approved public or private sanitary water supply. If a municipality supplies the water, it passes. If water is supplied by means of a private well, inquire as to the nature of the water and ask if it has been tested in the past by the appropriate public agency as an approvable source of water. Do not require that a current test be obtained. In cases where water quality is questionable, (discolored, foul smelling, tenant complaint) it may be necessary to require the water to be tested.

##### **16.7.5.1 Water Pressure**

Water pressure supplied to all faucets should be sufficient to meet the ordinary needs of the occupants.

##### **1 6.7.5.2 Plumbing (7.6)**

HQS Requirements:

To assure that the unit is free of serious plumbing problems involving leaking or corroded pipes that could present a hazard to the occupants, the plumbing must be free of leaks or corrosion that could result in contamination of the drinking water.

HQS fail rating required for:

Leaking pipes. *(Inspect for water on the floor or water in buckets under pipes.)*

Pipe corrosion causing contamination of the drinking water. (*Seriously corroded pipes and persistent levels of rust or contamination of the drinking water can be determined by observing the color of the water at several taps. Be sure the condition is persistent and not a temporary condition caused by city or town maintenance of water lines.*) If the conditions are serious, the owner must contact a licensed plumber for repairs.

### **16.7.5.3 Sewer Connection (7.7)**

#### HQS Requirements:

To guarantee that the unit is connected to a properly working sewer system the plumbing is required to be connected to an approvable public or private disposal system that is free from sewer back up. If the unit is connected to a municipal sewer system and is properly functioning the requirement is satisfied. If it is connected to a private system, ask the

owner about the type and whether it meets local health and safety standards.

#### HQS fail rating required for:

Not connected to an approvable sewer system.

Sewer leaks or frequent back ups.

Strong sewer gas smells or marsh areas caused by sewer or septic back up.

Clogged or regularly slow drains.

### **16.8 General Health and Safety**

This is a very broad category that requires inspectors to use good judgment and common sense. The basic objectives are to ensure the following:

The tenant has direct access to her / his own unit assuring privacy of the living quarters.

The tenant has an alternate means of exit from the building in the event of a fire.

The tenant will not be exposed to chronic infestation of rats, mice, or insects.

The tenant will not be exposed to unhealthful conditions from accumulation of garbage.

The tenant has adequate means of storage and disposal of garbage and refuse.

Interior and exterior stairways and common halls of the building are safe and adequately lighted.

The interior of the unit is free from any other hazards not specified elsewhere.

Elevators, when present, are operating so as not to present a hazard to occupants.

The occupant is not exposed to abnormally high levels of harmful gasses or other pollutants.

The occupants are not exposed to any dangerous site or neighborhood conditions.

### **16.8.1 Access to Unit (8.1)**

#### HQS Requirements:

All units are required to ensure privacy of the living quarters. You must be able to access the unit without passing through another unit and tenants of other units must not have to pass through the unit to gain access to their units.

#### **16.8.1.1 Security**

According to the building location, common practice, and at the discretion of the HQS inspector based on knowledge of the neighborhood, every entry door to a building that provides direct access to the outside shall be fitted with a working keyed lockset. Accessible means windows with sills less than 6 feet off the ground, windows or doors leading onto a fire escape, porch or other outside place that can be reached from the ground.

All egress doors must be easily openable from the inside without the use of a key, special knowledge or effort.

A chain lock, slide bolt or hook and eye lock is not adequate as the only lock for any unit entry doors.

If the unit provides direct access to a common basement, be sure the unit door is lockable with the keyed side facing the basement and provides security for the tenant.

A hatchway to a common attic must be secured or lockable.

Replacing a loose or ill-fitting lock or striker plate may require providing new, solid, wood blocking at the doorframe or at the door itself in order to install the lockset securely.

### **16.8.1.2 Accessibility**

Are all areas of the building accessible to allow the inspector to inspect all critical areas in order to assure compliance with all HQS and FWHA HQS Inspection Addendum? To avoid possible rent stoppage a doorbell may be required if inspector access is routinely problematic.

Occasionally, certain areas of a building are not readily available for inspection. Most common are locked basements and utility rooms of large buildings. While the owner is within his/her rights to deny tenants access to certain spaces, it is imperative that the inspectors are allowed to inspect all of the building. An owner's refusal to grant access to a space is grounds for denying or withholding subsidy to the owner and/or termination of the HAP contract.

### **16.8.2 Evidence of Infestation (8.3)**

#### HQS Requirements:

All units are required to be free of rats or severe infestation by mice or vermin. (*Includes squirrels, skunks, raccoons, possums and other wild animals*) Rats may be evidenced by the presence of larger droppings, rat runs, or numerous settings of rat poison. Mice may be evidenced by the presence of smaller droppings, mousetraps, or holes chewed into food boxes. If roach infestation is persistent and severe the unit may fail inspection.

#### FWHA Requirements:

If infestation is chronic the owner must provide documentation to verify professional extermination. If a professional exterminator is called in, the tenant will need to cooperate and provide access. Very often the entire building will need to be treated for the treatment to be effective. This applies to severe flea infestations as well. Very often professional exterminators will need to treat the building multiple times to eradicate the problem. If the tenant's housekeeping is creating or contributing to the problem, the unit can fail for tenant caused. Repeated tenant caused failure shall cause termination of assistance.

