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

PHA Plans

Draft Annual Plan for Fiscal Year 2009

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

PHA Plan
Agency Identification

PHA Name: Housing Authority of the County of Sacramento, California

PHA Number: CA 007

PHA Fiscal Year Beginning: 01/2009

PHA Programs Administered:

☒**Public Housing and Section 8**
Number of public housing units: 1061
Number of S8 units: 11,217

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

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

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

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

Public Access to Information

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

☒ Main administrative office of the PHA
☐ PHA development management offices
☒ PHA local offices (Twin Rivers, Alder Grove, Marina Vista, Public Housing Intake/Housing Choice Voucher Office)

Display Locations For PHA Plans and Supporting Documents

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

☒ Main administrative office of the PHA
☐ PHA development management offices
☒ PHA local offices (Twin Rivers, Alder Grove, Marina Vista, Public Housing Intake/Housing Choice Voucher Office)
☐ Main administrative office of the local government
☐ Main administrative office of the County government

☐ Main administrative office of the State government
☐ Public library
☒ PHA website
☐ Other (list below)

PHA Plan Supporting Documents are available for inspection at: (select all that apply)
☒ Main business office of the PHA
☐ PHA development management offices
☒ Other (list below) :

- Twin Rivers, Alder Grove, Marina Vista, Public Housing Intake/Housing Choice Voucher Office

Annual PHA Plan
PHA Fiscal Year 2009
[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.
Housing Authority Transition to Asset Management

The Housing Authority continues to successfully implement key requirements of HUD's new operating rule including:

- Placement of individual developments into 16 new HUD approved project groupings ("communities")
- Decentralization of staff to offices established in our new communities"
- Conversion to Project based accounting and management practices
- Completion of an assessment to establish HUD authorized property management fees
- Development of a management performance system
- Development of a long term capital plan
- Completion of an assessment of risks and implementation of strategies to address findings
- Reorganization of substantially reduced centralized services

iii. Annual Plan Table of Contents
[24 CFR Part 903.7 9 (r)]
Provide a table of contents for the Annual Plan, including attachments, and a list of supporting documents available for public inspection.

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Attachments

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

Required Attachments:

- ☒ Admissions Policy for Deconcentration
- ☒ FY 2009 Capital Fund Program Annual Statement
- ☐ Most recent board-approved operating budget (Required Attachment for PHAs that are troubled or at risk of being designated troubled ONLY)
- ☒ List of Resident Advisory Board Members
- ☒ List of Resident Board Member
- ☒ Community Service Description of Implementation
- ☒ Information on Pet Policy
- ☒ Section 8 Homeownership Capacity Statement, if applicable
- ☐ Description of Homeownership Programs, if applicable

Optional Attachments:

- ☐ PHA Management Organizational Chart
- ☐ FY 2009 Capital Fund Program 5 Year Action Plan
- ☐ Public Housing Drug Elimination Program (PHDEP) Plan
- ☐ Comments of Resident Advisory Board or Boards (must be attached if not included in PHA Plan text)
- ☐ Other (List below, providing each attachment name)

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 Quality Housing and Work Responsibility Act Initial Guidance; Notice* and any further HUD guidance) and 2. Documentation of the required deconcentration and income mixing analysis	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Public housing rent determination policies, including the methodology for setting public housing flat rents ☐ check here if included in the public housing A & O Policy	Annual Plan: Rent Determination
X	Schedule of flat rents offered at each public housing development ☐ check here if included in the public housing A & O Policy	Annual Plan: Rent Determination
X	Section 8 rent determination (payment standard) policies ☐ check here if included in Section 8 Administrative Plan	Annual Plan: Rent Determination
X	Public housing management and maintenance policy documents, including policies for the prevention or	Annual Plan: Operations and Maintenance

List of Supporting Documents Available for Review		
Applicable & On Display	**Supporting Document**	**Applicable Plan Component**
	eradication of pest infestation (including cockroach infestation)	
X	Public housing grievance procedures ☐ check here if included in the public housing A & O Policy	Annual Plan: Grievance Procedures
X	Section 8 informal review and hearing procedures ☐ 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
X	Approved or submitted applications for demolition and/or disposition of public housing	Annual Plan: Demolition and Disposition
X	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 ☒ check here if included in the Section 8 Administrative Plan	Annual Plan: Homeownership
	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
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
	Troubled PHAs: MOA/Recovery Plan	Troubled PHAs
X	Other supporting documents (optional)	(specify as needed)

List of Supporting Documents Available for Review		
Applicable & On Display	**Supporting Document**	**Applicable Plan Component**
	(list individually; use as many lines as necessary)	

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 (County of Sacramento) by Family Type							
Family Type	Overall	Afford-ability	Supply	Quality	Access-ibility	Size	Loca-tion
Non-Elderly Income <= 30% of AMI	32,913	5	**N/A**	4	3	4	5
Non-Elderly Income >30% but <=50% of AMI	25,675	5	**N/A**	4	3	4	5
Non-Elderly Income >50% but <80% of AMI	13,057	4	**N/A**	3	2	3	4
Non-Elderly Subtotal	71, 645						
Elderly Income <= 30% of AMI	5,551	5	**N/A**	3	5	1	5
Elderly Income >30% but <=50% of AMI	4,273	5	**N/A**	3	5	1	5
Elderly Income >50% but <80% of AMI	2,309	5	**N/A**	3	4	1	4
Elderly Subtotal	12,133						
Total Non-Elderly and Elderly Income <= 30% of AMI	38,464	5	**N/A**	4	4	45	5
Total Non-Elderly and Elderly Income >30% but <=50% of AMI	29,948	5	**N/A**	4	4	4	5
Total Non-Elderly	42,748	**4**	**N/A**	**3**	**3**	**3**	**4**

Housing Needs of Families in the Jurisdiction (County of Sacramento) by Family Type							
Family Type	Overall	Afford-ability	Supply	Quality	Access-ibility	Size	Loca-tion
and Elderly Income >50% but <80% of AMI							
Grand Total	117,705						
Individuals with Disabilities	115,695 persons	**5**	**N/A**	**5**	**5**	**n/a**	**4**
Black Non-Hispanic Households	17,705	**5**	**N/A**	**5**	**4**	**5**	**5**
Hispanic Households	18,590	**5**	**N/A**	**5**	**4**	**5**	**5**
White Non-Hispanic Households	63,070	**4**	**N/A**	**3**	**3**	**4**	**4**
Other households (total households minus white, black and Hispanic households	18,340	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**

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**: 2008-2012**

☒ U.S. Census data: the Comprehensive Housing Affordability Strategy
CHAS 2000 Datasets

☐ American Housing Survey data
Indicate year:

☐ Other housing market study
Indicate year:

☒ Other sources: (list and indicate year of information)

- Analysis of Impediments to Fair Housing Choice (November 2004)
- Section Three - City of Sacramento Housing Element of the General Plan (2002-2007)

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 As of 7/14/08			
Waiting list type: (select one) ☐ Section 8 tenant-based assistance ☒ Public Housing ☐ Combined Section 8 and Public Housing ☐ Public Housing Site-Based or sub-jurisdictional waiting list (optional) If used, identify which development/subjurisdiction:			
	# of families	% of total families	Annual Turnover
Waiting list total	10,397		
Extremely low income <=30% AMI	7,595	73%	
Very low income (>30% but <=50% AMI)	2,580	24.8%	
Low income (>50% but <80% AMI)	192	1.8%	
Families with children	3,877	37.3%	
Elderly families *(Head of Household age 62 and older)*	1,916	18.4%	
Families with Disabilities *(Includes all families where one or more members are disabled.)*	6,648	64%	
Race / American Indian or Alaska Native	400	3.8%	
Race/Asian	964	9.3%	
Race/Black or African American	4,115	39.6%	
Pacific Islander	115	1.1%	

Housing Needs of Families on the Waiting List As of 7/14/08			
Race/Native Hawaiian /other	0	0%	
Race / White	3,468	33.4%	
Race / Unknown / no response	1695	16.3%	
Ethnicity / Hispanic	1,250	12%	
Ethnicity / Non-Hispanic	9,138	87.9%	
Characteristics by Bedroom Size (Public Housing Only)			
1BR	2,594	57.8%	
2 BR	1,202	25.4%	
3 BR	398	8.4%	
4 BR	444	9.4%	
5 BR	68	1.4%	
5+ BR	32	0.7%	

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

If yes:

How long has it been closed (# of months)? 24 months, since 9/29/06

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

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

Housing Needs of Families on the Waiting List As of 7/14/08			
Waiting list type: (select one) ☒ Section 8 tenant-based assistance ☐ Public Housing ☐ Combined Section 8 and Public Housing ☐ Public Housing Site-Based or sub-jurisdictional waiting list (optional) If used, identify which development/subjurisdiction:			
	# of families	% of total families	Annual Turnover
Waiting list total	10,397		
Extremely low income <=30% AMI	7,595	73%	

form **HUD 50075** (03/2006)

Housing Needs of Families on the Waiting List As of 7/14/08			
Very low income (>30% but <=50% AMI)	2,580	24.8%	
Low income (>50% but <80% AMI)	192	1.8%	
Families with children	3,877	37.3%	
Elderly families *(Head of Household age 62 and older)*	1,916	18.4%	
Families with Disabilities *(Includes all families where one or more members are disabled.)*	6,648	64%	
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Race/Black or African American	4,115	39.6%	
Pacific Islander	115	1.1%	
Race/Native Hawaiian /other	0	0%	
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Race / Unknown / no response	1,695	16.3%	
Ethnicity / Hispanic	1,250	12%	
Ethnicity / Non-Hispanic	9,138	87.9%	
Characteristics by Bedroom Size (Public Housing Only)			
1BR	2,594	57.8%	
2 BR	1,202	25.4%	
3 BR	398	8.4%	
4 BR	444	9.4%	

Housing Needs of Families on the Waiting List As of 7/14/08			
5 BR	68	1.4%	
5+ BR	32	0.7%	

Is the waiting list closed (select one)? ☐ No ☒ Yes
Moderate Rehabilitation waiting list – currently open
Project-based voucher waiting list – currently open
If yes:
How long has it been closed (# of months)? 2 months, closed 8/22/08
Does the PHA expect to reopen the list in the PHA Plan year? ☒ No ☐ Yes
Does the PHA permit specific categories of families onto the waiting list, even if generally closed? ☐ No ☒ Yes

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

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

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

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

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

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

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

- [ ] Employ admissions preferences aimed at families who are working
- [x] 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
- [x] Apply for special-purpose vouchers targeted to the elderly, should they become available
- [ ] Other: (list below)

Need: Specific Family Types: Families with Disabilities

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

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

We give preference in HCV to families with a disabled family member.

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

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

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

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

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

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)
Move to asset-based model.

2. Statement of Financial Resources

[24 CFR Part 903.7 9 (b)]

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

Financial Resources: Planned Sources and Uses		
Sources	**Planned $**	**Planned Uses**
1. **Federal Grants (FY 2009 grants)**		
Public Housing Operating Fund	$2,477,319	Operations
a) Public Housing Capital Fund	$1,620,938	Various
b) HOPE VI Revitalization		
c) HOPE VI Demolition		
d) Annual Contributions for Section 8 Tenant-Based Assistance	$89,333,073	Serves 11,000 low-income families
e) Public Housing Drug Elimination Program (including any Technical Assistance funds)		
f) Resident Opportunity and Self-Sufficiency Grants	$67,000	
g) Community Development Block Grant		
h) HOME		
Other Federal Grants (list below)		
2. Prior Year Federal Grants (unobligated funds only) (list below)		

Financial Resources: Planned Sources and Uses		
Sources	**Planned $**	**Planned Uses**
3. Public Housing Dwelling Rental Income		Public Housing Operations
4. Other income (list below)		
4. Non-federal sources (list below)		
Total resources		

3. PHA Policies Governing Eligibility, Selection, and Admissions

[24 CFR Part 903.7 9 (c)]

A. Public Housing

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

(1) Eligibility

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

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

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

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

- Overall suitability
- Bad debt owed to any PHA or party utility company
- Credit history

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

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

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

(2)Waiting List Organization

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

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

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

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

- By Internet
- By US mail

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?

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? All

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)
   - By Internet
   - By US mail

(3) Assignment

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

☐ One
☒ Two
☐ Three or More

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

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

(4) Admissions Preferences

a. Income targeting:

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

b. Transfer policies:

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

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

☐ Other: (list below)

c. Preferences

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

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

Former Federal preferences:

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

Other preferences: (select below)

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

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.

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
1 Displaced by governmental action or natural disaster

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) (list below)
2 Lottery number

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), PHA 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 (list below), Any money owed to Sacramento Housing and Redevelopment Agency or other PHA.

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

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

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

e. Indicate what kinds of information you share with prospective landlords? (select all that apply)

☐ Criminal or drug-related activity

☒ Other (describe below)

- Family's current address, if known
- Name and address, if known of family's current and prior landlord

(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)

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)

- Housing Intake and Eligibility Office (701 12th Street, Sacramento, CA 95814)
- By Internet
- By US 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:

- When requested for the purpose of making the program accessible to families with members with disabilities, additional search time may also be issued for other reasons.

(4) Admissions Preferences

a. Income targeting

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

b. Preferences

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

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

Former Federal preferences

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

Other preferences (select all that apply)

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

- Families who have a member with a permanent disability.

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.

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
3 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
1 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
2 Other preference(s) (list below)

- Families who have a member with a permanent disability.

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)

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:

- If the PHA determines that the hardship is temporary, a minimum rent will be imposed.
- If the family experiencing a hardship elected to pay the PHA's flat rent, and the amount of the flat rent exceeds the amount of income-based rent, the PHA shall immediately provide for the family to pay rent in the amount determined under income-based rent.

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:

- A family may choose to pay the flat rent, which is based on market comparables.

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

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

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

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

e. Ceiling rents

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

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

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

☐ For all developments
☐ For all general occupancy developments (not elderly or disabled or elderly only)

☐ For specified general occupancy developments
☐ For certain parts of developments; e.g., the high-rise portion
☐ For certain size units; e.g., larger bedroom sizes
☐ Other (list below)

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

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

f. Rent re-determinations:

1. Between income reexaminations, how often must tenants report changes in income or family composition to the PHA such that the changes result in an adjustment to rent? (select all that apply)
☐ Never
☐ At family option
☒ Any time the family experiences an income increase
☐ Any time a family experiences an income increase above a threshold amount or percentage: (if selected, specify threshold)_____
☒ Other (list below)
- Whenever there is a change in household composition

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

(2) Flat Rents

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)

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 below100% 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)

(2) Minimum Rent

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

☐ $0
☐ $1-$25
☒ $26-$50

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

5. Operations and Management

[24 CFR Part 903.7 9 (e)]

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

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:

Executive Director
Director of Housing Authority

Public Housing
Assistant Director of Public Housing
Regional Manager & Program Manager for City and County Housing Authority
Site Manager for each of the 17 AMP's (Communities)
Assistant Site Managers for 3 of the AMP's
Maintenance and Site Management Staff at each AMP
Other staff at Central Services office and Director's office.

Section 8
Assistant Director of the Housing Choice Voucher Program
2 Program Managers

4 Supervisors
Other staff includes Principal Analysts, a Program Technician, Housing Specialists, Housing Assistants, and Resident Trainees.

B. HUD Programs Under PHA Management

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

Program Name	**Units or Families Served at Year Beginning**	**Expected Turnover**
Public Housing	1072	201
Section 8 Vouchers	11,217	840
Section 8 Certificates	0	
Section 8 Mod Rehab	64	6
Special Purpose Section 8 Certificates/Vouchers (list individually)	0	
Public Housing Drug Elimination Program (PHDEP)		
Other Federal Programs(list individually)	N/A	N/A

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)

- Schedule of Fees and Charges
- Maintenance Procedures Manual
- Management Procedures Manual
- Admissions and Continued Occupancy Policy
- Administrative Plan

(2) Section 8 Management: (list below)

- Administrative Plan

6. PHA Grievance Procedures

[24 CFR Part 903.7 9 (f)]

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

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:

- The PHA has an informal (in-house) and formal (third party) hearing process for grievance procedures. In the case of serious crime issues, the PHA defers to the court's due process

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 Intake and Housing Choice Voucher Office, 701 12th Street, Sacramento, CA 95814

B. Section 8 Tenant-Based Assistance

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

If yes, list additions to federal requirements below:

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

☐ PHA main administrative office
☒ Other (list below)

- Public Housing Intake and Housing Choice Voucher Office, 701 12th Street, Sacramento, CA 95814

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) CA007a01

-or-

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

(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)

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:

8. Demolition and Disposition

[24 CFR Part 903.7 9 (h)]

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

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

2. Activity Description

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

Demolition/Disposition Activity Description
1a. Development name: WALNUT GROVE 1b. Development (project) number: CA007000205
2. Activity type: Demolition ☐ Disposition ☒
3. Application status (select one) Approved ☐ Submitted, pending approval ☐ Planned application ☒
4. Date application approved, submitted, or planned for submission: (1/1/2007)
5. Number of units affected: 8 6. Coverage of action (select one) ☐ Part of the development ☒ Total development
7. Timeline for activity: a. Actual or projected start date of activity: b. Projected end date of activity: 12/1/2008

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: See attached approval. No additional developments to be considered.

2. Activity Description

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

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

10. Conversion of Public Housing to Tenant-Based Assistance

[24 CFR Part 903.7 9 (j)]

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

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

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

completing streamlined submissions may skip to component 11.)