### **16.8.3 Garbage and Debris (8.4)**

#### HQS Requirements:

The unit must be free of heavy accumulation of garbage and debris both inside and out. "Heavy accumulation" means large piles of trash, garbage, discarded furniture, and other debris. *(This could include car parts or construction debris)* This is a level of accumulation that cannot be picked up by an individual in 1 to 2 hours. *(See page 122 of Housing Inspection Manual figure 41)*. Accumulations of this type generally result in severe levels of rats and / or infestation of vermin.

The owner is ultimately responsible for the final collection, disposal or incineration of all garbage and debris. Tenant charges may apply and this situation may be a serious violation of the lease.

In multi-family units, the owner is required to provide trash receptacles (barrels or bins with tight fitting covers, dumpsters, etc.) adequate in capacity and safety to temporarily contain the trash for all units between periodic contracted or municipal pick ups.

The owner must make every attempt to locate receptacles so that no objectionable odors enter the dwelling unit.

The occupant is responsible for placing garbage and debris in designated receptacles or other point of collection. The occupant's failure to do so will constitute a fail rating for tenant-caused violations. The tenant is responsible for the proper care of the trash containers and replacement if replacement is required.

The occupant is responsible to maintain the unit free of garbage, debris, filth or cause of sickness. The occupant's failure to do so will constitute a fail rating for tenant-caused violations.

#### **16.8.3.1 Refuse Disposal (8.5)**

##### HQS Requirements:

To assure the tenant has adequate means of storage and disposal of garbage covered facilities for temporary storage and disposal of food wastes are required. "Adequate covered facilities" include trashcans with covers, garbage chutes, dumpsters with lids, and trash bags if approved by the local health or sanitation department. In most areas of the country the landlord is expected to provide the refuse disposal facilities in multi family buildings, but in some instances it is the tenant's responsibility to contain the garbage and/or take it to the dump. If this is the agreement and the tenant does not comply the unit may fail as tenant caused.

#### **16.8.4 Interior Stairs and Common Hallways (8.6)**

##### HQS Requirements:

All interior stairs and common halls are required to be free of safety hazards to the occupant, such as: loose, broken or missing steps on stairways; absent or insecure railings; inadequate lighting; or other hazards.

HQS fail rating required for:

Loose, broken or missing steps.

Absent or insecure railings. *(A loose or broken handrail or railing can be more dangerous than a missing one because it allows a false sense of security).*

Missing railing at unprotected height over 30 inches.

Inadequate lighting or absence of lighting for treads and risers.

Accumulation of items or debris on steps or blocked fire exits.

Ripped, torn, or frayed trip hazard stair coverings such as carpets or mats.

Missing sections of vertical railing called balusters. *(If balusters are missing, look for the remnant nail exposed under the handrail).*

Handrail missing on section of 4 or more steps. *(Count the rises).*

Electrical hazards.

Broken windows.

**16.8.4.1 Common Area Lighting**

The owner must provide operating light bulbs in all required light fixtures in all interior and exterior common areas of the building.

**16.8.5 Other Interior Hazards (8.7)**

HQS Requirements:

The unit is required to be free of any other hazards not specifically identified previously. The types of hazards that may be present but not addressed prior to this item are:

A nail protruding in a cut hazard fashion.

A broken bathroom fixture with a jagged edge at a level that presents a cut hazard.

A door that may fall due to loose or broken hinges. (Sometimes *removal of the door, such as on a closet, is the best solution. Remember, there is no requirement for closets to have a door.*)

Use good judgment in determining hazards not listed.

#### **16.8.5.1 Circuit Panel Box/Fuse Box**

There must be no open spaces or missing circuits in the electrical panel box, require open spaces be covered with blank inserts to prevent accidental shock. Face covers must be secure.

#### **16.8.5.2 Storage of Flammables**

FWHA and its Inspectors will allow the **responsible storage** of yard and building maintenance equipment such as lawn mowers, trimmers, chain saws, and snow blowers in the basement. Storage of these items shall not be allowed in the unit or common areas. These items shall be stored as far as is practical from any heating appliances. FWHA and its Inspectors reserve the right to prohibit storage of these items anywhere due to their proximity to heating equipment or the presence of fumes. It is recommended that the equipment be depleted or run out of gas prior to storage. Other items with gas tanks such as motorcycles or other motor vehicles, propane tanks for grills, gasoline or kerosene cans shall not be allowed to be stored anywhere indoors. The following exceptions are permissible by FWHA.

Storage is in an outbuilding or shed.

If the owner can provide written approval for storage from the Local Fire Department.

If the storage area is a separate area only accessible through an exterior entrance

If the area is enclosed with fireproof grade gypsum wall board and ventilated.

Outdoor storage of gasoline or kerosene cans shall not be allowed under any stairs that comprise any part of the fire egress and they shall not be placed so as to create a hazard within a child play area or within the reach of children.

#### **16.8.5.3 Storage of Pollutants**

Improper storage or disposal of used motor oil and pollutants. Improper disposal of used motor oil is a serious environmental problem. (1 quart of motor oil pollutes 1 million gallons of groundwater. That is more than a year's supply of potable water for 50

people). Retailers of motor oil are required to accept used oil for recycling. Storage is to be considered a hazard if the container is not sealed or properly covered and there is

evidence of seepage or overflow. Clean up must be required. If offenders do not comply, incidences may be reported to the Indiana Department of Environmental Management (IDEM). Record instances of improper storage of oil and other automotive fluids as a violation, especially if children can access it. Advise clients to return used oil to the store where it was purchased for recycling free of charge. Retailers are required to accept up to 2 gallons per person per day if you have the purchase receipt. To report retailers who refuse to accept used oil from patrons who have a receipt contact the Used Oil Hotline at [www.in.gov/idem/prevention/hhw/regulations.html#motoroil](http://www.in.gov/idem/prevention/hhw/regulations.html#motoroil)

### **16.8.6 Optional Equipment**

Owner installed optional equipment usually adds to the value of the unit and is a consideration in the determination of rent reasonableness. The working condition of owner installed optional equipment must be noted on the initial inspection report. Thereafter, the owner is responsible to maintain in working condition.

Owner installed optional equipment may include, but is not limited to doorbells and buzzer system, air conditioner, dishwasher, garbage disposal, laundry facilities, etc.

### **16.8.7 Elevators (8.8)**

FWHA has adopted a follow-up procedure that ensures that all elevators receive a current inspection certificate prior to the next annual inspection. Subsequently, upon the next annual inspection, if the elevator has not been inspected in accordance with local requirements, the unit must receive a fail rating. Documentation from a qualified elevator maintenance company may also meet this requirement.

#### HQS Requirements:

To assure that elevators, when present, are operating in a manner that does not pose a safety hazard to the occupant, refer to local licensing practices for elevators. If the unit being inspected contains multiple elevators, base your rating on the one in which you are riding. Ask the tenant if there are any problems with the other elevators, such as stopping between floors and doors opening.

### **16.8.8 Interior Air Quality (8.9)**

### HQS Requirements:

To assure that the occupant is not exposed to abnormally high levels of harmful gasses or other noxious pollutants the unit must be free of abnormally high levels of air pollution from vehicular exhaust, sewer gas, fuel gas, dust, or other pollutants. "Abnormally high" means that the levels of pollution are consistently present in amounts that would constitute a continuing health hazard to the occupant. Air quality can be affected by external sources such as refineries, pulp or paper plants, chemical industries, proximity to heavy traffic, or proximity to truck or bus garages. It can also be affected by internal

sources such as sewer or cooking gas, or fumes from improperly operating heating systems.

You will probably be powerless to effect change in pollution from external sources; therefore, if levels are high enough to be dangerous to the tenant, the unit should fail. If the pollution is due to a malfunctioning gas appliance such as stoves or heating systems, the landlord or utility company should be notified at once and the appliance turned off until repairs are made. (*This may constitute a 24-hour violation*).

### **16.8.9 Site and Neighborhood Conditions (8.10)**

#### HQS Requirements:

The site and immediate neighborhood must be free from conditions that would seriously endanger the health and safety of the residents. Examples of conditions that would seriously and continuously endanger the health and safety of the residents are:

Other buildings, on or near the property, which pose serious hazards, (e.g., dilapidated shed, garage, or neighboring building with the potential for structural collapse).

Evidence of flooding or major drainage problems.

Proximity to open sewage.

Fire hazards.

Abnormal air pollution or smoke that continues throughout the year.

Continuous or excessive vibration of vehicular traffic. (If unit is occupied, ask the tenant).

A vacant and vandalized building adjacent to the tenant unit.

No fence along an unprotected height, watercourse, or railway bed.

A dead or damaged tree with potential for injury or damage due to limbs falling.

High crime, gunfire, bullet holes, and/or drug activity in close proximity to property.

If excessive garbage, trash, debris, or other obvious hazard is present on property adjacent to or providing access to the property being inspected and the family composition includes children under 6 years old or elderly or disabled individuals, a fail rating is required. Even if the landlord of the inspected property does not own the littered property he may be required to pursue one of the following remedies:

Make the area clean and safe.

Construct a fence that will separate the property in question. (*Suggest a low-cost fence such as roll wire garden fencing and steel posts available at larger home and garden centers and installed fairly easily*).

Notify, in writing, the local board of health referencing *IN State Sanitary Code* and provide copies of the letters, which demonstrate the attempt to report the condition to the owner of the adjacent property. The letters should remain in the tenant file.

Some marginally acceptable conditions require inspectors to use good judgment to determine the acceptability of the site and neighborhood. Examples of marginally acceptable conditions that may pass but should be noted on the form are:

Unimproved space such as a nearby vacant lot with some trash.

Large bare patches on the ground around the building.

Evidence of a general lack of maintenance (some litter or lawn in need of care).

In making judgments about the site and neighborhood conditions consider the family composition. If small children are included, many of the above-mentioned items would require a fail rating. If older children or elderly adults comprise the family, many of these conditions would not necessarily present a danger.

#### **16.8.10 Lead paint, Owner Certification (8.2)**

All inspections for new units which will be occupied by a child under 6 years old and built prior to 1978 must include obtaining from the prospective property owner (or agent) a Letter of Compliance (LOC), a Letter of (Re) Occupancy (Re) Inspection Certification,

Certification of No Interior Dwelling Unit Violations, Letter of Unauthorized Deleading, or a Letter of Interim Control stating that the unit meets the requirements of the Lead Poisoning and Prevention Control Act, as amended. **All project based units (including Mod Rehab and other project based initiatives) must have Lead Compliance documentation since it is not known when a child under 6 years old will reside in these units and families with children must be allowed equal access to these units. HUD soil testing requirements are applicable to project-based units when bare soil in excess of 9 square feet is identified.** The only exceptions may be for those project-based units specifically designated as "elderly housing" or single room occupancy (SRO).