2. Activity Description

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

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

B. 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.)

Public Housing Homeownership Activity Description (Complete one for each development affected)
1a. Development name: FAMILY SCATTERED SITES 1b. Development (project) number: CA007000206
2. Federal Program authority: ☐ HOPE I ☐ 5(h) ☐ Turnkey III ☒ Section 32 of the USHA of 1937 (effective 10/1/99)
3. Application status: (select one) ☒ Approved; included in the PHA's Homeownership Plan/Program ☐ Submitted, pending approval

☐ Planned application
4. Date Homeownership Plan/Program approved, submitted, or planned for submission: (09/01/2005)
5. Number of units affected: 66 6. Coverage of action: (select one) ☒ Part of the development ☐ Total development

B. Section 8 Tenant Based Assistance

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

2. Program Description:

a. Size of Program

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

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

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

b. PHA-established eligibility criteria

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

12. PHA Community Service and Self-sufficiency Programs

[24 CFR Part 903.7 9 (l)]

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

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? DD/MM/YY

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

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

B. Services and programs offered to residents and participants

(1) General

a. Self-Sufficiency Policies

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

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

b. Economic and Social self-sufficiency programs

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

Services and Programs				
Program Name & Description (including location, if appropriate)	Estimated Size	Allocation Method (waiting list/random selection/specific criteria/other)	Access (development office / PHA main office / other provider name)	Eligibility (public housing or section 8 participants or both)
FSS - HCV	*91*	*Specific Criteria*	*Development Office*	Both
FSS - Public Housing	6	*Specific Criteria*	Development Office	Both
HCV Home Ownership	52	*Specific Criteria*	Development Office	Both

(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: DD/MM/YY)
Public Housing	0	6
Section 8	95	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)

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

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

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

- 1725 K Street, 1318 E Street, Sherman Oaks, Glen Haven, Lincoln Manor, Twin Rivers, Marina Vista, Alder Grove.

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)
    - Installation of Security Cameras
    - Campus Card Access device installation
    - Criminal background checks will be performed on existing residents on a random basis and a targeted area with reported problems**.**

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

- 1725 K Street, 1318 E Street, Sherman Oaks, Glen Haven, Lincoln Manor, Twin Rivers, Marina Vista, Alder Grove.

C. Coordination between PHA and the police

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

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

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

D. Additional information as required by PHDEP/PHDEP Plan

PHAs eligible for FY 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)]

See attachment D, the pet policy is included in Admission and Continued Occupancy Plan.

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)

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

18. Other Information

[24 CFR Part 903.7 9 (r)]

A. Resident Advisory Board Recommendations

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

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

☐ Attached at Attachment (File name)

☐ Provided below:

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)

b. Eligible candidates: (select one)

☐ Any recipient of PHA assistance

☐ Any head of household receiving PHA assistance

☐ Any adult recipient of PHA assistance

☐ Any adult member of a resident or assisted family organization

☐ Other (list)

c. Eligible voters: (select all that apply)

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

☐ Representatives of all PHA resident and assisted family organizations

☐ Other (list)

C. Statement of Consistency with the Consolidated Plan

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

1. Consolidated Plan jurisdiction: (provide name here)

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)

☒ Other: (list below)

- The PHA meets quarterly with the Resident Advisory Board to exchange information and discuss issue or concerns.
- PHA staff provide referral service to residents, directly and via the quarterly newsletter.
- The PHA funds, or collaborates with other agencies to provide various activities designed to support self-sufficiency and independence, such as: painter, janitorial, landscaping, and clerical training programs, and Senior Nutrition Services.

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

- See section 2 above.

D. Other Information Required by HUD

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

Definition of a Significant Amendment:

The Housing Authority hereby defines substantial deviation and significant amendment or modification as any change in policy, which significantly and substantially alters the Authority's stated mission and the persons the Authority serves. This would include admissions preferences, demolition or disposition activities and conversion programs. Discretionary or administrative amendments consistent with the

Authority's stated overall mission and basic objectives will not be considered substantial deviations or significant modifications.

Attachments

A. Admissions Policy for Deconcentration (integrated into text of the Annual Plan)

The Sacramento County Housing Authority completed the analysis of its family developments to determine concentrations of poverty and determined that the family complexes that were not within the Established Income Range (EIR) are small complexes or are scattered sites that lend themselves to deconcentration.

B. Fiscal year 2008 Capital Fund Program Annual Statement and 5-Year (see separate attachment ca007a01).

C. Brief Statement of Progress in Meeting 5 Year Plan Mission and Goals

The Sacramento County Housing Authority is in the fifth year of the 5-Year portion of the PHA Plan for fiscal years 2005-2009.

The focus for Public Housing has been and will continue to be the improvement of PHAS scores with particular emphasis on the physical indicator and unit turn-around time.

One of the continuing strategic goals has been and will be to improve our residents' quality of life by focusing on increased public housing security and safety. We have made security gate improvements and have begun the process of installing new card key systems and security cameras in many on many of our properties.

Another Housing Authority strategic goal has been and will continue to be promoting self-sufficiency among our assisted residents. Our resident training program involves training in painting, janitorial and clerical disciplines. Many of the graduates of these programs have gone on to acquire full time employment in these fields.

The focus for the Housing Choice Voucher Program will be to continue to provide safe, decent and affordable housing in the most efficient way possible.

D. Description of the PHA's Pet Policy

The PHA adopted a pet policy which allows residents to have pets, provided that they request permission to keep a pet in advance, sign a Pet Policy/Agreement and agree to pay a pet deposit. The pet policy covers common household pets such as dogs, cats, fish, birds, rabbits, and rodents.

Residents may have up to two pets, but only one dog. Dogs are limited to a maximum adult weight of 25 pounds and must be housebroken. Dogs and cats must be spayed or neutered and must have a health certificate prepared by a veterinarian.

For accommodation purposes parts of the pet policy (including pet deposit) do not apply to animals that are needed as a reasonable accommodation for persons with disabilities.

The Pet Policy is included with the Admissions and Continued Occupancy Policy.

E. Resident Advisory Board Members

Name	Position Held
Arnold Mohr	**President**
Carol Moss	**1st Vice President**
Debbie Surrett	**2nd Vice President**
Gale Morgan	**Treasurer**
Lisa Burton	**Secretary**

RAB Board Members

ALDER GROVE – Evangeline Oatis
ARDEN VILLA - Vacant
LITTLE BELL - Gale Morgan
CAPITOL TERRACE - Paris Tompkins
COLONIAL HEIGHTS - Arnold Mohr
CREEKSIDE - Vacant
CRYSTAL GARDENS - Debbie Surrett
GIBSON OAKS - Mary Hamilton
GRAN CASA LINDA - Earlane Edwards
PARADISE MANOR - Edna Coleman
PINE KNOLL - Ernesto Jones
MARINA VISTA - Anita Butcher
SHERMAN OAKS - Darrel Venable
SIERRA VISTA - Donna Ogburn
SUTTER'S VIEW - Bill Blado
TWIN RIVERS - Porsche McCullough
WASHINGTON PLAZA- Virginia Coffman
WILLIAM LAND VILLA - Lahoma Seguna

F. Resident Advisory Board

RECOMMENDATIONS

None Received

ANNUAL PLAN OUTREACH

The Public Housing Authority held meetings throughout City and County to present the proposed Plan and receive feedback. These meetings were held in coordination with the Resident Advisory Board. Meeting notifications and postings notifying residents of the public comment period were posted at all sites. A presentation was also given at a Resident Advisory Board Meeting. The Plan and Attachments were available on the SHRA website and at site offices, as indicated in the Template. The notice of Public Comment Period and Hearing were published in the Sacramento Bee and on the SHRA website.

G. Public Comments

Legal Services Comment #1—Admin Plan (Chapter 1)

> 1. Local Objectives
> Page 1-2, eighth bullet point. This bullet point should include compliance with both federal and state fair housing laws, and the additional classes protected by California fair housing laws should be listed.

SHRA Response

1. Local Objectives – *The Public Housing Authority (PHA) disagrees with this comment.* The PHA is subject to state law. However, the administrative plan is adopted pursuant to HUD requirements. HUD does not require that the Public Housing Authority PHA incorporate state law into its administrative plan.

Legal Services Comment #2—Admin Plan (Chapter 1)

> 2. Fair Housing Policy
> The second paragraph lists protected classes under federal and state fair housing laws. Ancestry, lawful source of income and medical condition are each protected classes under the California Fair Employment and Housing Act but are missing from the list of protected classes (Government Code §§ 12955, 12926(p)). These protected classes should be added.
>
> The third paragraph under subheading D states that voucher holders will be provided information about "discrimination". Why is discrimination in caps? The quotes serve to dissuade and discourage discrimination claims and should be removed.

SHRA Response

2. Fair Housing Policy – *The Public Housing Authority (PHA) disagrees with this comment.* The PHA is subject to state law. However, the administrative plan is adopted pursuant to HUD requirements. HUD does not require that the Public Housing Authority (PHA) incorporate state law into its administrative plan.

In order to avoid any misinterpretation of the word discrimination, the Public Housing Authority (PHA) will delete the quotations surrounding the word discrimination.

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Legal Services Comment #3—Admin Plan (Chapter 1)

3. Reasonable Accommodation Policy

A. The first paragraph of the subheading correctly begins with the statement " This policy is applicable to all situations described in this Administrative Plan" and then states limitations on the application of the policy. The limitations should be removed. A reasonable accommodation can be requested for any housing authority policy or practice without limitation.

B. Requirement that applicant or participant must request a specific accommodation. This is correct as far as it goes. However, there are no magic words that an applicant or recipient must use to request a reasonable accommodation. An indication from any person who contacts the agency that a change in agency policy or practice is required for full use and enjoyment of the program is sufficient to trigger SHRA's obligation to process that indication as a reasonable accommodation request. As written, the first paragraph on page 1-4 at least implies that an accommodation must be requested in those words, which is incorrect. (*Auburn Woods I Homeowners Assn'n v. Department of Fair Employment and Housing* (2004) 121 Cal.App.4th 1578, 1598; *Douglas v. Kriegsfeld* Corp (D.C. App.2005) 884 A.2d 1109, 1122; Joint Statement of the Department of Housing and Urban Development and the Department of Justice, Reasonable Accomodations Under the Fair Housing Act, May 14, 2004, Question and Answer 12, available at www.usdoj.gov/crt/housing/jointstatement_ra.htm (and attached for your reference [hereinafter Joint Statement;.)) In addition, the first paragraph on page 1-4 states that the "specific accommodation: must be requested. This is also incorrect. As explained in *Douglas*, "…the Fair Housing Act 'does not require that a request be made in a particular manner.' Even more importantly, the tenant's failure to make clear in her initial request 'what type of accommodation she is requesting' is not fatal. According to applicable case law, inclusing an administrative adjudication by HUD itself, once the tenant requests a 'reasonable accommodation' (or, without using those exact words, requests an accommodation for a disability) the landlord is obliged under the Fair Housing Act to respond promptly. If the request is not sufficiently detailed to reveal the nature of that request, the Act—as properly interpreted—requires the landlord to 'open a dialogue' with the tenant, eliciting more information as needed, to determine what specifics the tenant has in mind and whether such accommodation would, in fact, be reasonable under the circumstances." (*Douglas*, id., 884 A.2d at p.1112 [citation omitted]; see also Joint Statement at Question and Answer 12.)

C. Page 1-4 contains an incomplete definition of disability for two reasons. First, the Federal Fair Housing Act also applies to SHRA's operations and should be cited in addition to the Americans with Disabilities Act. Second, under California law which also applies to SHRA, the word "substantially" is removed from the definition, as the California Fair Employment and Housing Act only requires that a person have a condition that "limits a major life activity." (Govt. Code § 12926(k)(1)(B)(I); *Colenares v. Braemar Country Club, Inc*.(2003) 29 Cal.4th 1019.) The correct definition under California law is "A physical or mental impairment that limits one or more major life functions." (*Id*.) The Administrative Plan needs to be corrected accordingly.

D. Review by a "Reasonable Accommodation Committee" and written decision regarding accommodation. This process as described has persons make reasonable accommodation requests, and then have the requests evaluated by a committee. The problem with this process is it precludes any discussion about the accommodation between the requestor and SHRA. However, should SHRA have questions or consider denying the request, it must engage in an "interactive process" with requestor. (*Auburn Woods I Homeowners Assn'n v. Department of Fair Employment and Housing* (2004) 121 Cal.App.4th 1578, 1598; *Douglas v. Kriegsfeld* Corp (D.C. App.2005) 884 A.2d 1109, 1123 n.21; Joint Statement of the Department of Housing and Urban Development and the Department of Justice, Reasonable Accomodations Under the Fair Housing Act, May 14, 2004, Question and Answer 7 and 10.) This means SHRA must discuss the reasonable accommodation request with the requestor. The described process only gives a yes or no answer to the reasonable accommodation request with no further discussion. The right to request an informal

hearing does not resolve this problem. While there is a right to a hearing to challenge a final decision regarding a request for reasonable accommodation, a hearing is also a yes or no decision and not a substitute for the required interactive process. The absence of an interactive process violates federal and state fair housing laws and must be changed.

E. The reasonable accommodation process described separates verification of the fact of disability from verification of the need for the requested accommodation. There is no reason to separate these two verification steps as the medical provider or other person who verifies disability is in the best position to state the nexus between the disability and the requested accommodation. In addition, this separation needlessly extends the reasonable accommodation process. In general, the same form and the same service provider can and should verify both the fact of disability and the nexus between the disability and the requested accommodation. Only in situations where the person who verifies disability does not have the ability to verify the nexus between the requested accommodation and the disability should a third party be consulted.

F. The verification methods at the bottom of page 1-4 cross reference Chapter 7 of the Administrative Plan. However, there is no definition of "professional third-party, competent to make an assessment" in Chapter 7. The only reference to verification of disability in Chapter 7 is on p. 7-15, and that discusses verification of meeting the HUD definition of disability, not the fair housing definition of disability. This cross reference needs to be changed.

G. Page 1-4—The sections entitled "Methods Used to Certify a Person with a Disability" and "Methods Used to Certify the Need for a Reasonable Accommodation" each state that verification from a professional is required. The same requirement is included on page 2-5 for live-in aids. This is incorrect. Sufficient verification can also be obtained from "a peer support group, a non-medical service agency, a non-medical service agency, or a reliable third party who is in a position to know about the individual's disability…" (Joint Statement Question and Answer 18.)

H. Page 1-5 of the Administrative Plan authorizes home visits to review requests for reasonable accommodation. There is nothing in fair housing law authorizes this. SHRA can request verification from "a doctor or other medical professional, peer support group, a non-medical service agency, a non-medical service agency, or a reliable third party who is in a position to know about the individual's disability…" (Joint Statement Question and Answer 18.) If the disability and the need for accommodation is readily apparent, no additional verification can be requested. (Joint Statement Question and Answer 17; see also *Auburn Woods*, supra at p. 1598 [stating that if housing provider is skeptical of the reasonable accommodation request, housing provider must request verification or open a dialog with the requestor].) While SHRA can request verification of the nature of the disability and the nexus between the disability and the requested accommodation if such is not apparent, it cannot do home visits to investigate reasonable accommodation claims.

I. Page 1-5—Second paragraph of under "Undue Hardship" correctly states that SHRA is not required to fundamentally alter the essential function of the program. However, the sentence then gives the example of a waiving a family obligation as something that fundamentally alters the essential function of the program. However, whether a particular request is a fundamental alteration of the program is based on the general purposes of the program and not on any particular rule. (*See e.g. Fry v. Saenz* (2002) 98 Cal.App.4th 256, 264-66.) It is incorrect to say that all family obligations are always fundamental to the essential function of the program. Each given situation waiver of a family obligation or any other SHRA rule would constitute a fundamental alteration of the program.

SHRA Response

Reasonable Accommodation Policy

A. *The Public Housing Authority (PHA) agrees with this comment and will make the change.* This policy is applicable to all situations described in this Administrative Plan, **including but not limited to** when a family initiates contact with the PHA, when the PHA initiates contact with a family, including when a family applies, and when the PHA schedules or reschedules appointments.

B. *The Public Housing Authority (PHA) clarifies your comment with the following statement:* The Housing Specialist engages in an interactive process to help identify the type of accommodation needed. No specific language is necessary when requesting an accommodation—the family must only indicate their difficulty complying with rules or policies due to a disability.

C. *The Public Housing Authority (PHA) disagrees with this comment.* The PHA is subject to state law. However, the administrative plan is adopted pursuant to HUD requirements. HUD does not require that the Public Housing Authority (PHA) incorporate state law into its administrative plan.

D. *The Public Housing Authority (PHA) disagrees with this comment.* The Committee is part of a formal process that considers requests for reasonable accommodation. The Committee may approve or deny the request or may recommend that staff engages in an interactive process with the family. The Committee as a whole does not regularly engage in the interactive process, but may ask a staff person to represent the Committee and to engage in the interactive process as necessary to provide additional information or to look at alternative accommodations. Then this additional information is brought back to the Committee. When the Committee denies the request, a letter is sent to the family which says that they can submit additional information at any time. New information is considered as a new request for accommodation. The letter also states that families can appeal the decision if they disagree with the determination. This is another opportunity for staff to communicate with the family to ensure that adequate information was submitted and to explore other accommodations.

E. *The Public Housing Authority (PHA) disagrees with this comment.* The two steps are not divided. The process is as LSNC recommends, "the medical provider or other person who verifies the disability" also provides information about the nexus between the disability and the requested accommodation at the same time on the same form. In order to make this clear, the two paragraphs will be combined.

F. *The Public Housing Authority (PHA) agrees with this comment and the reference to Chapter 7 will be removed.*

G. *The Public Housing Authority (PHA) disagrees with this comment.* In the absence of law defining what constitutes a reliable source for verification, we believe the PHA has some discretion. In order to prevent testimony from an individual acting in a personal capacity, the PHA is requesting the involvement of someone who has a professional involvement with the person making the request who can verify the disability and make recommendations as to the nexus between the disability-related need and the accommodation requested.

H. *The Public Housing Authority (PHA) disagrees with this comment.* A home visit may be conducted as part of the interactive process and is used to primarily to evaluate the size and quantity of medical equipment when the family requests an additional bedroom due to medical equipment..