**Rotted or damaged substrate may require replacement prior to the surface maintenance.**

All units housing children under 6 years old currently under lease must have compliance documentation. **The Section 8 inspectors do not perform lead inspections. Inspectors must, however, complete the HUD Visual Assessment Training.**

**Buildings constructed after 1978 do not require certification regarding lead paint.** The owner may be required to submit a copy of the original Building Permit in order to verify the age of the building. If, however, the building is built prior to 1978, in the absence of a lead inspection report issued by an Indiana licensed lead inspector showing that the paint does not contain unsuitable levels of lead, the only assumption must be that the defective paint represents a lead hazard.

During the lease term, upon notification or knowledge of a new or additional child under 6 years old in the unit, the owner shall be given written notice by the FWHA allowing 90 days to submit an LOC. A 60-day extension may be granted if deleading is currently in process.

FWHA requires that Inspectors schedule new unit inspections that require an LOC only after the LOC has been received and screened. All Inspectors must ensure that at the time of inspection, inspectors are aware of the type of compliance documentation and the date of issue.

**16.8.10.1 When Was the LOC Issued? - Deleted**

**16.8.10.2 Time Sensitive Lead Documentation - Deleted**

**16.8.10.3 Accept Original LOCs Whenever Possible - Deleted**

**16.8.10.4 Conducting an Inspection - Deleted**

**16.8.10.5 Conducting an Annual Inspection When an LOC is already on File - Deleted**

**16.8.10.7 Inspecting Where a Child Has an Elevated Blood Lead Level - Deleted**

## **16.8.10.8 Unauthorized Deleading and Fraudulent LOCs - Deleted**

### **16.8.11 Smoke Detectors (8.482)**

HUD's Housing Quality Standard effective October 30, 1992 requires that each dwelling unit must include at least one battery-operated or hard-wired smoke detector, in proper working condition, on each level of the unit and in the basement. Smoke detectors should be located adjacent to sleeping areas whenever possible. Additional smoke detectors shall be required and maintained to afford adequate protection for all sleeping rooms. FWHA further requires at least one battery-operated or hard-wired smoke detector be installed in common hallways. Any level is acceptable, however the top level is recommended.

If the unit is to be occupied by a hearing impaired person who requests that the owner install a smoke detector designed for the hearing impaired, and if the owner is willing, it must be installed in the bedroom occupied by the hearing impaired person, adjacent to or outside the bedroom. Such an accommodation by the owner shall be a consideration in the grading of the unit for use in determination of rent reasonableness.

If the tenant has access to the attic for storage on a regular basis, a smoke detector is required in the attic.

### **16.8.12 Asbestos (8.353)**

Every owner shall maintain all asbestos material which is used as insulation or covering on a pipe, boiler or furnace, in good repair, and free from defects such as holes, cracks, tears, or looseness which may allow the release of asbestos dust or which may allow the release of any powdered, crumbled or pulverized asbestos material. The citation on the Inspection report must read: "Asbestos material must be maintained in good condition and free from defects".

## ***16.9 Determining the Severity of Violations***

### **16.9.1 Sending a 24-Hour Notice for Violations**

Violations that present an immediate threat to the health and life safety of the family must be corrected within twenty-four hours. The FWHA must contact the owner by phone within 24 hours of citing the violation. The phone call must be followed-up in writing. If the FWHA is unable to contact the owner or agent by phone or in person, the written notice must be sent by certified mail.

Confirmation that the owner or agent has proceeded to make corrective repairs or made a sufficient good faith effort to repair must take place on the next business day following

the 24-hour correction period. On-site reinspection at the next reasonable scheduling opportunity is the only acceptable definitive verification that the unit is in compliance with HQS.

The Inspection Form Addendum for 24 Hour Notice (Attachment 16-C) must be used to provide written notice to the owner with a copy to the tenant. Refer to HQS Compliance for more information regarding determining the severity of violations and the course of action when violations are discovered.

### ***16.10 Tenant Caused Violations***

The family is responsible for a breach of HUD's HQS that is caused by any of the following:

Failure to pay for tenant supplied utilities;

Failure to provide and maintain a stove and/or refrigerator if required in accordance with the lease;

Damage caused by the family or guest to unit or premises beyond ordinary wear and tear.

In instances where it is not clear or obvious that the violation is tenant caused, the burden of proof is on the owner. The owner is strongly recommended to provide a Pre-Move-in Statement of Condition to the tenant whenever a security deposit is collected. Ask to review the Pre-Move-in Statement of Condition. If the Statement of Condition is not available, the initial inspection report may be helpful. An execution for eviction may also demonstrate that the court agrees that the tenant may be evicted and is responsible for damages to the unit. Also take into consideration whether the owner has a history or practice of violating HQS or FWHA HQS Inspection Addendum.

The INSPECTION FORM ADDENDUM FOR TENANT CAUSED VIOLATIONS TENANT RESPONSIBILITY must be used to provide written notice to the tenant. The owner must also receive a copy of the notice along with a letter of explanation. See HQS breach caused by family for more information regarding enforcement procedures and proper course of action when tenant caused violations is discovered.