I. *The Public Housing Authority (PHA) agrees with this comment.* We will remove the example given.

Legal Services Comment #4—Admin Plan (Chapter 2)

1. PHA Factors
On page 2-3, the last bullet point under PHA factors states that applicants can be required to meet additional criteria for admissions. The Administrative Plan must define the criteria that SHRA uses. This category gives SHRA unfettered and standardless discretion to create any admission criteria it desires with no notice to anyone. This criteria should be deleted. If SHRA wants to add additional criteria for screening, it can amend the Administrative Plan to do so.

On page 2-3, the fourth bullet point from the top authorizes denial of a voucher application to persons who have filed bankruptcy. However, federal law prohibits discriminatory action against people who have filed bankruptcy. (11 U.S.C. § 525(a); *see also Stolz v. Worldwide Flour Mills, Inc. (In Re Stolz)* (7th Cir. 2002) 315 F.2d 80, 89-91.)

SHRA Response

1. PHA Factors - *The Public Housing Authority (PHA) agrees with this comment.* We will remove the bullet that Applicants may be required to meet additional criteria for admissions.

   Federal Law prohibits discrimination against people who have filed bankruptcy. *The Public Housing Authority (PHA) clarifies your comment and will make the following changes will be made.* **<u>If an applicant owes money to SHRA, we will not allow them to participate in the HCV program for five years from the time the debt is incurred regardless if a bankruptcy action occurred or not.</u>** The purpose is not to give an unfair advantage to a person who has a bankruptcy over a person who has unpaid incurred debt. We want to make sure that if a person incurs a debt that they will not have an opportunity to use a bankruptcy as a method to clear their debt then reapply for the program.

Legal Services Comment #5—Admin Plan (Chapter 2)

3. Applicants with Non-Biological Minor Children
The specified documentation in a "law a non-biological minor to be a member of the household should also include court ordered guardianship orders or letters of guardianship (Page 2-7).

SHRA Response

Guardianship (Applicants with Non-Biological Minor Children) - *The Public Housing Authority (PHA) agrees with this comment and will make the change.* We will add, **<u>Court</u>**

ordered guardianship orders to the list of acceptable forms of guardianship. We have done our due diligence with the current list of guardianship requirements.

Legal Services Comment #6—Admin Plan (Chapter 3)

> Good cause for missing deadlines or appointments. There are several places in the Administrative Plan where SHRA has established strict deadlines or timeframes with the possibility for a claim of good cause. On page 3-4, Requirement to Attend Interview, third paragraph authorizes withdrawing an application for only one missed interview. There should be a way for persons to request a second interview if there is good cause for missing the first interview. This is particularly so for persons with disabilities. There should also be the possibility to request an extension of the 10-day timeframe to provide additional information in the last paragraph of page 3-4. Several types of documentation can take more than 10 days to obtain, and applicants need to be given the possibility of an extension of time if needed. Again, this is particularly true for applicants with disabilities. The same is also true for purging of the waiting list on page 4-4. Again, applicants should be able to claim good cause for not responding within 15 days. On page 10-3, termination for missing two regularly scheduled inspection appointments should also have the opportunity to claim good cause. A generalized good cause statement about the lines of the standard for failure to respond to recertification on Page 12-2 would resolve these problems.

SHRA Response

We will consider good cause for missing the first interview. *The Public Housing Authority (PHA) agrees with this comment and will add the following changes will be made.* **Exceptions to these policies may be made by supervisory or designated staff if the family is able to document an emergency situation that prevented them from attending the appointment or if requested as a reasonable accommodation for a person with a disability.**

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Legal Services Comment #7—Admin Plan (Chapter 5)

> 1. Voucher Size
> On page 5-1, the Administrative Plan does not include that "children of opposite sex, other than very young children, may not be required to occupy the same bedroom or livingsleeping room." (24 C.F.R. § 982.401(d)(2)(ii).) This housing quality standard is incorporated into the voucher size requirements. (24 C.F.R. § 982.402(d)(1).) The requirement that children of the opposite sex, other than young child, cannot be required to share a bedroom must be included in the Administrative Plan voucher size section.

SHRA Response

1. Voucher Size - *The Public Housing Authority (PHA) disagrees with this comment.* The PHA does not decide what family member sleeps in the bedrooms, the family makes the decision on what family members sleep where.

Legal Services Comment #8—Admin Plan (Chapter 6)

> 1. Income and Allowances
> This section includes income exclusions but does not include income exclusions. 24 C.F.R. § 5.609(c) includes 21 categories of income that are excluded from being counted for purposes of the Housing Choice Voucher program. A document given to program participants lists 31 different income exclusions. These income exclusions should be stated in the Administrative Plan.

SHRA Response

1. Income and Allowances - *The Public Housing Authority (PHA) disagrees with this comment.* The PHA does not believe that the money paid directly through In Home Support Services (IHSS) to a family member should be excluded. It is considered to be earned income. Developmental Disability Care Payments are payments made to offset the high costs of keeping a developmentally disabled person in the home (services and equipment), so they don't have to be placed in a State Long Term care facility. IHSS covers hours of care for a disabled person. This is an area that we continue to agree to disagree.

Legal Services Comment #9—Admin Plan (Chapter 6)

> 3. Lump Sum Receipts
> There are several problems with the section (pages 6-17 to 6-18).
>
> A. The citation is incorrect. The citation that lump sum receipts are not counted as income is 24 C.F.R. § 5.609(c)(3). The citation to 24 C.F.R. § 5.603(b) is contrary wrong and that section is definitions that do not discuss income or assets.
>
> B. The calculation methodology is wrong. The amount of the lump sum received is not used to determine the tenant rent. If the family's assets are less than $5,000, the actual income derived from any asset, including a lump sum, is used to determine the tenant rent. (HUD Housing Choice Voucher Program Guidebook at pp. 5-24 – 5-26.) If the family's assets are greater than $5,000 then the greater of the actual income derived from the asset or a percentage of the value of the asset based on the passbook savings account interest rate is used to determine the tenant rent. (Id.) This section needs to be changed to comply with the Housing Choice Voucher Guidebook.

SHRA Response

2. Lump Sum Receipts - *The Public Housing Authority (PHA) agrees with this comment.* We made the following changes:

   A. Citation was replaced with 24 CFR 5.609(c)(3).

   B. Added the underlined word to Admin Plan. The PHA will determine the amount of income for each certification period, including the **income derived from the** lump sum, and recalculate the tenant rent for each certification period to determine the amount due to the PHA.

Legal Services Comment #10—Admin Plan (Chapter 6)

> 3. Assets Disposed of for less than Fair Market Value
> Pages 6-10 and 7-11 discuss assets disposed of for less than fair market value. These sections are missing a few important exclusions. Assets disposed of in a foreclosure or a bankruptcy sale are not considered as disposed of for less than fair market value. (24 C.F.R. § 982.603(b) net family assets (3)). In addition, assets disposed of as a result of divorce or separation are not considered transferred for less than fair market value. (Id.; HUD Housing Choice Voucher Program Guidebook at pp. 5-30.) In addition, tenant certification of disposal of assets is usually acceptable. (HUD Housing Choice Voucher Program Guidebook at pp. 5-27.)

SHRA Response

3. Assets Disposed of for less than Fair Market Value - *The Public Housing Authority (PHA) agrees with this comment.* We will make both sections consistent in the Admin Plan.

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Legal Services Comment #11 Admin Plan (Chapter 6)

> 4. Medical Expenses.
> The Administrative Plan limits deductible medical expenses to those that are anticipated, regular and ongoing (page 6-15). Nothing in federal regulation authorizes this limitation. 24 C.F.R. § 5.611(a)(3)(i) states that any out-of-pocket unreimbursed medical expenses of an elderly or disabled family are deductible if they exceed 3% of annual income. The limitation of the medical expense deduction to anticipated, regular and ongoing expenses needs to be removed.

SHRA Response

4. Medical Expenses- *The Public Housing Authority (PHA) disagrees with the comment.* Medical expenses are expenses anticipated to be incurred during the 12 months following certification or reexamination which are not covered by an outside source such as insurance. The medical allowance is not intended to give a family an allowance equal to last year's expenses, but to anticipate regular ongoing and anticipated expenses during the coming year. Reference: Housing Choice Voucher Program Guidebook, Chapter 5: Eligibility and Denial of Assistance, pg. 5-31.

Legal Services Comment #12 Admin Plan (Chapter 7)

> 7. Verification of Child Support Payments
> An accounting or other statement from a Local Child Support Agency should also be acceptable verification of the amount of child support received. (Page 7-7)

SHRA Response

The *Public Housing Authority (PHA) agrees with this comment and the following changes will be made:*

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1. Verification of Child Support Payments – Added, **<u>a written accounting or other statement from a local child support agency</u>**

<u>Legal Services Comment #13 Admin Plan (Chapter 7)</u>

2. Full Time Student Status
This section states that the first $480 of earned income of a full time student is counted as income (Page 7-9). This is true. However, the first $480 of income of full time students is

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disregarded. (Page 6-2.) This means that no income of full time students is counted. This section should include a cross reference to page 6-2 to ensure that no income of full time students is counted.

<u>SHRA Response</u>

The *Public Housing Authority (PHA) agrees with this comment and the following changes will be made:*

2. Full Time Student Status- Added, **<u>this $480 is disregarded for dependents, netting zero</u>** (see Chapter 6 "Income and Allowances").

<u>Legal Services Comment #14 Admin Plan (Chapter 7)</u>

3. Verification of disability – This section should be clarified that the definition used applies only to verification of disability for purposes of the disability expense and medical deductions and the disabled employment deduction. (Page 7-15)

<u>SHRA Response</u>

The *Public Housing Authority (PHA) agrees with this comment and the following changes will be made:*

3. Verification of Disability – Added, **<u>this threshold is not used for determination of reasonable accommodation</u> <u>(refer to Chapter 1).</u>**

<u>Legal Services Comment #15 Admin Plan (Chapter 11)</u>

1. Payment standard. This section should state what payment standard SHRA is using (Page 7-15).

<u>SHRA Response</u>

The Public Housing Authority (PHA) clarifies your comment. The Voucher Payment Standard amount is set by the PHA between ninety percent and 110 percent of the HUD published FMR. It is available and updated on our website annually.

Legal Services Comment #16 Admin Plan (Chapter 15)

> 1. Family Obligations
> The fourth paragraph gives SHRA the authority to prevent foster children from moving into a voucher subsidized unit. (Page 15-8). Such authority is familial status discrimination under the Federal Fair Housing Act and the California Fair Employment and Housing Act as foster children are included in the definition of familial status.

SHRA Response

The Public Housing Authority (PHA) clarifies your comment:

1. According to the "Family Obligations" it is a requirement that every family receive approval to add a family member to the household.

Legal Services Comment #17 Admin Plan (Chapter 15)

> 2. Limitation on Profit-Making Activity in the Unit
> SHRA can limit profit-making activity in the unit with the exception of licensed day care, as the right to operate licensed day care in any residential dwelling is protected by California Health and Safety Code Section 1597.40. (Page 15-10).

SHRA Response

The Public Housing Authority (PHA) clarifies your comment:

2. Limitation on Profit-Making Activity in the Unit - A person can run a business out of their unit but the unit must be their primary place of residence.

Public Housing Admissions and Continued Occupancy Policy

Legal Services Comment #1 ACOP (Chapter 1)

> 1. Remove quotation marks from the word discrimination. (Page1-3).

SHRA Response

The Public Housing Authority (PHA) agrees with this comment. In order to avoid any misinterpretation of the word discrimination, the PHA will delete the quotations surrounding the word discrimination

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Legal Services Comment #2 ACOP (Chapter 2)

1. Agency Factors
The proposed policy to require repayment of debts waived in bankruptcy violates the promise of bankruptcy law. (Page 2-2). The federal laws that govern bankruptcy provide that when a debt is discharged through bankruptcy it is uncollectible by the debtor. There is no legal authority for SHRA to bypass this outcome.

On the top of Page 2-3 the last bullet point should be removed. The PHA should include all criteria used for admission in the ACOP to avoid the appearance of arbitrary basis for denial of eligibility. If additional criteria are later required, SHRA can amend the ACOP.

SHRA Response

1. Agency Factors - *The Public Housing Authority (PHA) agrees with this comment and will make the following changes.* **A family that has received protection under federal bankruptcy (Chapter 7) does not owe any debt to the PHA.**

   The Public Housing Authority (PHA) agrees with this comment. We will make the change to the ACOP to remove this bullet.

Legal Services Comment #3 ACOP (Chapter 2)

2. Live-In Aides
Prohibiting live-in aides from applying for his/her own conventional housing unit is impermissible and discriminatory. (Page 2-5). Live-in aides are employees who happen to stay in the unit at night to provide care for their employer. They do not work 24 hours a day seven days a week but they do work at night and should have a bedroom. Excluding a group of people from conventional housing because of their type of employment is discriminatory. The policy should be to decide eligibility on a case by case basis depending on the number of hours the person works and stays in his/her employer's unit.

SHRA Response

2. Live-In Aides - *The Public Housing Authority (PHA) disagrees with this comment.* A live-in aid who is an applicant to the conventional housing program may not be approved for his/her own conventional housing unit while maintaining a bedroom in the conventional housing unit of another resident.

Legal Services Comment #4 ACOP (Chapter 2)

3. Split Households on Waiting List
The list of highlighted ACOP changes provided with the draft includes a proposal that when a family on the waiting list splits only one of the applicants can remain on the waiting list and lists criteria to use to determine which applicant will remain. (Page 2-8). This change is not actually in the draft itself and the draft would have to be re-circulated in order to adopt this change. If SHRA does choose to re-circulate the draft in order to include this change it is unclear what hardship is presented by allowing both applicants to remain on the waiting list if both parties would be eligible for admission. What would happen in a scenario with two seniors with no children, who divorce?

SHRA Response

3. Split Households on Waiting List - *The Public Housing Authority (PHA) clarifies your comment*. When a family on the waiting list splits into two otherwise eligible families due to divorce or legal separation, and the new families both claim placement on the waiting list, the PHA will place both families on the wait list based on the split family composition, and appropriate bedroom size. The date the family initial application date and any preferences for which they are eligible will also be maintained.

Legal Services Comment #5 ACOP (Chapter 2)

4. Social Security Numbers
The ACOP proposes to require Social Security Card from all tenants. (Page 2-6) The same requirement is in the Admin Plan. This is inconsistent with HUD regulations which only require Social Security numbers for tenants six (6) years and older. 24 CFR §§ 5.216 and 5.218. The remaining chapters of the ACOP do reflect the correct requirement.

SHRA Response

4. Social Security Numbers - *The Public Housing Authority (PHA) disagrees with this comment.* This is a HUD requirement and they use Social Security numbers to track families on the program to match with the Enterprise Income Verification (EIV) system, PIH Notice 2006- 41.

Legal Services Comment #6 ACOP (Chapter 2)

5. Rent Paying Habits
The review of an applicants prior rent paying history is not a fiscal criteria. (Page 2-10). The fundamental purpose for subsidized housing is to meet the housing needs of those who are overpaying for housing due to their limited income. Having a poor history of rent payments does not identify an applicant as a poor tenant but some one in great need of housing affordable to them based on their income.

SHRA Response

5. Rent Paying Habits - *The Public Housing Authority (PHA) disagrees with this comment and no change will be made.*

Legal Services Comment #7 ACOP (Chapter 3)

1. Completion of a Full Application
The ACOP states that applicants will receive the full application by mail as an accommodation

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but does not indicate how other applicants will receive the application. (Page 3-6). Please clarify the process for applicants.

SHRA Response

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1. Completion of a Full Application - *The Public Housing Authority (PHA) clarifies your comment*. As a policy the full application is mailed to all applicants once their name is pulled from the wait list.

Legal Services Comment #8 ACOP (Chapter 3)

2. Reasonable Accommodation Requests
The full application asks if any of the applicants require a reasonable accommodation (Page 3-4). This is a violation of fair housing laws. The application may provide information to applicants informing them that they may request a reasonable accommodation if one is necessary. The information should be in plain language as "reasonable accommodation" is not a commonly used term understood by the public.

SHRA Response

2. Reasonable Accommodation Requests - *The Public Housing Authority (PHA) agrees with this comment and will make the changes as follows.* The application will include the statement, **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 (name and number or complete this section.**

Legal Services Comment #9 ACOP (Chapter 3)

3. Attend Interview
The ACOP proposes a new policy regarding missed scheduled interview appointments in paragraph seven on page 3-4. The former policy was to automatically re-schedule one missed appointment. The proposed policy is to remove the applicant from the waiting list and provide an informal review. If such a stricter new policy is necessary, the standard for re-instatement on the waitlist must be explicit. If good cause is shown for the missed appointment then the applicant will be scheduled for an other appointment.

SHRA Response

3. Attend an Interview - *The Public Housing Authority (PHA) disagrees with this comment.* If the applicant fails to appear for an appointment, a withdrawal notice is sent to the applicant at which time the applicant may request an informal review. If the applicant requests to have the scheduled appointment rescheduled prior to the day of the appointment, s/he will be rescheduled. If the applicant misses the rescheduled appointment, the application is removed from the waiting list. The PH may consider mitigating circumstances and would then reschedule an appointment.

Legal Services Comment #10 ACOP (Chapter 5)

1. Live-In Aides

The ACOP proposes that an additional bedroom will not be added for a live-in aide if the aide assists the resident on a part-time or rotational basis. (Page 5-2). The approval of an additional bedroom for a live-in aide as a reasonable accommodation cannot be dependent on whether any particular aide works part time or on a rotational basis. It is unclear if the ACOP proposes that there will be one additional bedroom, no matter how many aides rotate through the week, or whether an additional bedroom will not be provided if more than one aide assists the resident. If the former is intended, the policy should state that one additional bedroom will be approved for a Live-in aide, even if the resident employs more than one aide on a rotating basis.