### ***16.11 Repeated Tenant "No Shows"***

A different type of accessibility issue also occurs with some frequency. In this instance, the tenant is notified of the requirement to make his/her unit available for an inspection, and the tenant repeatedly fails to have someone home to allow the inspector access to the unit. The tenant's failure to allow access to the unit after two "no-shows", where proper advance notice has been given by the FWHA and the tenant has failed to contact the agency if a conflict exists with the proposed schedule for the inspection, may result in the tenant's termination from the program.

## ***16.12 Procedure to Follow for Inconclusive Inspections***

At times the inspector cannot conclude whether an item passes inspection, and must classify an item as Inconclusive. **The unit does not pass inspection if any item is Inconclusive.** In certain cases a new lease may begin provided an on-site reinspection is performed once the tenant is in occupancy. In other cases, inspections are Inconclusive and subject to written approval by the appropriate, qualified professionals (See 16.12.3).

### **16.12.1 Vacant**

Frequently, at initial inspection the unit is vacant and the utilities are turned off. The owner shall be urged to have the utilities turned on for the purpose of inspection. FWHA policy requires any utilities necessary to verify systems operability be on and available prior to scheduling the HQS inspection. The inspector is unable to check water, electrical and heating systems without utilities. Once the unit otherwise passes inspection, the lease may begin and HAP payment can be either released or withheld until verification by an on-site reinspection to confirm the good working order of the inconclusive utility. The on-site confirmation must be performed no later than 30 days after the lease start date. Failure to comply may result in HAP suspension or contract termination.

### **16.12.2 Tenant Supplied Appliance(s)**

In the case of tenant-supplied appliances, such as a refrigerator or stove, the lease may begin and the housing assistance payment can be made the date the unit otherwise passes inspection. Verification by an on-site reinspection to confirm the presence and good working order of the appliance must be performed no later than 30 days after the lease start date. Failure to correct within 5 days of notification may result in rent suspension and/or tenant termination from the program. The size of the appliances shall be appropriate for the family composition. Substituting a microwave oven for a stove shall not be acceptable unless previously approved by the FWHA.

### **16.12.3 Subject to Approval**

An inspector may also fail or note an item Inconclusive subject to the inspection and approval by appropriate qualified professionals such as local health, building, plumbing, electrical or fire inspectors, licensed heating/plumbing contractors, local utility companies, licensed lead paint inspectors, state certified elevator inspectors or licensed elevator maintenance companies, and licensed extermination companies. Any such written approval must be currently dated and specifically approve the questionable condition. If at any time the HQS INSPECTOR disagrees with the decision rendered by the appropriate qualified professional or believes that the condition requires further evaluation, the HQS INSPECTOR shall notify FWHA management in writing.

**Certification Regarding the Safe Operating Condition of the Heating System and/or All Heating Appliances** - In accordance with Section 16.7.2.5 all heating systems may be required to be certified as safe. The certificate may be posted on the heating unit.

**Written Approval from a Local Official or a Posted Building Permit** may be required in situations where systemic or structural repairs or rehab are in progress. Approval may also be required when systemic or structural potential hazards or other questionable conditions may exist, such as with new construction.

A Building Permit may also verify the date the building was built. Properties built after 1978 will usually not contain lead based paint.

An **Elevator Inspection Certificate** must be posted or on file. If the elevator inspections are not up to date, follow up is required in accordance with Section 16.8.7.

**Certification** from a licensed Elevator Maintenance Company may be required to confirm the safety of an elevator that fails inspection.

A **receipt** to verify professional extermination in cases of chronic infestation.

### ***16.13 Adopting a Uniform Grading System for Determining Unit Quality- Deleted***

#### **16.13.1 FWHA UNIT GRADING CRITERIA - Deleted**

##### **16.13.1.2 B UNIT - Deleted**

##### **16.13.1.3 C UNIT - Deleted**

##### **16.13.1.4 D UNIT - Deleted**

### ***16.14 Marginal Unit Policy - Deleted***

#### **16.14.1 Responding to the Problems of Marginal Units - Deleted**

#### **16.14.2 Identifying Marginal Units - Deleted**

##### **16.14.2.1 Steps to Follow – Deleted**

### ***16.15 Conducting an Initial Inspection While the Unit is Still Occupied***

Sometimes it is just not possible or practical to wait until a unit is vacant to perform an inspection. In this instance, which is left to the judgment of the Inspectors, FWHA will permit occupied units to be inspected. The following conditions must be met:

Since the tenant in occupancy may have no affiliation with the Section 8 program, it is recommended that the owner/management agent be present during the inspection.

In order to begin a lease, a complete inspection must be performed. In accordance with HUD's HQS, all checklist items must be confirmed as pass. No lease can begin on a contingency basis. Under limited circumstances HUD has approved an Inconclusive rating for specific items as outlined in Section III

If the occupants' possessions prevent a complete inspection, inaccessible areas must be rated "fail". It is the owner's responsibility to assure that all areas are accessible in order to complete the inspection.

If necessary, a reinspection may be performed while the unit is still occupied. If the unit passes the reinspection, a lease may begin as soon as possible. Bear in mind this will depend on the tenant's ability to take occupancy.

Once a lease has begun or the unit has become vacant a complete inspection must be performed again in no more than 30 days in order to confirm that the previous tenant left the unit without damage which would cause the unit to fail and to review any conditions the tenant may have concerns about.

### ***16.16 Waivers***

The WAIVER REQUEST FORM must be used to request a waiver of any HQS or FWHA Inspection Requirement.

FWHA **cannot** waive any of HUD's Housing Quality Standards; however, FWHA will review any request for such waiver and when appropriate FWHA will seek HUD permission to waive certain requirements, in order to facilitate a lease-up that would not compromise the health or safety of the occupants. These waiver requests **must** be made through FWHA.

FWHA **can** waive its own FWHA HQS Inspection Addendum. Waiver requests should be forwarded to FWHA's Housing Inspection Department. As a general rule, FWHA will not readily provide waivers to its HQS Inspection Addendum, unless a compelling case can be argued in favor of granting such a waiver.

It is mandatory that both the owner and the tenant sign the Waiver Request acknowledging that approval of the waiver request does not in any way negate the owner's responsibility under the law and that in all circumstances it is the owner's responsibility to maintain the property to meet all applicable state and local Codes and

not to interfere with a tenant's right to request an inspection by the local Code Enforcement Agency.

Waiver Requests must be approved and signed by the FWHA Inspection Supervisor prior to submission to the Executive Director. Although the circumstances of owners and tenants often determine approval or disapproval of a waiver request, it is not up to owners and tenants to decide when the request for a waiver from FWHA is warranted. The Inspection Supervisor or Executive Director must concur that a request for a waiver is warranted and beneficial for the family.

### ***16.17 Audits***

Seven percent (7%) of all units under lease are audited each year. FWHA's Inspection Supervisor conducts quality assurance audits and also requires quality assurance inspector to perform internal audits of units each quarter. The results are used to determine which Inspectors need additional training, and when necessary which Inspectors must be sanctioned for failure to improve in this area of program operation.

Audits are selected either from units recently brought onto the program or from units recently reinspected and passed inspection. Along with individual unit audit inspections, FWHA will perform "windshield tours" whereby individual unit selections can be made based on a preliminary viewing of building exterior, common areas and neighborhood conditions. FWHA fixes the number of unit audits that must be performed and the FWHA Inspection Coordinator may increase or decrease the required number for any INSPECTOR based on the previous year's performance. FWHA unit audits must be conducted in the same manner and format as a FWHA unit audit.

To select units for the audit inspection each HQS INSPECTOR must submit a complete list of units that have passed inspection each semi annual period to the FWHA Inspection Coordinator for random selection. Tenants who remain in the same unit previously audited may be excluded for up to 2 years so as not to create an imposition to the tenant.

All audit results must be entered semi annually into the FWHA Voyager HQS System. All violations must be corrected within 30 days. The system also allows results to be generated for individual inspectors. Unit grades are required to be entered so that the quality of the inspections by inspectors can be monitored.

The HQS Scheduler is required to furnish the following information for all selected audit inspections:

The inspection checklist filled out with both tenant and owner information and address including zip code.

A copy of the previous inspectors report and identity.

The type of lead paint documentation and date issued if applicable.

The current family composition of record.

The specific program designation.

The inspection checklist and attendant correspondence must be maintained separately in an audit file.

The Quality Assurance Auditor must report its results on the FWHA Quarterly Management Report.

As with FWHA Inspection Audits, internal audits must be reviewed with staff inspectors and analyzed in order to determine areas of weakness, need for additional training or other administrative action.

Whenever poor audit results are a trend, the number of audit inspections must be increased.

Any comments disputing FWHA audit determinations should be submitted in writing within 7 days prior to the completion of the Quarter.

### ***16.18 Sanctions***

HUD reserves the right to impose administrative fee sanctions on any HQS INSPECTOR which receives greater than 20% audit failure rate on HUD audits. If HUD sanctions any FWHA HQS INSPECTOR, FWHA will take required corrective action.

### ***16.19 Training***

The FWHA Inspection Supervisor performs training programs throughout the year. These sessions will focus on those areas that the FWHA inspection audit results indicate additional follow-up is required as well as provide more advanced inspection training in significant areas of housing quality standards. Additionally, FWHA may request that the HQS inspector who performed the original (re)inspection of an audited unit, accompany Quality Assurance Inspector during the audit. This time may be used to do one-on-one training, answer questions, and discuss issues.

### ***16.20 Additions and Amendments***

Additional FWHA Inspection Requirements, HUD's Housing Quality Standards, and amendments to this plan may be added from time to time. Further, modifications to existing FWHA Housing Quality Requirements may be made from time to time. Any additional unusual circumstances should be referred to FWHA in order that FWHA make the most reasonable determination on how to resolve such matters.