SHRA Response

1. Live-In Aides - *The Public Housing Authority (PHA) clarifies your comment*. Only one additional bedroom per household will be provided for an aide that assists a disabled member of the household on a full-time or rotational basis; or if the disabled person must have multiple rotating attendants.

Legal Services Comment #11 ACOP (Chapter 5)

2. Overhoused

Please clarify who pays the cost of moving overhoused tenants to an appropriate size unit. (Page 5-4). If the Agency does not pay the moving costs of a family who turns down a larger unit (to avoid vacancies) permitted to turn down the larger unit without using up one of its two offers? Also, remove the underline, italics, and red print from the headline Over-housed.

SHRA Response

2. Over-housed - *The Public Housing Authority (PHA) clarifies your comment*. Over-housed tenants pay their own moving cost since they created the over housed situation. They are still offered two choice but the HA makes every effort to make sure it is afforded a smaller unit in the area they desire. The offer of this unit is not considered a turn down.

Legal Services Comment #12 ACOP (Chapter 5)

3. Accessible Units

Related to the inquiry above. If a tenant who does not need an accessible unit turns one down because they do not want to move if the unit is needed by a person with disabilities, does that turn down count against the two offers? Please clarify. (Page 5-4).

SHRA Response

3. Accessible Units - *The Public Housing Authority (PHA) clarifies your comment*. If a tenant who does not need an accessible unit turns one down that unit because they do not want to move if the unit is needed by a person with disabilities, will not have the turn counted against the two offers.

Legal Services Comment #13 ACOP (Chapter 6)

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1. Minimum Rent

If a household is paying minimum rent of $50 the family's income is very limited. Therefore a repayment plan of $25 per month for the conclusion of a temporary hardship is not reasonable. (Page 6-6). Although we recognize the Agency's desire to be re-paid the rent, a more reasonable amount, such as $10 a month, is justified for a family qualifying for minimum rent.

SHRA Response

1. Minimum Rent - *The Public Housing Authority (PHA) agrees with this comment.* The PHA believes ten dollars ($10) will be an adequate amount for an individual to pay in a temporary hardship. If a family is unable to pay the minimum rent because of a financial hardship, the PHA will grant an exemption from payment of minimum rent.

Legal Services Comment #14 ACOP (Chapter 7)

1. Split Household/Domestic Violence

Verification methods for domestic violence when assessing applicant split households does not include self-certification (page 7-15). The Violence Against Women Act (VAWA) allows PHA's to allow domestic violence victims to self-verify his/her status as a victim of domestic violence. This verification method should be included in the draft.

SHRA Response

1. Split Household/Domestic Violence - *The Public Housing Authority (PHA) agrees with comment.* **<u>A self verification of their status of domestic violence will be included as a bullet</u>**. For example, a statement by the victim could be used in emergency situations or in case of an imminent threat.

Legal Services Comment #15 ACOP (Chapter 7)

2. Verification of a Disability

See comments to the Admin Plan.

SHRA Response

2. Verification of a Disability - *The Public Housing Authority (PHA) disagrees with this comment and will not make any changes.*

Legal Services Comment #16 ACOP (Chapter 8)

1. Transfer Vacate Charges

The proposed policy regarding property remaining in a unit once a tenant is transferred is a new one. Does not comply with state law. (Page 8-4). SHRA must follow state law regarding property left behind in a unit as required in Civil Code § 1980.

SHRA Response

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1. Transfer Vacate Charges - *The Public Housing Authority (PHA) disagrees with this comment and will not make any changes.* The proposed policy does not preclude compliance with state law. The PHA will notify the tenant that rent must be paid or a storage fee will be charged. If the tenant has not turned in their keys yet, they are a holdover tenant. The PHA cannot necessarily go in and change the locks, so charging rent is reasonable. If the tenant has abandoned their property, the PHA would comply with Cal. Civil Code Section 1980 by charging a reasonable fee for storage costs in the event that the tenant wanted to recover their items.

Legal Services Comment #17 ACOP (Chapter 9)

1. Ability to Comply with Lease Terms
If the tenant is unable to comply with lease terms due to a disability and no reasonable accommodation will enable compliance with the lease terms the Agency will initiate termination of the tenancy just as in any other situation where a lease has been breached. The lease does not automatically terminate. (Page 9-1).

SHRA Response

1. Ability to Comply with Lease Terms - *The Public Housing Authority (PHA) clarifies your comment*. The PHA will initiate termination of the tenancy just as in any other situation where a lease has been breached. At the conclusion of termination of tenancy process, the PHA will terminate for cause.

Legal Services Comment #18 ACOP (Chapter 9)

2. Resident Obligation
The ACOP policy regarding behavior of people under the tenant's control on page 9-3 misstates the law. HUD regulations only require a resident to be responsible if a person under their control is involved in drug-related or violent criminal activity on the premises. 24 CFR §966.4(l)(5)(B).

SHRA Response

2. Resident Obligation - *The Public Housing Authority (PHA) agrees with this comment*. The comment is correct and we will make the necessary changes. **To assure that no other person under the tenant's control engages in: (A) Any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other residents; or (B) Any drug-related criminal activity on the premises.** 24 CFR part 966.4(1)(5)(B).

Legal Services Comment #19 ACOP (Chapter 9)

3. Abandonment of the Premises
Proposed language should reference the applicable state law Civil Code Section 1951.3. (Page 9-5)

SHRA Response

Annual Plan Attachments

3. Abandonment of the Premises - *The Public Housing Authority (PHA) agrees with this comment.* And will add the following language according to Civil Code Section 1951.3(b), **the PHA may give a notice of belief of abandonment to the resident pursuant to this section only where the rent on the property has been due and unpaid for at least 14 consecutive days and the PHA reasonably believes that the resident has abandoned the property.** The date of termination of the lease shall be specified in the PHA's notice and shall not be less than 15 days after the notice is served personally or, if mailed, not less than 18 days after the notice is deposited in the mail.

Legal Services Comment #20 ACOP (Chapter 9)

4. Security Deposit:-

A. Disposition of a security deposit must comply with state law, which requires an itemized list of any deductions along with copies showing the charges incurred for making repairs within 21 days. Cal. Civil Code § 1950.5(g). State law does not extend this 21 day deadline for extenuating circumstances for any landlords including the housing authority. (Page 9-10).

B. Deducting "other charges under the lease" from the security deposit is not permitted by state law. Also, the policy must indicate that any damages deducted from the security deposit must be tenant caused.

C. If a tenant disputes the amount deducted from the security deposit the tenant is entitled to the grievance procedure as the dispute arises from his/her tenancy. (Page 9-11)

D. SHRA cannot require a tenant to leave a forwarding address. If a tenant would like to receive the security deposit s/he will be responsible for providing a forwarding address to the post office, but the tenant does not have to inform SHRA of his/her new address.

SHRA Response

. Security Deposits

A. *The Public Housing Authority (PHA) agrees with this comment and will remove the following.* **In those cases where there are extenuating circumstances that will delay the disposition of the security deposit**. An itemized list of any deductions along with copies showing the charges incurred for making repairs will be provided to the tenant within 21 days.

B. *The Public Housing Authority (PHA) agrees with this comment and will add the following.* **The PHA will provide the resident or designee identified above with a written list of any charges against the security deposits that are tenant caused items.**

C. *The Public Housing Authority (PHA) clarifies this comment.* The tenant is entitled to a grievance procedure and the scheduled meeting to discuss the charges is part of the process to a grievance procedure.

D. *The Public Housing Authority (PHA) agrees with this comment and will remove the following*. **<u>The resident must leave the dwelling unit in a clean and undamaged condition beyond normal wear and tear and must furnish a forwarding address to the PHA.</u>** The tenant is not required to inform the PHA of their forwarding address.

<u>Legal Services Comment #21 ACOP (Chapter 12)</u>

1. Drug activity (page 12-7, 1st bullet point)
Federal law allows the Agency to propose termination if a tenant or household member engages in drug activity on or off the premises. A resident is only responsible for drug activity that a person under the resident's control, or invitee, engages in on the premises.

<u>SHRA Response</u>

1. *The Public Housing Authority (PHA) clarifies your comment*. Federal law allows the PHA lease to provide that drug-related criminal activity engaged in, on or near the premises by any tenant, member of the tenant's household or guest, is grounds for the PHA to terminate tenancy.

<u>Legal Services Comment #22 ACOP (Chapter 13)</u>

1. Time to Request Review
The ACOP limits the period for a tenant to request a grievance regarding a notice of termination of tenancy to 10 days following the date of the notice. However, federal law requires that the tenant have the entire period of the notice to request a grievance. 42 U.S.C. § 1437d(k)(2) states that the tenant has an opportunity request a hearing within the time period for a notice of termination of tenancy in Section 1437(d)(l)(4). The time periods in Section 1437(d)(l)(4) include 30 days for most situations and 14 days for nonpayment of rent. SHRA's period to request a grievance which is shorter than the period of the notice of termination of tenancy violates federal law. *Housing Authority of the City of Danville v. Love* (Ill. App. 2007) 874

<u>SHRA Response</u>

1. Time to Request Review - *The Public Housing Authority (PHA) agrees with this comment and will change the following.* **<u>A request for an informal review must be received in writing by the close of the business day, no later than the number of days in the PHA's notification of denial.</u> Example, a 14 day notice has a 14 day review.**

<u>Legal Services Comment #23 ACOP (Chapter 13)</u>

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2. No Informal Review for 30 Day Notice of Termination
The ACOP proposes to eliminate a tenant's right to informal review in situations where a 30 day notice has been issued. (Page 13-8). HUD regulations require an informal review if requested by the tenant within the reasonable time limit and it relates to grounds afforded an informal review. 24 CFR § 966.54. If the ACOP does not amend its proposed policy refusing to schedule an informal review for 30 day notices SHRA will be out of compliance with the HUD regulations and liable for their failure to comply.

SHRA Response

2. No Informal Hearing for 30 Day Notice of Termination - *The Public Housing Authority (PHA) agrees with this comment and will make the following changes.* **<u>An informal review may be held but the resident is strongly encouraged to contact their manager to try and resolve the issues listed in the Notice of Termination of Assistance prior to requesting a Formal Hearing.</u>** The purpose of conducting an informal settlement is to talk to and educate the family, give the family an opportunity to explain the situation, and clearly document the PHA's decision after taking this step.

Legal Services Comment #24 ACOP (Chapter 13)

3. Description of the Grievance Procedure
Every resident in conventional housing must be provided a copy of the Agency's grievance procedures. 24 CFR § 966.52(d). This Chapter does not indicate if that is the Agency's current policy and should be amended to verify that SHRA is complying with that requirement.

SHRA Response

3. Description of the Grievance Procedures - *The Public Housing Authority (PHA) clarifies your comment.* Applicants are provided a copy of the grievance procedure at move in and residents are provided a copy of the grievance procedure if there is a change in policy.

Legal Services Comment #25 ACOP (Chapter 13)

4. Formal Hearing Procedures
The ACOP states that if a hearing decision upholds the PHA's decision a notice of termination of subsidy will be sent effective 30 days from the date of the notice. (Page 13-8). This statement requires clarification because it is unclear and it also conflicts with a statement on page 13-9 that a hearing decision upholding the PHA's decision to evict a tenant will be followed by the filing of an unlawful detainer.

Both statements are probably incorrect, for instance if a hearing decision upholds the PHA's decision to evict a tenant the PHA should wait to ensure that the notice to terminate has expired and the tenant still remains in the unit prior to filing an unlawful detainer. These two statements should be reviewed and rewritten for consistency.

SHRA Response

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4. Formal Hearing Procedures - *The Public Housing Authority (PHA) clarifies your comment.* The 30 days notice is the first step in an unlawful detainer action. The PHA does ensure that the notice to terminate has expired and the tenant still remains in the unit prior to filing an unlawful detainer.

Legal Services Comment #26 ACOP (Chapter 14)

> 1. Payment agreements
> Amend the minimum re-payment amount of $25 a month to a more reasonable sum for tenants repaying minimum rent as a temporary hardship exemption. (Page 14-1).

SHRA Response

1. Payment Agreements - *The Public Housing Authority (PHA) disagrees with this comment.* The PHA believes that $25 a month is a fair and reasonable re-payment amount after a temporary hardship.

Legal Services Comment #27 ACOP (Chapter 14)

> 2. Debts due to fraud
> The ACOP must be amended to include the current definition of fraud: intentionally providing false or misleading information for personal benefit. (Page 14-2).

SHRA Response

2. Debts due to fraud - *The Public Housing Authority (PHA) agrees with your comment and will add the following statement*. HUD's definition of program fraud and abuse is a single act or pattern of actions that constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead **<u>that results in a personal benefit.</u>**

Legal Services Comment #28 ACOP (Chapter 14)

> 3. Program fraud
> Fraud is accused if program fraud will be issued 30 day Notice of Tenancy Termination. NOT the proposed policy of immediately initiating eviction proceedings. (Page 14-2).

SHRA Response

3. Program Fraud - *The Public Housing Authority (PHA) clarifies your comment*. The PHA will issue a 30 day Notice of Tenancy Termination as part of our eviction proceedings.

H. Resident Membership of the PHA Governing Board

The Sacramento Housing and Redevelopment Commission acts as the governing body for the Sacramento City and County Housing Authorities. Members of the Housing and Redevelopment Commission are appointed to serve four-year terms. Because the Sacramento Housing and Redevelopment Agency is a joint powers authority, six Commission members are appointed by the Sacramento County Board of Supervisors and five members are appointed by the Sacramento City Council. Resident Commissioners are Arnold Mohr and Gale Morgan.

I. Community Service and Self-Sufficiency Requirements

At the time the family prepares to move in to a public housing unit, the lease requirement to perform community service will be explained. All adult family members who are not exempt from this requirement will be given a "Community Service and Self-Sufficiency Resource Form" listing the phone numbers of the local Volunteer Bureau and sites where they can receive job training. Family members will be encouraged to contact these agencies if they need assistance finding places where they can fulfill this requirement. No exempt adult residents will be given the appropriate form so that a representative from the organization can sign, verifying that the resident family member completed their service hours.

Families will be reminded that they need to provide this form at the time of their annual recertification. They must show that all family members contributed eight (8) hours of community service or participated in an economic self-sufficiency program for at least a minimum of thirty (30) hours a week.

If all family members are not compliant with this requirement at the annual recertification, the non-compliant family member and head of household will be asked to sign an agreement committing to make up these hours, plus any additional hours they incur, and to provide documentation of such. If the non-compliant family member and head of household refuse to sign this agreement, the family will be given notice that they are not complying with the terms of their leas and they may lose their housing assistance.

The community service requirement will be waived for a family member when he/she becomes employed at least 30 hours per week.

The ACOP includes a full chapter (Chapter 15) to further explain the PHA policy on the community service requirement.

J. HCV Homeownership Program Capacity Statement

At this time the HCV Homeownership Program is not pulling from its wait pool, due to a lack of funding.

RESOLUTION NO. SHRC- 08-032

ADOPTED BY THE SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION UNDER THE AUTHORITY DELEGATED TO THE COMMISSION PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE, SECTION 33202 BY RESOLUTION NO. RA 81-083 ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO ON OCTOBER 20, 1981, AND BY RESOLUTION NO. RA-83 ADOPTED BY THE REDEVELOPMENT AGENCY OF THE COUNTY OF SACRAMENTO ON OCTOBER 27, 1981, AND PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34292 BY RESOLUTION NO. HA 81-098 ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO ON OCTOBER 20, 1981, AND BY RESOLUTION NO. HA-1497 ADOPTED BY THE HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO ON OCTOBER 27, 1981.

ON DATE OF

October 8th, 2008

2009 COMPREHENSIVE AGENCY PLAN FOR THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO AND HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO

WHEREAS, a duly noticed public hearing was held on September 17, 2008 on the 2009 Comprehensive Agency Plan (Plan) on behalf of the Housing Authority of the City of Sacramento and the Housing Authority of the County of Sacramento; and

WHEREAS, the proposed Plan changes were presented to the Resident Committees and the Resident Advisory Board, and made available to the public.

NOW, THEREFORE, BE IT RESOLVED BY THE SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION:

Section 1. After due consideration of the facts presented, the findings, including the environmental findings regarding this action, as stated in the staff report that accompanies this resolution, are approved.

Section 2. The 2009 Comprehensive Agency Plan is hereby approved.

Section 3: Staff is hereby directed, when a denial letter for a reasonable accommodation request is issued, to notify the applicant that he or she may contact staff to discuss alternative modifications and may submit a revised request for a modification.

Section 4. The Executive Director, or her designee, is authorized to make non-substantive changes to the Plan based on any additional public comments received.

Section 5. The Executive Director, or her designee, is authorized to make changes to the Plan as directed by the Department of Housing and Urban Development or if required to comply with the Quality Housing and Work Responsibility Act of 1998.

Section 6. The Executive Director, or her designee, is authorized to execute all necessary documents for the submission and certification of compliance of the 2009 Comprehensive Agency Plan as required by the Department of Housing and Urban Development or to comply with the Quality Housing and Work Responsibility Act of 1998.

CHAIR

ATTEST:

CLERK

The Housing Authority

of the

City & County of Sacramento

2009 Admissions And Continued Occupancy Policy (ACOP)

Effective 1/1/2009

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CHAPTER 1

STATEMENT OF POLICIES AND OBJECTIVES

INTRODUCTION

The U.S. Housing Act of 1937 created the low rent Public Housing program. Administration of the Public Housing program and the functions and responsibilities of the Public Housing Agency (PHA) of the City and County of Sacramento staff shall be in compliance with the PHA's *Personnel Policy*, any union agreements of the PHA, and this *Admissions and Continued Occupancy Policy (ACOP)*. The administration of this PHA's housing program will also meet the requirements of the Department of Housing and Urban Development (HUD). Such requirements include any Public Housing regulations, handbooks, and applicable notices. All applicable federal, state and local laws, including Fair Housing Laws and regulations also apply. Changes in applicable federal laws or regulations shall supersede provisions in conflict with this policy. Federal regulations shall include those found in Volume 24 CFR, Parts 1, 5, 8, 100 and 900-966 (Code of Federal Regulations).

A. PUBLIC HOUSING AGENCY MISSION STATEMENT

The mission of the PHA is to promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination.

Our mission is to assist applicants in obtaining housing. Our task is to determine what we can and must do to achieve that goal fairly and with the highest degree of integrity.

We will perform our mission with:

- Dignity - allowing each applicant and participant a sense of pride
- Fairness - remaining objective at all times, remembering that there are two sides to every story
- Respect - treating others as we would like to be treated, in a non-judgmental manner
- Sensitivity - demonstrating empathy (not sympathy) by ensuring that program information provided is not only complete and accurate, but also offers positive solutions that foster hope

B. LOCAL OBJECTIVES

- To provide improved living conditions for very low and low-income families while maintaining their rent payments at an affordable level
- To operate a socially and financially sound Public Housing Agency that

  provides decent, safe, and sanitary housing within a drug free, suitable living environment for residents and their families, insuring that all units meet the Uniform Physical Condition Standards (UPCS)
- To avoid concentrations of economically and socially deprived families in any one, or all of the PHA's public housing developments
- Promote a safe environment by denying initial or continued assistance to families who have demonstrated a history of violent criminal or drug-related activity
- Promote a safe environment by denying initial or continued assistance to families who have shown a pattern or repeated acts of any criminal activity
- To attempt to house a resident body in each development, that is composed of families with a broad range of incomes and rent-paying abilities that are representative of the range of incomes of low-income families in the PHA's jurisdiction
- To provide opportunities for upward mobility for families who desire to achieve self-sufficiency
- To facilitate the judicious management of the PHA inventory and the efficient management of the PHA staff
- To ensure compliance with Title VI of the Civil Rights Act of 1964, and all other applicable federal laws and regulations, so that the admissions and continued occupancy are conducted without regard to race, color, religion, creed, sex, national origin, disability or familial status

C. PURPOSE OF THE POLICY

The purpose of this ACOP is to establish policies for the PHA staff to follow in determining eligibility for admission and continued occupancy. These policies are governed by the requirements of HUD with latitude for local policies and procedures. If any changes conflict with this plan, HUD regulations will have precedence.

The PHA Board of Commissioners will approve the original policy and significant amendments. Required portions of this plan will be provided to HUD.

D. FAIR HOUSING POLICY

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

The PHA shall not deny any family or individual the opportunity to apply for or receive assistance under the Conventional/Public Housing programs on the basis of race, color, sex, religion, creed, national or ethnic origin, ancestry, source of income, veteran's status, age, familial or marital status, handicap/ disability or sexual orientation. To further its commitment to full compliance with applicable Civil Rights laws, the PHA will provide federal/state/local information to voucher holders and public housing residents regarding discrimination and any recourse available to them. The PHA provides and reviews information regarding Fair Housing rights and responsibilities during family briefing sessions. Such information will be made available during the family briefing session in each briefing packet.

Except as otherwise provided in 24 CFR 8.21, 8.24, 8.25, and 8.31, no individual with disabilities shall be denied the benefits of, be excluded from participation in, or otherwise be subjected to discrimination because the PHA's facilities are inaccessible to or unusable by persons with disabilities.

Posters and housing information are displayed in locations throughout the PHA's office in such a manner as to be easily readable from a wheelchair.

The office of Application/Intake and Eligibility and the Conventional Housing programs are accessible to persons with disabilities. Accessibility for the hearing impaired is provided by the TTD/TDY telephone service provider.

E. REASONABLE ACCOMMODATION POLICY

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

An applicant and participant with a disability must first ask for a specific accommodation for their disability before the PHA will deviate from standard policies. The PHA's policies and practices will be designed to provide assurances that persons with disabilities will be given reasonable accommodations, upon request, so that they may fully access and utilize the housing program and related services. The availability of request for accommodation will be made known by including notices on PHA forms and letters. This policy is intended to afford persons with disabilities an equal opportunity to obtain the same result, to gain the same benefit, or to reach the same level of achievement as those who do not have disabilities and is applicable to all situations described in this ACOP.

The PHA utilizes organizations that provide assistance for disabled persons when needed.

The PHA will fully comply with the obligations found in HUD Notice 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 and the Fair Housing Act of 1988]. To request a reasonable accommodation due to a disability, an applicant or participant must qualify under the following American with Disabilities Act (ADA) definition of disability:

- A physical or mental impairment that limits an individual's ability to participate in major life activities
- A record of such impairment
- Being regarded as having such impairment

Notwithstanding any other provision of law, no individual shall be considered a person with disabilities for purposes of eligibility for low-income housing solely on the basis of any current drug use or alcohol dependence. Individuals whose drug or alcohol addiction is a material factor to their disability are excluded from the definition. Individuals are considered disabled if disabling mental and physical limitations would persist if drug or alcohol abuse discontinued.

METHODS USED TO CERTIFY A PERSON WITH A DISABILITY

To verify that an applicant or program participant is a person with a disability, PHA staff will first check to see whether the applicant is under the age 62 and receives either Social Security Disability or SSI Disability income.

Some residents or applicants may be persons with disabilities even though they do not have such income. In these cases, a verification form will be sent to a qualified professional having knowledge of the person's disability who can verify the person's status.

METHODS USED TO CERTIFY THE NEED FOR A REASONABLE ACCOMMODATION

Once the person's status as a qualified person with a disability is confirmed, the PHA will require that a professional third party, competent to make the assessment, provide written verification that the person needs the specific accommodation, due to their disability, and the change is required for them to have equal access to the housing program. (Refer to *Verification Procedures* Chapter 7).

The PHA will provide a written decision to the person requesting the accommodation within a reasonable time. If a person is denied the accommodation, or feels that the alternative suggestions are inadequate, they may request an informal hearing to review the PHA's decision. (Refer to chapter 13, *Complaints, Grievances and Appeals).* Reasonable accommodation will be made for persons with a disability that requires an advocate, or accessible offices. A designee will be allowed to provide some information, but only with the permission of the person with the disability.

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

All PHA communities and programs are open to all eligible persons without regard to race, color, religion, sex, sexual orientation, marital status, national origin, ancestry, family status, source of income, veteran status, or the presence of qualified disability. A reasonable accommodation will be made in policies, practices, and services, when such accommodation may be necessary to afford a disabled person equal opportunity to fully access and utilize housing programs and related services, unless such accommodation will impose an undue financial or administrative burden on the (PHA), or will require a fundamental alteration in the nature of its program.

UNDUE HARDSHIP

Requests for reasonable accommodation from persons with disabilities will be granted upon verification that they meet the need presented by the disability, and they do not create an undue financial and/or administrative burden. The PHA will deny the request and/or present an alternate accommodation that will still meet the need of the person. An undue administrative burden is one that requires a fundamental alteration of the essential functions of the PHA (i.e., waiving a family obligation). An undue financial burden is one that when considering the available resources of the agency as a whole the requested accommodation would pose a severe financial hardship on the PHA. In determining whether an accommodation would create an undue hardship, the following guidelines will apply:

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

F. TRANSLATION OF DOCUMENTS AND PLANS FOR LANGUAGE ASSISTANCE FOR LIMITED ENGLISH PROFICIENCY (LEP) PERSONS

It is the goal of the Housing Authority to be accessible to all residents of Sacramento County, regardless of race, color, or national origin. Therefore, we will endeavor to provide all families the same high quality customer service no matter what language they speak. In order to serve limited English proficiency (LEP) families, the Housing Authority is implementing the following activities:

1. When the adult members of the family are LEP, staff will show them the *Language Identification Flashcard*, created by the Census Bureau, so that the family can identify what language they speak. The Housing Authority

has identified staff who speak American Sign Language, Chinese and Spanish to assist with these languages. For other languages, an interpreter will be called to assist the staff person in serving the family.

2. All LEP families will be identified on the computer, and in their file, as to their primary language so that appropriate resources can be identified in advance of the family's needing assistance with an appointment.

3. When the number of families speaking one non-English language exceeds 5% of the number of program participants, the Housing Authority will translate "important" documents into this language. "Important" is defined as those documents addressing safety, participant rights, participant obligations, or communication regarding the loss of housing (i.e., eviction or program termination).

4. When the number of families speaking one non-English language exceeds 5% of the number of program participants, the Housing Authority will actively recruit staff that speak, read and write this language.

5. The Housing Authority will post signs in public spaces, in languages known to be spoken by LEP families involved with the agency, telling them that help is available in the language they know.

6. The Housing Authority will provide training to current and new staff, on an annual basis, about the resources available for LEP families and how to utilize these resources for participating families.

G. FAMILY OUTREACH

The PHA will publicize and disseminate information to make known the availability of housing assistance, and related services, for low-income families on a regular basis. When the PHA's waiting list is open, the PHA will publicize the availability, and nature of housing assistance for low-income families, in newspapers of general circulation, minority media, and by other suitable means.

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

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

H. PRIVACY RIGHTS

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

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

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

The PHA's practices and procedures are designed to safeguard the privacy of applicants and program participants. All applicant and participant files will be stored in a secure location, which is only accessible by authorized staff.

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

The staff person, who is utilizing a file, is responsible for its security. Files will never be left unattended in common areas.

I. POSTING OF REQUIRED INFORMATION

The PHA will maintain a bulletin board in a conspicuous area of each Area Management Office lobby that will contain:

- Statement of policies and procedures governing ACOP or a notice of where the policy is available
- A notice of where the PHA 5-year Plan and PHA Annual Plans are available
- Information on application process
- Directory of the PHA's housing sites including names, address of offices and office hours at each facility
- Income limits for admission
- Current schedule of routine maintenance charges
- A copy of the lease
- The PHA's grievance procedures

- A Fair Housing poster
- An Equal Opportunity in Employment poster
- Current resident notices
- Required public notices

Site developments with Community Rooms will maintain a bulletin board, in a conspicuous place, that will contain:

- Resident selection policies [24 CFR 960.202 and 960.203]
- Information on application process
- Income limits for admission
- Current schedule of maintenance charges
- Copy of lease
- PHA's grievance procedures
- Fair Housing poster
- Equal Opportunity in Employment poster
- Current resident notices

J. PUBLIC HOUSING MANAGEMENT ASSESSMENT SYSTEM (PHAS) OBJECTIVES

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

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

CHAPTER 2

ELIGIBILITY FOR ADMISSION

INTRODUCTION

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

A. FACTORS AFFECTING ADMISSION

The family's initial eligibility for Conventional Public Housing issuance will be made in accordance with the eligibility factors, which will be verified before the family is admitted to the program.

The PHA accepts applications only from families whose head or spouse is at least eighteen (18) years of age or an emancipated minor under state law.

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

HUD FACTORS

An applicant is qualified if he or she meets the following criteria:

- Is a "family" as defined in this chapter
- Heads a household where at least one member of the household is either a citizen or eligible non-citizen
- Has an Annual Income at the time of admission that does not exceed the low income limit for occupancy established by HUD and posted separately in the PHA offices
- Provides a Social Security number for all family members, age 6 or older, or will provide written certification that they do not have Social Security numbers
- Meets or exceeds the tenant Selection and Suitability Criteria set forth in this policy

- The PHA will permanently deny admission to public housing persons convicted of manufacturing or producing methamphetamine on the premises of federally assisted housing in violation of any federal or state law

AGENCY FACTORS

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

- The family must furnish declaration of citizenship or eligible immigrant status and verification where required

- The PHA will permanently deny admission to public housing persons convicted of manufacturing or producing methamphetamine on the premises of federally assisted or non-federally assisted housing in violation of any federal or state law

- The PHA will permanently deny admission to sex offenders who are subject to a lifetime registration requirement under a state sex offender registration program

- The family must pay or resolve any debt owed the PHA, or another PHA, as a result of prior participation in any federal housing program within thirty (30) days notification by the admissions staff. A family that has been approved for bankruptcy (Chapter 7) does not owe any debt to the PHA.

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

- A family will be denied admission to the program if any member of the family has been evicted from federally assisted housing for serious violation of the lease

- The family must not have violated any family obligation during a previous participation in a federally assisted housing program for five (5) years prior to final eligibility determination (The PHA may make an exception if the family member who violated the family obligation is not a current member of the household. The PHA may request the family to provide verifiable documentation)

- The family must not engage in criminal activity, illegal drugs, or alcohol abuse that threatens the health, safety or right to peaceful enjoyment of other residents

- Admission of applicants with any current criminal charges will be delayed pending final court decision. After the final court decision, the applicant will be

reviewed to determine if they meet all admission criteria.

B. FAMILY COMPOSITION (HUD CFR 5.403)

DEFINITION OF FAMILY AT ADMISSION

The applicant must qualify as a family. A family may be a single person or a group of persons. The PHA defines a group of persons as two or more persons who intend to share residency, whose income and resources are available to meet the family's needs, and who will live together in PHA housing. Discrimination on the basis of familial status is prohibited, and a group of persons may not be denied solely on the basis that blood, marriage or operation of law does not relate them. For occupancy standards purposes, the applicant may claim a spousal relationship. (See Chapter 5 - Occupancy Guidelines)

HUD defines elderly, disabled and displaced families (see glossary in this policy for definitions). The PHA further defines a family as:

All of the federally defined families, including elderly family, near-elderly family, disabled family, displaced family, remaining member of a tenant family, and a single person and two or more persons related by blood, marriage, adoption or other operation of law, or two or more persons who are not so related but who will live together as domestic partners and share resources.

TEMPORARY ABSENCE OF CHILD

The temporary absence of a child from the home due to placement in foster care is defined as a period of time that is anticipated to be less than six months (6 mos.) from the time the family is determined eligible for admission to the program. The child who is temporarily absent from the home due to placement in foster care shall be considered part of the family in determining the family composition and unit size. All temporary absences will be verified through the appropriate agencies. Any child absent for a period exceeding six months will be considered permanently absent from the home. The child may be added to the family composition when the PHA receives documentation from the court or social service agency that the child has been returned to the home.

OCCUPANCY BY POLICE OFFICERS

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

HEAD OF HOUSEHOLD

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

Emancipated minors who qualify under state law will be recognized as head of household if there is a court order recognizing them as an emancipated minor. Persons who are married are legally recognized as adults under State law.

SPOUSE OF HEAD

Spouse means the husband or wife of the head.

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

CO-HEAD

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

LIVE-IN AIDES

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

- Is determined by the PHA to be essential to the care and well being of an elderly person, a near-elderly person, or a person with disabilities
- Is not obligated for the support of the person(s)
- Would not be living in the unit except to provide care for the person(s)
- A live-in aide is not considered to be an assisted family member and has no rights or benefits under the program
- Income of the live-in aide will not be counted for purposes of determining eligibility or level of benefits
- Is approved by the PHA after normal screening criteria
- Live-in aides are not subject to Non-Citizen Rule requirements
- Live-in aides may not be considered as a remaining member of the resident family

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

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

A live-in aide may only reside in the unit with the approval of the PHA and is subject to the Admission's screening criteria. Written verification certifying that a live-in aide is needed for the care of the family member who is elderly, near elderly or disabled will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or caseworker.

The PHA will approve a live-in aide if needed as a reasonable accommodation to make the program accessible to and usable by the family member with a disability.

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

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

A live-in aid who is an applicant to the conventional housing program may not be approved for his/her own conventional housing unit while maintaining a bedroom in the conventional housing unit of another resident. Once an applicant who is residing as a live-in with an existing conventional housing resident is approved to receive his/her own low income or subsidized housing, they must immediately be removed from the residence of the existing conventional housing program resident.

A person who is or will receive housing assistance as a primary participant or family member cannot be approved as a live-in aide.

SPLIT HOUSEHOLDS PRIOR TO BEING HOUSED

1. When a family on the waiting list splits into two otherwise eligible families due to divorce or legal separation, and the new families both claim placement on the waiting list, the PHA will place both families on the appropriate sized wait list based on the split family composition, the date they applied, and any preferences for which they are eligible.

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

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

MULTIPLE FAMILIES IN THE SAME HOUSEHOLD

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

JOINT CUSTODY OF CHILDREN

Children who are subject to a joint custody agreement but, live with one parent at least fifty-one percent (51%) of the time will be considered members of that household. Fifty-one percent (51%) of the time is defined as one hundred eighty-three (183) days of the year and do not have to run consecutively. There will be a self-certification required of families who claim joint custody or temporary guardianship.

When both parents share equal custody of the children, the parent whose address is listed in the school records will be allowed to claim the school-age child as a dependent.

C. INCOME LIMITATIONS

No family other than a low-income family is eligible for admissions to a PHA's public housing program. HUD establishes income limits annually (by family size) for the area in which the PHA is located. Those considered low-income have income that is eighty percent (80%) or below the median income for that area. Annual income is compared to the income limit and is applied only at admission as a test for eligibility. Once admitted, a family is no longer subject to initial income limit requirements in order to retain eligibility, or for unit transfers.

D. SOCIAL SECURITY NUMBERS

Families are required to provide verification of Social Security numbers for all family members.

Applicants who disclose their Social Security number but do not provide verification of that number must apply to the Social Security Administration for a replacement card. No applicant will be approved for housing until the Socials Security number has been certified by the Social Security Administration and a Social Security card has been provided to the SHRA by the applicant for all household members who have been issued a social security number. Failure to furnish verification of social security numbers is grounds for denial of admission or termination of tenancy.

E. CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS

In order to receive assistance, a family member must be an U.S. citizen or eligible immigrant. Individuals who are neither may elect not to contend their status. Eligible immigrants are persons who are in one of the immigrant categories as specified by HUD. For the citizenship/eligible immigration requirement, the status of each member of the family is considered individually before the family's status is defined.