### ***16.21 List of Attachments***

**Attachment C**

**Fort Wayne Housing Authority**

**Housing Choice Voucher Program  
Administrative Plan**

*FSS Action Plan*

**PURPOSE AND OBJECTIVES:**

*The purpose of the Family Self-Sufficiency (FSS) Program is to match Housing Choice Voucher and Public Housing families with the public and private resources, which will best meet their needs for self-sufficiency. The FSS Program focuses on increasing opportunities for furthering education and job training, identifying and linking participants with social service assistance and/or supportive counseling programs as needed. While receiving housing assistance and with the assistance of an FSS Coordinator, participants set goals and objectives to decrease their reliance on public funds and increase their self-sufficiency. Since housing assistance relieves one burden placed on our families, they can focus on pursuing and obtaining employment, increasing their educational attainment level, increasing business skills, and improving social skills. Concentrating solely on these skills helps our participants more rapidly achieve economic self-sufficiency.*

**FAMILY DEMOGRAPHIC & ESTIMATE OF PARTICIPATING FAMILIES:**

The FSS Program expects to assist an estimated three hundred (300) Housing Choice Voucher families and an estimated twenty-five (25) Public Housing families.

Characteristics of available families are:

Section 8		Public Housing	
African-American	70%	African-American	40%
Caucasian	29%	Caucasian	57%
Hispanic	1%	Hispanic	1%
Asian	0%	Asian	2%

**ELIGIBLE FAMILIES FROM OTHER SELF-SUFFICIENCY PROGRAMS:**

*The Fort Wayne Housing Authority (FWHA) currently has an agreement to supply five (5) vouchers for Supplemental Assistance to Facilities Assisting the Homeless (SAFAH), a local non-profit supported Self-Sufficiency service provider. SAFAH is an intensive aid program designed to assist homeless people to make the transition from homelessness to fully employed and adequately housed. Participants in similar programs, such as Project Self-Sufficiency, Operation Bootstrap and IMPACT Job Training, are also encouraged to apply to the Fort Wayne Housing Authority FSS program.*

**FSS FAMILY SELECTION PROCEDURES:**

Public Housing FSS program will select participants from the current residents of all public housing sites. The Housing Choice Voucher FSS program will select participants

from currently leased-up voucher holders, that have submitted a pre-enrollment application, attended the mandatory FSS orientation and is consider in good standings with FWHA. FWHA does not select FSS participants directly from either the Public Housing or Housing Choice Voucher waiting lists. Pre-enrollment applications will be dated stamped and processed on a “first come, first served” basis.

Participation in the FSS program is voluntary. FWHA will accept a participant who successfully completes a pre-enrollment application and attends a mandatory FSS orientation regardless of race, color, religion, sex, handicap, familial status or national origin. Only families who execute a FSS contract of participation will be classified as enrolled into the FSS program. Former FSS participants who did not graduate will be eligible to re-enroll in the FSS program, as long as they are in good standings with FWHA. All former FSS Graduates are ineligible for the program.

#### **INCENTIVES TO ENCOURAGE PARTICIPATION:**

*The FWHA has established and is currently administrating separate Housing Choice Voucher and Public Housing – Escrow Accounts in full accordance with HUD regulations. FWHA will work with the local community agencies, organizations, and businesses to offer incentives to encourage participation in the FSS program.*

#### **OUTREACH EFFORTS:**

- A. An FSS informational flier will be mailed to all current participants of the Public Housing and Housing Choice Voucher programs, informing them of the availability of the FSS program and its potential benefits for their family:
- B. The Housing Choice Voucher FSS Coordinators will make presentations to residents attending Briefings and Transfer meetings at the Housing Authority and at IMPACT orientations. Presentations will also be provided to various other local social service providers upon request;
- C. The Public Housing FSS Coordinator will make presentations to residents attending orientation briefings;
- D. Brochures about the Public Housing FSS program will be placed in informational folders and given to newly leased participants and at annual re-certifications, the Site Managers will present each resident with a new brochure;

- E. The Public Housing FSS Coordinator will make semi-annual presentations at each Public Housing site for current residents and will meet, when possible, with applicants as they move through the application process;
- F. Articles in local newspapers, including ethnic newspapers, about success stories will be solicited in addition to appearing on local community affairs radio shows, and;
- G. Local television stations and the Public Access Television station will be utilized to market FSS for resident recruitment and Community Involvement by local service providers, business organizations, employers, local government, and others whom may assist residents to achieve self-sufficiency by becoming economically independent.

**FSS ACTIVITIES AND SUPPORTIVE SERVICES:**

1. **Job Placement and Career Counseling opportunities include:**  
Job Works, Employment and Training Service; Private Industry Council; Fort Wayne Urban League, Express Personnel, Staff Mark, and Goodwill Industries;
2. **Education and Training opportunities include:**  
GED, 1 year certificate, 2 year Associate, 4 year Bachelor, specialized technical classes and various job training opportunities through Fort Wayne Community Schools Adult Continuing Education Department, Three Rivers Literacy Alliance, Indiana-Purdue University, Taylor University, Ivy Tech State College, and other area educational institutions;
3. **Child Care opportunities include:**  
Childcare voucher through C.A.N.I., Paths to Quality through Early Childhood Alliance, and private sector day-care facilities will be targeted as primary providers. Other individual sources will be utilized as necessary;
4. **Transportation opportunities include:**  
Assistance may be provided via bus vouchers issued by IMPACT, and FWHA staff for service programs in which the family is participating;
5. **Employment opportunities include:**  
Local community employers' will be targeted as primary resources, and potential partnerships;
6. **Housing opportunities include:**

All participants will continue to receive housing assistance through the Fort Wayne Housing Authority Public Housing or Housing Choice Voucher programs, as long as participants meets all HUD regulations.