MIXED FAMILIES

A family is eligible for assistance as long as at least one member is a citizen or eligible immigrant. Families that include eligible and ineligible individuals are called "mixed families". Such applicant families will be given notice that their income-based assistance will be prorated and that they may request a hearing if they contest this determination. If such a family chooses flat rent, the flat rent will not be prorated if the flat rent is greater than the Public Housing Maximum Rent. If the Public Housing Maximum Rent is greater than the flat rent, and the family chooses flat rent, then the family’s maximum subsidy will be calculated and prorated.

NON ELIGIBLE MEMBERS

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

NON-CITIZEN STUDENTS

Non–citizen students as defined by HUD in the non-citizen regulations are not eligible for assistance even if they marry an eligible individual

VERIFICATION OF STATUS BEFORE ADMISSION

The PHA will not provide assistance to families prior to the verification of eligibility for the individual or at least one member of the family pursuant to this section.

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

F. OTHER CRITERIA FOR ADMISSION

In developing its admission policies the aim of the PHA is to attain a resident body composed of families with a broad range of incomes whose habits and practices will not be a detriment to other residents, and/or the surrounding community. . Therefore, it is

the policy of the PHA to deny admission to applicants whose present or past habits and practices may reasonably be expected to increase the likelihood of interference with other residents' right to peaceful enjoyment of the premises or may have an adverse effect on the health, safety and welfare of other residents.

All applicants will be screened in accordance with HUD's regulations and the PHA's Applicant Screening. The regulations require an assessment of the behavior of each applicant with respect to the essential obligations of tenancy as expressed in the Authority's lease as summarized below.

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

- To pay rent and other charges as required by the lease in a timely manner
- To care for and avoid damaging the unit and common areas
- To use facilities, appliances and equipment in a reasonable way
- To create no health or safety hazards and to report maintenance needs in a timely manner
- Not to interfere with the rights and peaceful enjoyment of others and to avoid damaging the property of others
- Not to allow guests and visitors under the applicant's control to engage in any activity that threatens the health, safety or right to peaceful enjoyment of other residents or staff
- Not to engage in criminal activity or alcohol abuse that threatens the health, safety or right to peaceful enjoyment of other residents or staff and not to engage in drug-related or violent criminal activity on or off the PHA premises
- To comply with necessary and reasonable rules and program requirements of HUD and the PHA
- To comply with local health and safety codes

Previous outstanding debts to this PHA or any PHA resulting from a previous tenancy in the Public Housing or Housing Choice Voucher (HCV, AKA: Section 8) programs must be paid in full or be resolved prior to admission. No re-payment agreement will be accepted.

Head of household, spouse or co-head is responsible for the entire debt incurred as a previous PHA resident. Children of the head of household, spouse or co-head who had incurred a debt to the PHA will not be held responsible for the parent's previous debt unless they resided in the unit with the parent(s) as an adult and the debt was the result of the adult child's unreported income.

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

Applicants must be able to demonstrate the ability and willingness to comply with the terms of the lease, either with or without assistance, and that they can demonstrate that they have or will have this ability and willingness at the time of admission. The availability of assistance is subject to verification by the PHA.

The PHA does not permit a parent or legal guardian to co-sign the lease on the applicant's behalf if the head of household is under eighteen (18) and, under State/local law, does not have the legal capacity to enter into a legally binding contract.

As a part of the final eligibility determination, the PHA will screen each applicant household to assess their suitability as renters. The PHA shall rely upon sources of information which may include, but not be limited to:

- PHA records
- Personal interviews with the applicant or resident
- Credit check and unlawful detainer report
- Interviews with previous landlords, employer, family, social workers, clinics, physicians, parole officers, or the police department
- Criminal and court records
- Home visits

Home visits may be conducted at the current residence of all applicants, as the PHA deems necessary, whenever there is a potential of instability, unfavorable landlord comments, or lack of prior landlord history. Applicants shall have at least two working days advance written notice of home visits.

This will be done in order to determine whether the individual attributes, prior conduct, and behavior of a particular applicant are likely to interfere with other residents in such a manner as to diminish their enjoyment of the premises by adversely affecting their health, safety or welfare.

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

- The applicant's past performance in meeting financial obligations, especially rent and utilities
- Eviction or a record of disturbance of neighbors sufficient to warrant a police call, destruction of property, or living or housekeeping habits at present or prior residences which may adversely affect the health, safety, or welfare of other residents or neighbors
- History or pattern of repeated acts of criminal activity on the part of any applicant family member involving criminal acts, including drug-related criminal activity;
- History or pattern of repeated acts of violence on the part of an individual, or a pattern of conduct constituting a danger or interfering with the peaceful occupancy of neighbors

- History of initiating threats or behavior indicating intent to assault employees or other residents
- History or pattern of repeated acts of alcohol or substance abuse that would threaten the health, welfare, or right to peaceful enjoyment of the premises by other residents

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

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

- Interfere with other residents in such a manner as to diminish their peaceful enjoyment of the premises by adversely affecting their health, safety, or welfare
- Adversely affect the physical environment or financial stability of the project
- Violate the terms and conditions of the lease
- Require services from PHA staff that would alter the fundamental nature of the PHA's program

RENT PAYING HABITS

The PHA will examine any records from a prior tenancy, and will request written references from the applicant's current landlord and may request written references from former landlords.

Based upon these verifications, the PHA will determine if the applicant was chronically late with rent payments, was evicted at any time, for nonpayment of rent, or had other legal actions initiated against him/her for debts owed. Any of these circumstances may be grounds for an ineligibility determination, depending on any mitigating circumstances.

SCREENING APPLICANTS WHO CLAIM MITIGATING CIRCUMSTANCES

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

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

PHA's screening assessment of the applicant, mitigating circumstances must be verifiable.

If the mitigating circumstances claimed by the applicant relate to a change in disability, medical condition or course of treatment, the PHA shall have the right to refer such information to persons who are qualified and knowledgeable to evaluate the evidence and to verify the mitigating circumstance. The PHA shall also have the right to request further information reasonably needed to verify the mitigating circumstance. Such inquiries will be limited to the information necessary to verify the mitigating circumstances or, in the case of a person with disabilities, to verify the need for a reasonable accommodation.

Examples of Mitigating Circumstances

- Evidence of successful rehabilitation
- Evidence of the applicant family's participation in and completion of social service or other appropriate counseling service approved by the PHA
- Evidence of successful and sustained modification of previous disqualifying behavior

Consideration of mitigating circumstances does not guarantee that the applicant will qualify for admission.

Consideration of Rehabilitation

When making determinations concerning applicant eligibility, PHA may consider whether the applicant household member in question can demonstrate that:

- They have successfully completed a supervised drug or alcohol rehabilitation program, are no longer engaging in illegal use of a controlled substance or abuse of alcohol, and have been “clean and sober” for a period of no less than twelve (12) months; or

The Sacramento Housing Authority may make inquiries to a drug abuse treatment facility that are solely related to whether the applicant household member in question is currently engaging in the illegal use of a controlled substance in cases where:

- The Authority receives information from the criminal record of the applicant that indicates evidence of a prior arrest or conviction for such offense; or
- The Authority receives information from the records of prior tenancy of the applicant that demonstrates that the applicant engaged in the destruction of property; engaged in violent activity against another person; or interfered with the right of peaceful enjoyment of the premises of another tenant.

For persons who previously have been evicted from public housing for drug-related or violent criminal activity, they must provide the PHA with verifiable evidence that the circumstances leading to the eviction no longer exist.

DOCUMENTING FINDINGS

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

- Criminal Activity includes the activities listed in the definition of criminal activity in this chapter.
- Pattern of Criminal Activity includes evidence of repeated criminal activities on the part of an individual, or a pattern of conduct, which might interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.
- Pattern of Violent Behavior includes evidence of repeated acts of violence on the part of an individual, or a pattern of conduct constituting a danger to peaceful occupancy of neighbors.
- Pattern of Drug Use includes a determination by the PHA that the applicant has exhibited repeated acts of illegal use of a controlled substance, which might interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.
- Drug Related Criminal Activity includes a determination by the PHA that the applicant has been involved in the illegal manufacture, sale, distribution, use or possession of a controlled substance.
- Pattern of Alcohol Abuse includes a determination by the PHA that the applicant's repeated abuse of alcohol might interfere with the health, safety or right to peaceful enjoyment of the premises by other residents.
- Initiating Threats or behaving in a manner, which indicates intent to assault employees or other residents.
- Abandonment of a Public Housing Unit without advising PHA officials so that staff may secure the unit and protect its property from vandalism.
- Non-Payment of Rightful Obligations including rent and/or utilities and other charges owed to the PHA or any other PHA.
- Falsifying an Application for Leasing including verbalizing or otherwise providing false information about family income and size, using an alias on the application for housing, or making any other material false statement or omission intended to mislead.
- Record of Disturbances of Neighbors, Destruction of Property or Other Disruptive or Dangerous Behavior consists of patterns of behavior, which endanger the life, safety, or welfare of other persons by physical violence, gross negligence or irresponsibility. This also includes behavior which damages the equipment or premises in which the applicant resides, or which is seriously disturbing to neighbors or disrupts sound family and community life, indicating the applicant's inability to adapt to living in a multi-family setting. Furthermore, it includes judicial termination of tenancy in previous housing on the grounds of nuisance or objectionable conduct, or frequent loud parties, which have resulted in repeated disturbance of the neighbors.

- Unsanitary or Hazardous Housekeeping includes the creation of a fire hazard through acts such as hoarding rags, papers, or other materials. It also includes severe damages to premises or equipment. When it is determined that the family is responsible for conditions that may affect neighbors by causing infestation and foul odors or depositing garbage in halls or other neglect of the premises, this may also be cause for denial. This category does not include families whose housekeeping is found to be superficially unclean or due to lack of orderliness, where such conditions do not create a problem for neighbors.
- Whether Applicant or Resident is Capable of Maintaining the Responsibilities of Tenancy in the case of applicants for admission, the person's present living arrangements and a statement obtained from applicant's physician, social worker, or other health professional will be among factors considered in making this determination. The availability of a live-in attendant will be considered in making this determination.

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

Applicants who are determined to be unqualified for admission will be promptly notified with a Notice of Denial of Admission stating the reason for the denial. The PHA shall provide applicants an opportunity for an informal hearing (see Chapter 13 - Complaints, Grievances, and Appeals).

G. DENIAL OF ADMISSION FOR DRUG RELATED AND/OR OTHER CRIMINAL ACTIVITY

PURPOSE

All federally assisted housing is intended to provide a place to live and raise families, not a place to commit crime, to use or sell drugs or terrorize neighbors. It is the intent of the PHA of the City and County of Sacramento to fully endorse and implement a policy that is designed to help create and maintain a safe crime and drug-free community and keep our program participants free from threats to their personal and family safety.

ADMINISTRATION

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

To the maximum extent possible, the PHA will involve other community and governmental entities in the promotion and enforcement of this policy.

This policy will be posted on the bulletin boards of the PHA's area management offices and copies made readily available to applicants and residents upon request.

SCREENING FOR DRUG ABUSE AND OTHER CRIMINAL ACTIVITY

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

Obtaining summary criminal history information for the purpose of screening a prospective participant/applicant includes:

- Any information concerning any arrest, conviction or release from custody that occurred within at least the past seven (7) years by applicants. Any information regarding a pattern or repeated acts of criminal or drug related behavior that occurred within at least the past seven (7) years by applicants
- Any felony offense that involved any activity related to controlled substances or alcoholic beverages within at least the past seven (7) years [CA Penal Code § 1105.3]
- In evaluating evidence of negative past behavior, the PHA will give fair consideration to the seriousness of the activity with respect to how it would affect other residents, and/or likelihood of favorable conduct in the future which could be supported by evidence of rehabilitation

SECURITY AND CRIMINAL BACKGROUND CHECK

The PHA will verify any involvement in criminal activity on the part of any applicant family or household member who intends to reside in the PHA leased premises:

- Applicants will be advised at the time of intake and at the start of the screening interview that criminal behavior will jeopardize admission to a PHA community. Criminal activity that occurs while an applicant’s family is on the PHA's waiting list will result in PHA’s decision to reject an applicant family.
- Involvement in criminal activity by any member of an applicant family or household member that would adversely affect the health, safety or welfare of other tenants will be verified using information from the criminal records system of the City and County of Sacramento, the State of California, and the federal National Crime Information Center (the "NCIC"). The PHA will also examine criminal histories provided by other States or municipalities, court records, and other evidence that might document any criminal activity. In addition, the current and former landlords and housing providers will be asked to indicate problems during the applicant’s tenancy. The Authority will review police reports for any criminal activity during the seven (7) year period prior to consideration for admission.

- The PHA will use a third party service to check criminal history.
- The PHA will use the criminal records system of the City and County of Sacramento, the State of California, the NCIC, and other states and/or municipalities to check all applicants for any evidence of:

  (1) Any and all information relative to any criminal convictions or activity, both felonies and misdemeanors within the past seven (7) years;

  (2) Any and all information relative to any criminal charges that are currently pending before the court of the State of California or any jurisdiction, including the federal courts;

  (3) Lifetime sex offender registration requirement for any household member. The PHA will check in California and any other states where any family member is known to have resided.

- The criminal records system shall be used to assess the applicant's past behavior especially the commission of violent crimes, drug related criminal activity of any kind, disturbance of neighbors, or destruction of property
- Without substantial evidence of mitigating circumstances (including serving jail time and rehabilitation) the PHA will not admit persons engaging in any criminal activity violating state and/or federal law
- Examples of criminal offenses that will be considered include, but are not limited to: felonies, disturbing the peace, drunk and disorderly conduct, threats or harassment, domestic violence, including actual or threatened violence toward members of an applicant household, assaults, destruction of property, vandalism, citations for health and sanitary code violation, possession of an unlawful weapon, criminal damage, arson, and home invasion
- In applying the above provisions, the PHA will consider the nature of the offense and any mandatory penalties in accordance with state and federal law
- Documentation of any of the following criminal activity by any applicant family or household member who intends to reside in the PHA leased premises may result in rejection of the applicant family. Documentation of such activity may be considered alone or in conjunction with other criminal activity such as:

  (1) Use, distribution, or possession of illegal drugs by an applicant family or household member who intends to reside in the PHA leased premises

(2) Documentation from the criminal records system, or other verification of criminal activity, that shows a history of property-related crimes such as, but not limited to, burglary, robbery, larceny, weapon charges, and possession and receipt of stolen goods

(3) Documentation from the criminal records system, or other verification of criminal activity, that shows a history of crimes that endanger the health or safety of others such as assault, battery, public intoxication (drunk & disorderly), or prostitution

(4) Documentation from the criminal records system, or other verification of criminal activity, that shows a history of crimes that endanger the health or safety of others such as homicide/murder, rape, child molestation, spousal or child abuse, or drug related crimes as referenced

STANDARD FOR VIOLATION

The PHA will deny admission to the program to applicants for five (5) years from the date of eviction if a household member has been evicted from federally assisted housing for drug-related criminal activity. However, the PHA may admit the household if the PHA determines:

- That the evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program approved by the PHA and has met the rehabilitation standard set forth in this policy
- That the circumstances leading to eviction no longer exist

The PHA will deny admission to the program to applicants for five (5) years from the date of arrest, if convicted, or if incarcerated for one year or more, the date the applicant completed his/her sentence due to drug-related and other criminal activity that pose a threat to the health, safety or the right to peaceful enjoyment of the premises by other residents.

The PHA will deny admission to the program, applicants either currently on parole or probation or whose parole or probation release is within 12 months of the date of application.

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

cases where the PHA determines that there is a pattern or repeated acts of illegal use of controlled substances or a pattern or repeated acts of alcohol abuse.

The PHA will consider the illegal use of a controlled substance or alcohol abuse to be a pattern if there is more than one incident, during the previous 18 months, that may interfere or threaten the health, safety or right to peaceful enjoyment of the public housing premises by other residents or employees of the PHA.

In evaluating evidence or a pattern of negative past behavior, the PHA will give fair consideration to the seriousness of the activity with respect to how it would affect other residents, and/or likelihood of favorable conduct in the future which could be supported by evidence of rehabilitation.
No family member may have engaged in or threatened abusive or violent behavior toward PHA personnel at any time.

No family member may have committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program in the last five (5) years.

EVIDENCE

The PHA must have credible evidence of the violation.

Credible evidence may be obtained from police and/or court records. Testimony from neighbors, when combined with other factual evidence can be considered credible evidence. Other credible evidence includes documentation of drug raids or arrest warrants and evidence gathered by PHA inspectors and/or investigators. The PHA may pursue fact-finding efforts as needed to obtain credible evidence.

CONFIDENTIALITY OF CRIMINAL RECORDS

The PHA will ensure that any criminal record received is maintained confidentially, not misused or improperly disseminated, and destroyed once the purpose for which it was requested is accomplished or in accordance with HUD regulation.

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

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

DISCLOSURE OF CRIMINAL RECORDS TO FAMILY

Before the PHA takes any adverse action based on a criminal conviction record, upon request, the applicant will be provided with a copy of the criminal record and an opportunity to dispute the record.

RECOMMENDATION OF ADMISSION OR REJECTION

Recommendation for admission or rejection will be based on the aforementioned criteria in this section.

SUPERVISORY REVIEW AND HEARINGS

If information is revealed that would cause the PHA to deny admission to the household and the person disputes the information, s/he shall be given an opportunity for an informal hearing according to the PHA's hearing procedures outlined in Chapter 13 – Complaints, Grievances and Appeals. The applicant must request the informal review no later than ten (10) days after receipt of the notification.

Difficult cases will be referred to the Eligibility Supervisor for further review and determination.

CHAPTER 3

APPLYING FOR ADMISSION

INTRODUCTION

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

APPLICATION PROCESS

The application process is as follows:

- The pre-application will be recorded by date and time received
- The “initial” or pre-application is used to determine the family’s placement on the waiting list
  - Applications submitted during a waitlist opening during which a lottery selection system has been used will be maintained and pulled from the waitlist through a computerized random selection process
- The "final determination of eligibility for admission" (referred as the full application) takes place when the family reaches the top of the waiting list. At this time the PHA ensures that verification of all HUD and PHA eligibility factors is current, in order to determine the family’s eligibility for an offer of a suitable unit

A. OVERVIEW OF PRE-APPLICATION PROCESS

PRE-APPLICATION

Families who wish to apply for any of the PHA’s programs must complete a written preliminary application (pre-application) when the waiting list is open. The information is to be filled out by the applicant whenever possible. To provide specific accommodation for persons with disabilities, a staff person may complete the information over the telephone. It may also be mailed to the applicant and, if requested, it will be mailed in an accessible format.

Pre-applications will not require interviews. Information on the application will not be verified until the applicant has been selected for final eligibility determination. Final eligibility will be determined when the full application process is completed and all information is verified.

The purpose of the pre-application is to permit the PHA to preliminarily assess family eligibility or ineligibility and to determine placement on the waiting list. Applications will be accepted at central location(s) for all waiting lists. Unless Admissions is collecting family income information for income limits verification purposes and/or reviewing the pre-application for criminal activity that would prevent program participation, the pre-application does not preliminarily determine eligibility.

NOTIFICATION OF PRELIMINARY STATUS

After a review of the pre-application a written notification of preliminary eligibility will be mailed to the applicant by first class mail.

If the family is determined to be eligible, they will be placed on the waiting list, based on the date and time of application and any claimed preferences.

If the family is determined to be ineligible based on the information provided in the pre-application, the PHA will notify the family in writing (in an accessible format upon request as a reasonable accommodation), state the reason(s), and inform them of their right to an informal review. Persons with disabilities may request to have an advocate attend the informal review as an accommodation. (See Chapter 13 - Complaints, Grievances and Appeals)

APPLICANT STATUS WHILE ON WAITING LIST

Applicants are required to inform the PHA in writing, within thirty (30) days of changes in family composition, income, and address, as well as any changes in their preference status. Applicants are also required to respond to requests from the PHA to update information on their application, or to determine their continued interest in assistance.

Failure to provide information or to respond to mailings will result in the applicant being removed from the waiting list. (See Chapter 13 - Complaints, Grievances and Appeals)

STATUS OF THE WAITING LISTS

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

The open period shall be long enough to achieve a waiting list adequate to cover projected turnover and new allocations over the next twenty-four (24) months.

The PHA will update the waiting list periodically by removing the names of those families who are no longer interested or cannot be reached by mail. At the time of initial intake, the PHA will advise families of their responsibility to notify the PHA when changes in family composition, income, mailing address, telephone numbers and/or when other changes occur.

When the PHA opens the waiting list, the PHA will advertise through public notice in the following newspapers, minority publications and media entities:

- Sacramento Bee, Sacramento Observer, El Hispano, Hmong Women's Heritage, Thang Mo Magazine, and Vesti, LLC
- City and County offices
- Sacramento City Council and Sacramento County Board of Supervisors

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

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

The PHA may stop the acceptance of applications if there are enough applicants to fill anticipated openings for the next twenty-four (24) months. The waiting list may not be closed if it would have a discriminatory effect inconsistent with applicable civil rights laws. The PHA will give at least thirty (30) calendar days notice prior to closing the list. When the period for accepting applications is over, the PHA will add the new applicants to the list by separating the new applicants into groups based on bedroom size, unit type, preferences and date and time of application.

The PHA will announce the closing of the waiting list by public notice as previously described.

B. COMPLETION OF A FULL APPLICATION

When the PHA is ready to select pre-applicants from the waiting list, the PHA will send the applicant a letter including various authorizations for the release of information to complete a criminal, credit, eviction and rental history screening of all adults who will reside in the unit. Applicants will be required to complete a full application in his or her own handwriting, unless assistance is needed, or a person with a disability makes a request for accommodation. Applicants will then be interviewed by PHA staff to review

the information on the full application form. Verification of disability as it relates to 504, Fair Housing, ADA or a reasonable accommodation can be requested at this time.

The qualification for preference(s) must exist at the time the preference is verified regardless of the length of time that an applicant has been on the waiting list because the preference is based on current status.

The full application is mailed to all applicants once their name is pulled form the waitlist, as an accommodation to a person with a disability or at the discretion of the PHA.

REQUIREMENT TO ATTEND INTERVIEW

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

All adult members are required to attend the interview and sign the housing application. Exceptions may be made for adult students attending school out of state or for members for whom attendance would be a hardship, on a case by case basis.

If the head of household cannot attend the interview due to a disability, a reasonable accommodation may be made. The head of household, however, will be required to certify by signature that all the information is complete and accurate. The head of household will be responsible for the application.

If the applicant fails to appear for an appointment, the PHA will send the applicant a withdrawal notice and they may request an informal review. If the applicant requests to have the pre-scheduled appointment rescheduled prior to the day of the appointment, s/he will be rescheduled.. If the applicant misses the rescheduled appointment, the application is removed from the waiting list. (See Chapter 13 - Complaints, Grievances and Appeals)

Applicants that do not return the information requested during the interview or when requested in writing from the PHA within ten (10) days of their interview or the written request will have their case closed for lack of verification. A notice will be mailed to the applicant. It is the applicant's responsibility to contact the PHA to ask for another opportunity to bring back the requested information. (Another ten (10) days may be granted with a valid reason or emergency.)

Being incarcerated is not a valid emergency. Notices to applicant will include applicant's hearing rights.

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

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

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

If the PHA determines at or after the interview that additional information or document(s) are needed, the PHA will request the document(s) or information in writing. The family will be given ten (10) days to supply the information.

If the information is not supplied in this time period or if an extension is not requested and granted, the PHA will provide the family a notification of denial of assistance. (See "Complaints and Appeals" chapter 13)

VERIFICATION

Information provided by the applicant will be verified, using the verification procedures in the “Verification Procedures” chapter. Family composition, income, allowances and deductions, assets, full-time student status, eligibility and rent calculation factors, and other pertinent information will be verified. Verified information that is less than 120 days old at the time of admission is considered current and need not be re-verified.

C. FINAL DETERMINATION AND NOTIFICATION OF ELIGIBILITY

After the verification process is completed, the PHA will make a final determination of eligibility. This decision is based upon information provided by the family, the verification completed by the PHA and the resident suitability determination. (see Chapter 2 – Eligibility for Admission)

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

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

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

CHAPTER 4

RESIDENT SELECTION AND ASSIGNMENT PLAN

INTRODUCTION

This chapter describes the PHA's policies with regard to local preferences, management of waiting lists, and the number of unit offers that will be made to qualified applicants selected from the wait pool. PHA policies will be followed consistently and will affirmatively further HUD's fair housing goals.

It is the PHA's policy that each applicant shall be assigned an appropriate place on a jurisdiction-wide waiting list and/or on the waiting list for the developments in which the applicant wishes to reside. Applicants will be listed in sequence based upon the waiting list guidelines stated below. In filling an actual or expected vacancy, the PHA will offer the dwelling unit to an applicant in the appropriate sequence.

A. MANAGEMENT OF THE WAITING LIST

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

- The application will be a permanent file
- The list will state the family name and family type
- The list will state the racial and ethnic designations of the head of household
- All applicants in the wait pool will be maintained in order of preference and the date of the application
- Applications equal in preference will be maintained by date and time sequence
- Applicants will be listed by size and type of unit required

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

- Applications submitted during a waitlist opening during which a lottery selection system has been used will be maintained and pulled from the waitlist through a computerized random selection process

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

TYPES OF WAITING LISTS

This PHA may maintain the following types of wait lists:

- Mixed Population
- General Occupancy
- Designated Elderly
- Designated Disabled
- Site-based
- Accessible Units

APPLYING TO MULTIPLE WAIT LISTS

A family may put their name on multiple wait lists but when the family is admitted to a public housing site, they will be taken off all other public housing waiting lists. If they are on the Housing Choice Voucher waiting list they may remain on that list while being housed in public housing.

Applicants accepting a rental unit in public housing may significantly delay their selection from the Housing Choice Voucher (HCV) waiting list. This is due to the fifty percent (50%) rent burden preference established for the HCV program.

B. SITE-BASED WAITING LISTS

If the PHA establishes site-based waiting lists, both current and new applicants may choose which site-based waiting list they wish to be placed on, regardless of their application site.

When there are insufficient applicants on a site-based waiting list, the PHA will contact applicants on all other waiting lists who may qualify for the type of housing with insufficient applicants. "Insufficient applicants" on a list will be defined as not enough families to fill vacancies for at least three (3) months, based on anticipated turnover at the development.

Every reasonable action will be taken by the PHA to assure that applicants can make informed choices regarding the development(s) in which they wish to reside. The PHA will disclose information to applicants regarding the location of available sites, occupancy number and size of accessible units. The PHA will also include basic information relative to amenities such as day care, security, transportation, training programs, and an estimate of the period of time that the applicant will likely have to wait to be admitted to units of different types.

MONITORING SITE-BASED WAITING LISTS

The system of site-based waiting lists will be carefully monitored to assure that civil rights and fair housing are affirmatively furthered. In order to monitor the site-based waiting lists the PHA will:

- Self-monitor its system of site-based waiting lists at least biannually to assure that racial steering does not occur. If the PHA's biannual analysis of its site-based waiting list indicates that a pattern of racial steering is or may be occurring, the PHA will take corrective action
- At least every three years, use independent testers to ensure that applicants are not treated differently based upon race or ethnicity, and that no patterns of discrimination exist
- Assess changes in racial, ethnic or disability-related resident composition at each PHA site that has occurred during the implementation of the site-based waiting lists. Each year the PHA will make this assessment based on PIH Information Center (PIC) data that has been confirmed to be complete and accurate by an independent public auditor.

C. ASSIGNMENT OF UNITS DESIGNATED FOR THE ELDERLY, DISABLED, OR MIXED USE

In accordance with the 1992 Housing Act, families with a head, spouse, co-head or sole member who qualifies as a person who is elderly, disabled, or near elderly as defined in 24 CFR 945.105 will be offered admission to buildings/units that are designated as elderly only, disabled only or mixed use for the elderly and disabled subject to a HUD-approved allocation plan.

ELDERLY, NEAR ELDERLY, AND DISABLED

Elderly families are defined as families whose head, spouse, co-head, or sole member is at least sixty-two (62) years of age. Disabled families are defined as families whose head or spouse or sole member is a person with disabilities. A near elderly family is a family whose head, spouse, co-head or sole member is at least fifty (50) years of age but below sixty-two (62) years of age.

DESIGNATED HOUSING PLAN

Until such time as HUD approves a development as designated elderly /near elderly only, the PHA will continue to fill vacancies with the next eligible applicant on the waiting list who accepts a unit offer, regardless of age.

After Resident Advisory Board and PHA Board of Commissioners review and HUD approval of a designated plan for elderly/near elderly only housing, the PHA will fill vacancies at designated developments with elderly and near elderly families only.

Younger disabled families who currently reside in developments approved for elderly/near elderly designed housing will be relocated on a voluntary basis only.

All PHA local preferences apply to elderly, disabled and near-elderly applicants.

MIXED POPULATION

A mixed population development is reserved for elderly, near elderly, and disabled families. Elderly, near elderly, and disabled families are given equal preference in admission. The PHA does not establish a limit on the number of elderly, near elderly, or disabled families accepted in a mixed population development.

D. GENERAL OCCUPANCY UNITS

General occupancy units are designed to house all populations of eligible families. In accordance with the PHA's occupancy standards, eligible families not needing units designed with special features or units designed for special populations will be admitted to the PHA's general occupancy units.

E. ACCESSIBLE UNITS

The PHA has units designed for persons with mobility, sight and hearing impairments, referred to as accessible units. No non-mobility-impaired families will be offered these units until all eligible mobility-impaired applicants have been considered.

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

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

When offering an accessible/adaptable unit to a non-disabled applicant, the PHA will require the applicant to agree to move to an available non-accessible unit within thirty (30) days when either a current resident or an applicant needs the features of the unit and there is another unit available for the applicant. (see *Chapter 9 - Leasing*)

F. OFFER OF PLACEMENT ON THE HOUSING CHOICE VOUCHER (HCV) WAITING LIST

If the PHA maintains separate lists for its Public Housing and Housing Choice Voucher programs, the PHA will offer to place the family on both lists. If the public housing

waiting list is open at the time an applicant applies for the HCV Program, the PHA will offer to place the family on the public housing waiting list. However, the PHA may merge its waiting lists for all programs.

G. REMOVAL FROM WAITING LIST AND PURGING

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

If an applicant fails to respond within thirty (30) days the applicant will be removed from the waiting list. If a letter is returned by the Post Office without a forwarding address, the applicant will be removed without further notice and the envelope and letter will be maintained in the file.
If an applicant is removed from the waiting list for failure to respond, they will not be entitled to reinstatement unless a person with a disability requests a reasonable accommodation for being unable to reply with the prescribed period.

The PHA allows a grace period of one hundred and ninety (90) days after completion of the purge. Applicants who respond during this grace period will be reinstated.

The PHA may also remove a name from the waiting list for the following reasons:

- Applicant requests it
- Applicant was clearly advised of a requirement to notify the PHA of his/her continued interest by a particular time and failed to do so
- PHA has made reasonable efforts to contact the applicant to determine if there is continued interest, but has been unsuccessful
- PHA has notified the applicant of its intention to remove the applicant's name because of ineligibility

H. WAITING LIST PREFERENCES

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

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

The PHA uses the following local preferences:

> **(2 Points) Involuntary Displacement:** Families displaced by government action through no fault of their own or families displaced by a natural disaster recognized by the Federal government (i.e. flood, earthquake, fire) and documented by the local Building Department or Board of Health will be granted this preference. Displaced by government action also includes families wishing to reside in Public Housing, who were displaced from the Housing Choice Voucher program due to lack of funding.

All other applicants that do not qualify for any preference will be placed on the waiting list by the date and time of application. Families with equal preference points will be contacted to complete the full application in order of date and time of placement on the waiting list. Families who reach the top of the waiting list will be contacted by the PHA to complete a full application at which time their preference will be verified.

An applicant may not be granted any preference if any member of the family has been evicted from any federally assisted housing during the past five (5) years because of drug-related or violent criminal activity. The PHA may grant an exception to such a family if the responsible member has successfully completed a rehabilitation program.

I. PREFERENCE DENIAL

If the preference verification indicates that an applicant does not qualify for the preference, the applicant will be returned to the waiting list and ranked without the local preference. Applicants may exercise other rights if they believe they have been discriminated against.

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

CHANGE IN CIRCUMSTANCES

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

J. SPECIAL ADMISSIONS

When HUD awards a PHA program funding that is targeted for families, the PHA will admit these families under a special admission procedure. Special admissions families will be admitted outside of the regular waiting list process. They do not have to qualify

for any preferences, nor are they required to be on the program waiting list. The PHA maintains separate records of these admissions.

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

- A family displaced because of demolition or disposition of a public or Indian housing project
- A family residing in a multifamily rental housing project when HUD sells, forecloses or demolishes the project
- For housing covered by the Low Income Housing Preservation and Resident Home-ownership Act of 1990
- A family residing in a project covered by a project-based Section 8 HAP contract at or near the end of the HAP contract term
- A non-purchasing family residing in a HOPE 1 or HOPE 2 project
- A family has been displaced by a natural disaster recognized by the Federal government such as Hurricane Katrina

Applicants who are admitted under special admissions, rather than from the waiting list, are identified by codes in the automated system.

K. MATCHING UNIT AND FAMILY CHARACTERISTICS

Factors such as unit size, accessible features, de-concentration or income mixing, income targeting, or units in housing designated for the elderly limit the admission of families to those characteristics that “match” the characteristics and features of the available vacant unit.

By matching unit and family characteristics, it is possible that some families in the waiting pool may receive an offer of housing ahead of families with an earlier date and time of application.

Any admission mandated by court order related to desegregation or Fair Housing and Equal Opportunity will take precedence over the preference system. Other admissions required by court order will also take precedence over the preference system.

L. INCOME TARGETING

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

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

The PHA shall have the discretion, at least annually, to exercise the "fungibility" provision of the Quality Housing and Work Responsibility Act (QHWRA) by admitting less than forty percent (40%) of "extremely low-income families" to public housing in a fiscal year, to the extent that the PHA has provided more than seventy-five percent (75%) of newly available vouchers and certificates to "extremely low-income families." This fungibility provision discretion by the PHA is also reflected in the PHA's administrative plan.

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

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

THE FUNGIBILITY FLOOR

Regardless of the above two amounts, in a fiscal year, at least thirty percent (30%) of the PHA's admissions to public housing will be to extremely low-income families. The fungibility floor is the number of units that cause the PHA's overall requirement for housing extremely low-income families to drop to thirty percent (30%) of its newly available units. Fungibility shall only be utilized if the PHA is anticipated to fall short of its forty percent (40%) goal for new admissions to public housing.

COMBINING LOW AND VERY LOW-INCOME FAMILY ADMISSIONS

Once the PHA has met the forty percent (40%) targeted income requirement for new admissions of extremely low-income families, the PHA will fill the remaining sixty percent (60%) of its new admission units with both low and very low-income families.

M. DE-CONCENTRATION OF POVERTY AND INCOME-MIXING

The PHA's admission policy is designed to provide for de-concentration of poverty and income mixing by bringing higher income residents into lower income projects and lower income residents into higher income projects.

Gross annual income is used for income limits at admission and for income-mixing purposes.
Skipping of a family on the waiting list specifically to reach another family with a lower or higher income is not to be considered an adverse action to the family. Such skipping will be uniformly applied until the target threshold is met.

The PHA will gather data and analyze, at least annually, the resident characteristics of its public housing stock, including information regarding resident incomes, to assist in the PHA's de-concentration efforts.

The PHA will use the gathered resident income information in its assessment of its public housing developments to determine the appropriate designation to be assigned to the project for the purpose of assisting the PHA in its de-concentration goals.