**7. Homeownership Training opportunities include:**

Training will be provided by the FWHA through its Housing Counseling Office, Neighbor Works, or a source selected by the participants, as long as the organization meets HUD approval.

**8. Home Skills Counseling opportunities include:**

Quarterly workshops will be formulated by PCC members and/or FSS staff, and other outside agencies to cover the following subjects:

- Budgeting, Money Management & Credit Repair;
- Household Maintenance;
- Parenting Skills;
- Dressing for Success;
- Domestic Violence – The YWCA and the Center for Non-Violence have support groups for single parents on a variety of topics. FSS participants will be encouraged to participate when it is appropriate;
- Preventive Healthcare (medical & dental) – Nutrition will be available through Mathew 25 on a sliding fee scale. Medicaid will be available to the majority of participants, which will allow the participants to select their service providers; and
- Mentoring Support will be encouraged. Volunteers will be solicited form local churches and the community.

**PROGRAM COORDINATING COMMITTEE (PCC):**

*The Program Coordinating Committee (PCC) is comprised of community leaders from the public and private sector, Fort Wayne Housing Authority personnel, Public Housing residents, Housing Choice Voucher participants, and others in the community. The PCC plays an integral part of the program, and their responsibilities will include the following:*

- Assisting in the development and expansion of FSS services and training as defined in each Individual Training and Service Plan;
- Advisory group for the FSS program;
- Assisting in expanding and coordinating agreements between the PHA and potential service providers;
- Recommending improvements and provisions for delivery of services;
  
- Marketing the FSS program to others in the community and providing additional incentives for participation;
- Holding regular meetings to review and update its goals;
- Participating in the determination of program extensions of participating families;
- Assisting in the annual updates to the FSS Action Plan, and

- Reviewing and approving escrow account disbursements and successful completion of the FSS families obligations;

**METHOD FOR IDENTIFICATION OF FAMILY SUPPORT NEEDS:**

- A. The FSS Coordinator will hold FSS orientation to explain the program and its benefits;
- B. Each family’s head of household that has submitted a pre-enrollment application, attended the mandatory FSS orientation and has been determined to be in good standings, will meet with an FSS Coordinator for preliminary planning and a needs assessment.
- C. The FSS Coordinator and the head of household will discuss the family’s needs and program goals. The Coordinator will describe the services available.
- D. The FSS Coordinator and the head of household will formulate a mutually agreed upon Individual Training and Services Plan (ITSP), that will identify final goals and all interim goals needed to successfully complete the program.
- E. Services will be matched with the agencies, businesses, and organizations listed under “FSS Activities and Supportive Services”. Other community businesses, agencies and organizations will be engaged as they become available and are needed.
- F. The FSS Coordinator will issue service referrals to each FSS family member with an ITSP.

**PROGRAM TERMINATION:**

*A sub-committee comprised of a PCC member and FWHA FSS staff will review cases and conduct interviews with the FSS family prior to terminating a family’s contract of participation. A written decision will be sent to the FSS family within seven (7) days of the decision. FSS families may appeal a decision, in writing, addressed to the FSS Program Supervisor within thirty-days (30) of receiving notification. FSS families are eligible to re-apply to the FSS program if the initial termination was for “unsuccessful completion of their contract”. Terminated FSS families will not be eligible to re-apply if the initial termination was due to a family’s failure to comply with the conditions and terms of their rental agreement or any HUD regulations.*

The five (5) most common reasons for termination from the FSS program are as follows:

- 1) Mutual consent of the parties;
- 2) Failure to fulfill obligations outlined in the Contract of Participation;

- 3) Failure to adhere to Housing Program rules (HCVP or Public Housing);
- 4) Family withdraws from the FSS program; and
- 5) An operation of law;

*Terminating families from the FSS program will not in any way affect a family's right to occupancy (unless the termination is because of a failure to adhere to HUD regulations).*

#### **WITHHOLDING OF SERVICES:**

*Consequences of non-compliance with the contract of participation shall specify that if the FSS family fails to comply, without good cause, with the terms and conditions of the contract of participation, which includes compliance with the Public Housing lease or the Section 8 – assisted lease, the Fort Wayne Housing Authority may:*

- Withhold the supportive services; and
- Terminate the family's participation in the FSS program;

#### **GRIEVANCE PROCEDURES:**

##### Housing Choice Voucher Program:

*Informal hearing procedures will be available to all participating HCVP FSS families, in accordance to Chapter 19, Section D, of the Section 8 Administrative Plan, April 2005.*

##### Public Housing Program:

*Grievance procedures will be available to all participating Public Housing FSS families, in accordance with "Complaints, Grievances and Appeals" of the FWHA Public Housing Occupancy and Admissions Policy, April 2005.*

#### **ASSURANCE OF NON-INTERFERENCE WITH RIGHTS OF NON-PARTICIPATING FAMILIES:**

Family Self-Sufficiency is currently a volunteer program. While we do advocate participation, FWHA assures that a family's decision to **NOT** participate in the FSS program will not affect the family's participation in the Housing Choice Voucher program or their Public Housing occupancy in accordance with its lease.

#### **CERTIFICATION OF COORDINATION:**

*The FWHA certifies that the development of the services and activities under the FSS program have been coordinated with Job Opportunities and Basic Skills Training Program under Part F and Title IV of the Social Security Act, Project Impact, and other relevant programs.*