DE-CONCENTRATION AND INCOME-MIXING GOALS

Admission policies related to the de-concentration efforts of the PHA do not impose specific quotas. Therefore, the PHA will not set specific quotas, but will strive to achieve de-concentration and income mixing in its developments.

DEVELOPMENT DESIGNATION METHODOLOGY

The PHA's goal is to have eligible families having higher incomes occupy dwelling units in developments predominantly occupied by eligible families having lower incomes, and eligible families having lower incomes occupy dwelling units in developments predominantly occupied by eligible families having higher incomes.

Families having lower incomes include very low and extremely low-income families. Skipping of families for de-concentration purposes will be applied uniformly to all families.

INCOME LIMIT METHOD

The PHA will compare the gross annual income of all families in all multi-unit developments to the jurisdiction's income limits.

The PHA will designate as higher income developments those developments where twenty percent (20%) or more of the families residing in the development have incomes at or above the low-income limit eighty percent (80%) of area median income.

The PHA will designate as lower income developments those developments where eighty percent (80%) or more of the families residing in the development have incomes at or below the extremely low and very low-income families.

PHA INCENTIVES FOR HIGHER AND LOWER INCOME FAMILIES

The PHA may offer certain incentives to higher and lower income families willing to move into higher or lower income projects. The PHA will not take any adverse action against any family declining an offer by the PHA to move into a higher or lower income project.

N. PLAN FOR UNIT OFFERS

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

- **Two offers-** The applicant shall be offered a suitable unit in the location with the higher number of vacancies, oldest vacancy first. If the first offer is rejected, a final offer will be made at another location.
- **One offer-** Upon approval by HUD of designated elderly housing developments, only one offer to a designated elderly unit will be permitted for an approved designated elderly applicant.

If more than one unit of the appropriate type and size is available, the first unit to be offered will be the oldest vacancy first.

The PHA will maintain a record of units offered and accepted or turned down.

O. CHANGES PRIOR TO UNIT OFFER

Changes that occur prior to the applicant's acceptance of a unit may affect the family's eligibility, number of bedrooms needed, and/or total tenant payment (TTP). Changes in family composition, status, or income between the time of the interview and the offer of a unit will be processed. If the family is subsequently determined ineligible, the applicant will be notified in writing of changes in their eligibility or level of benefits and offered their right to an informal hearing when applicable (see ***Chapter 13 - Complaints, Grievances, and Appeals***).

An applicant's failure to notify the PHA of changes in their family status while on the waitlist is subject to be returned to the waitlist. A change in family size that alters the bedroom size for which the family was originally selected from the waitlist will result in the applicant being returned to the waitlist for the bedroom size they have been determined eligible.

P. APPLICANT STATUS AFTER FINAL UNIT OFFER

When an applicant rejects the final unit offer the PHA will remove the applicant's name from the waiting list. Removal from the waiting list means the applicant must reapply and must wait twelve (12) months from the date of the final turndown before re-applying for the Public Housing program.

Q. TIME-LIMIT FOR ACCEPTANCE OF UNIT

Applicants must respond to unit offers within the number of days specified by the PHA. The PHA will make unit offers by phone or letter. The offer will be noted as a refusal (turn down) if the applicant does not respond or accept a unit within the specified number of days.

APPLICANTS UNABLE TO TAKE OCCUPANCY

If an applicant is willing to accept the unit offered, but is unable to take occupancy at the time of the offer for "good cause," the offer will not be noted as a refusal.

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

- Inaccessibility to source of employment or children's daycare such that an adult household member must quit a job, drop out of an educational institution or a job-training program
- Presence of lead paint in the unit offered when the applicant has children under the age specified by current law
- A qualified, knowledgeable, health professional verifies the temporary hospitalization or recovery from illness of the principal household member, other household members, or a live-in aide necessary to care for the principal household member
- The unit is inappropriate for the applicant's disabilities

R. REFUSAL OF OFFER

If the unit offered is refused for other reasons, the PHA will follow the applicable policy as listed in Sections O and Q above.

CHAPTER 5

OCCUPANCY GUIDELINES

INTRODUCTION

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

A. DETERMINING UNIT SIZE

The PHA does not determine who shares a bedroom/sleeping room, but there must be at least one (1) person per bedroom. The PHA's occupancy guideline standards for determining unit size shall be applied in a manner consistent with Fair Housing guidelines.

For occupancy standards, an adult is a person eighteen (18) years or older, or an emancipated minor. All guidelines in this section relate to the number of bedrooms in the unit.

Dwelling units will be assigned so that generally the PHA will assign one (1) bedroom to two (2) people within the following guidelines:

- Minors of the same sex and same generation (less than 10 years apart in age) shall be allocated one bedroom
- Minors of the opposite sex, under 4 (four) years of age shall be allocated one bedroom
- Adults (18 and over) who have a spousal relationship shall be allocated one bedroom
- Exception infants under one year of age may be allowed to share a room with two other members of the household

The PHA assigns an additional bedroom under the following conditions:

- Minors of the same sex but who are more than 10 years apart in age shall be allocated separate bedrooms
- Minors of the opposite sex, over the age of 4 (four) shall be allocated separate bedrooms

- Adults (18 and over) who are not in a spousal relationship shall be allocated separate bedrooms
- Live-in aides will be provided a separate bedroom, unless requested otherwise by the family. A bedroom will not be provided for a live in aide that assists a disabled member of the household on a part-time or part-time rotational basis; or if the disabled person must have multiple part-time rotating attendants. No additional bedrooms are provided for the live in aide's family.

Other consideration in determining the bedroom size:

- Foster children may be considered when determining unit size at move in only
- Space may be provided for a child who is away at school but who lives with the family during school recesses for as long as the child is considered a dependent
- 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 unless the absence is considered temporary such as short-term reserve duty
- Single person families shall be allocated zero (0) or one (1) bedroom
- The living room will not be counted for use as a bedroom

GUIDELINES FOR DETERMINING BEDROOM SIZE

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

B. EXCEPTIONS TO OCCUPANCY STANDARDS

The unit considerations in this chapter should be used as a guide to determine whether and when the bedroom size should be changed. If an unusual situation occurs, which is not currently covered in this policy, the PHA will make a determination after review of the situation, the individual circumstances, and the verification provided (see Chapter 11 - Recertifications).

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

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

The family may request to be placed on a larger or smaller bedroom size waiting list than indicated by the PHA's occupancy guidelines. The request must explain the need or justification for a larger or smaller bedroom size, and must be verified by the PHA before the family is placed on the larger or smaller bedroom size list.

The PHA will consider these requests:

- Person(s) with Disability

- The PHA will grant an exception upon request as a reasonable accommodation for persons with disabilities if the need is appropriately verified and meets requirements in Chapter1 (E) - Reasonable Accommodations Policy.

- Other Circumstances

- Circumstances may dictate a larger size than the occupancy standards permit when persons cannot share a bedroom because of a need for medical equipment due to its size and/or function.

A doctor must verify requests for a larger number of bedrooms due to medical equipment. A licensed physician or an attending health care professional, on a Verification of Need for Reasonable Accommodation form, must verify all requests based upon health related needs.

The PHA will not assign a larger bedroom size due to additions of family members other than by birth, adoption, marriage, or court-awarded custody.

The PHA must approve all members of the family residing in the unit. The family must obtain written approval of any additional family member before the person occupies the unit except for additions by birth, adoption, or court-awarded custody, in which case the family must inform the PHA within thirty (30) days.

To avoid vacancies and when there are no other applicants to qualify for eligibility, the PHA may provide a family with a larger unit than the occupancy standards permit. The family must agree to move to a suitable, smaller unit when another family qualifies for

the larger unit and there is a suitable smaller unit available. A suitable unit is defined as a unit that meets the occupancy standards outlined above in this plan for a family size. This requirement is a provision of the lease.

Over- housed

A family may be required to move if the PHA determines the family is over-housed for the family size based on the PHA occupancy standard, and the unit is needed by a family who qualifies for that bedroom size. Over-housed is defined as occupancy of a unit of a given bedroom size while qualifying for a smaller bedroom size as outlined in the occupancy standard of this plan, unless there is a reasonable accommodation in affect that qualifies the family for the larger bedroom size.

The PHA will identify a unit for which the over-housed family qualifies and will give the family at least sixty days notice of the requirement to move.

Under-housed

A family may be required to move if the PHA determines the family is under-housed for the family size based on the PHA occupancy standard, and the unit is needed by a family who qualifies for that bedroom size. Under-housed is defined as occupancy of a unit of a given bedroom size while qualifying for a larger bedroom size as outlined in the occupancy standard of this plan.

C. ACCESSIBLE UNITS

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

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

Accessible units will be offered and accepted by non-mobility impaired applicants only with the understanding that such applicants must accept a transfer to a non-accessible unit at a later date (at applicants expense with a new security deposit) if a person with a mobility impairment requiring the unit applies for housing and is determined eligible.

CHAPTER 6

DETERMINATION OF TOTAL TENANT PAYMENT

INTRODUCTION

The accurate calculation of annual income and adjusted income will ensure that families are not paying more or less money for rent than their obligation under the regulations.

This chapter defines the allowable deductions from annual income and how the presence or absence of household members may affect the total tenant payment (TTP). Income and TTP are calculated in accordance with 24 CFR Part 5, Subpart F and further instructions set forth in HUD notices, memoranda and addenda. The formula for the calculation of TTP is specific and not subject to interpretation. The PHA's policies in this chapter address those areas, which allow the PHA discretion to define terms and to develop standards in order to assure consistent application of the various factors that relate to the determination of TTP.

A. MINIMUM RENT

The minimum rent for this PHA is fifty dollars ($50).

The Total Tenant Payment is the greater of:

- Thirty percent (30%) of the adjusted monthly income
- Ten percent (10%) of the gross monthly income
- The minimum rent of $50 as established by the PHA

The minimum rent refers to a minimum total tenant payment and not a minimum tenant rent.

The total tenant payment does not include charges for excess utility consumption or other charges.

The PHA recognizes that in some instances even the minimum rent may create a financial hardship for families. The PHA will review all relevant circumstances brought to the PHA’s attention regarding financial hardship as it applies to minimum rent. The PHA’s procedures and policies in regard to minimum rent financial hardship as set forth by the QHWRA are stated in the following section.

PHA Procedures for Notification to Families of Hardship Exemptions

The PHA will notify all participant families subject to a minimum rent of their right to request a minimum rent hardship exemption under the law. The housing technician will

document in the family's file that the family has been notified of their right to request a minimum rent hardship exemption.

The PHA notification will advise the family that hardship exemption determination is subject to the PHA's grievance procedures (see Chapter 13- Complaints, Grievances and Appeals).

The PHA will review all resident requests for exceptions from the minimum rent due to financial hardships. All requests for minimum rent exemption are required to be in writing. Requests for minimum rent exemption must state the family circumstances that qualify the family for an exception.

EXCEPTIONS TO MINIMUM RENT

When a family requests a minimum rent hardship exemption, application of the minimum rent will be suspended beginning the month following the family's hardship request. During the minimum rent suspension period, the PHA will not charge the family a minimum rent, or if applicable, discontinue charging the family a minimum rent. The PHA will not evict the family for nonpayment of minimum rent during the ninety (90) day period beginning the month following the family's request for a hardship exemption.

The minimum rent will be suspended until the PHA determines whether the hardship is:

- Covered by the exception criteria and;
- Temporary or long term.

If the PHA determines that the minimum rent is not covered by statute, the PHA will impose a minimum rent including payment for minimum rent from the time of suspension.

The PHA will use its standard verification procedures to verify circumstances, which have resulted in financial hardship, such as loss of employment, death in the family, etc.

HUD CRITERIA FOR HARDSHIP EXEMPTION

In order for a family to qualify for a hardship exemption the family's circumstances must fall into one of the following criteria:

- The family has lost eligibility for or is awaiting an eligibility determination for a federal, state, or local assistance program, including a family that includes a member who is an alien lawfully admitted for permanent residence
- The family would be evicted as a result of the imposition of the minimum rent requirement
- The income of the family has decreased because of changed circumstances, including:

- Loss of Employment: Defined as being laid off or terminated through no fault of the employee. Loss of employment does not, for the purposes of exemption to minimum rent, include voluntarily quitting employment
- Death in the family leading to loss of income
- Other circumstances as determined by the PHA or HUD

NO QUALIFYING HARDSHIP

If the PHA determines that there is no hardship covered by the statute, a minimum rent will be imposed retroactively to the time of suspension. The family must pay any back rent and will be offered a reasonable repayment agreement.

TEMPORARY HARDSHIP

If the PHA determines that the hardship is temporary, a minimum rent may not be imposed for a period of ninety (90) days beginning the month following the date of the family's request for a hardship exemption. At the end of the ninety (90) day suspension period, the PHA will reinstate the minimum rent retroactively to the beginning of the suspension. The family will be offered a reasonable repayment agreement for any amount to the back rent owed by the family. The PHA defines temporary as ninety (90) days.

The minimum monthly amount for a repayment agreement incurred for minimum rent arrears is ten dollars ($10).

The PHA will not enter into a repayment agreement that will take more than twelve (12) months to pay off. If the family goes into default on the repayment agreement for back rent incurred during a minimum rent period, the PHA will reevaluate the family's ability to pay the increased rent amount and:

- Determine whether the family has the means to meet the obligation and, if so determined, initiate eviction proceedings for nonpayment of rent; or
- Determine that the repayment agreement is a financial hardship to the family and if so restructure the existing repayment agreement

The PHA's policies regarding repayment agreements are further discussed in Chapter 14 - Family Debts to the PHA.

LONG TERM HARDSHIP

If the PHA determines a qualifying financial hardship is long term, the PHA will exempt the family from the minimum rent requirements so long as such hardship continues. Such exemption will apply from the beginning of the month following the family's request for a hardship exemption until the end of the qualifying financial hardship.

B. INCOME AND ALLOWANCES

INCOME

Income is defined as the types of money that are to be used as income for purposes of calculating the TTP and are defined by local and federal regulations. In accordance with this definition, income from all sources of each member of the household is documented (see Income Inclusions and Income Exclusions in Chapter 15 - Glossary).

ANNUAL INCOME

Annual income is defined as the gross amount of income, monetary or not, anticipated to be received by the family during the twelve (12) months after admission, certification or recertification. Gross income is the amount of income prior to any allowable expenses or deductions, and does not include income, which has been specifically excluded by HUD. Annual income is used to determine whether or not applicants are within the applicable income limits. [24 CFR 960.201]

ADJUSTED INCOME

Adjusted income is defined as the annual income minus any allowable deductions.

ALLOWABLE DEDUCTIONS

HUD has five (5) allowable deductions from annual income:

1. Dependent allowance: Four hundred eighty dollars ($480) each for family members (other than the head, co-head or spouse), who are minors, and for family members who are eighteen (18) and older who are full-time students or who are disabled.

2. Elderly/Disabled allowance: Four hundred dollars ($400) per household for families whose head, co-head or spouse is sixty-two (62) or over or disabled.

3. Allowable medical expenses: All medical expenses for all family members are deducted for elderly and disabled families.

4. Childcare expenses: Childcare expenses for children under thirteen (13) are deducted when childcare is necessary to allow an adult member to work, attend school, or actively seek employment.

5. Allowable Disability Assistance Expenses

   Disability expenses are deducted for attendant care or auxiliary apparatus for persons with disabilities if needed to enable the individual or an adult family member to work.

C. DISALLOWANCE OF EARNED INCOME FROM RENT DETERMINATIONS – EARNED INCOME DISALLOWANCE (EID)

Effective October 1, 1999, EID replaced the 18-month earned income disregard for families going from training programs to work. For qualified families, EID excludes income earned by family members who start work or self-sufficiency programs or who have increases in employment income.

ELIGIBILITY

Family members who are ineligible non-citizens are also ineligible for EID. In mixed families only the eligible non-citizens or citizens are eligible for EID exclusions.

A family qualified for the earned income exclusion is a family that occupies a dwelling unit in a public housing development, is paying income-based rent and whose annual income increases due to one of the following reasons:

- Employment of a family member who was previously unemployed for one or more years prior to employment
- Increased earnings by a family member during participation in any economic self-sufficiency or other job-training program
- New employment or increased earnings of a family member during or within six (6) months after receiving assistance, benefits or services under any State program for Temporary Assistance to Needy Families (TANF) provided that the total amount over a six (6)-month period is at least five hundred ($500)

The HUD definition of “previously unemployed” includes a person who has earned in the twelve (12) months previous to employment no more than the equivalent earnings for working ten (10) hours per week for fifty (50) weeks at the minimum wage. Minimum wage is the prevailing minimum wage in the State or locality.

The HUD definition of an economic self-sufficiency program is any program designed to encourage, assist, train or facilitate economic independence of assisted families or to provide work for such families. Such programs may include job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, or any other program necessary to ready a participant to work (such as substance abuse or mental health treatment).

EXCLUDED INCOME

Amounts to be excluded are any earned income increases of a family member during participation in an economic self-sufficiency or job training program and not increases that occur after participation, unless the training provides assistance, training or mentoring after employment.

The amount of TANF received in the six (6) month period includes monthly income and such benefits and services as one-time payments, wage subsidies and transportation assistance.

The amount that is subject to the disallowance is the amount of incremental increase in income of a family member. The incremental increase in income is calculated by comparing the amount of the family member's income before the beginning of qualifying employment or increase in earned income to the amount of such income after the beginning of employment or increase in earned income.

INITIAL TWELVE (12) MONTH EXCLUSION

During the cumulative twelve (12) month period beginning on the date a member of a qualified family is first employed or the family member first experiences an increase in employment income, the PHA will exclude from annual income any increase in income of the family member, as a result of employment, over the prior income of that family member.

SECOND TWELVE (12) MONTH PHASE-IN EXCLUSION

During the second cumulative twelve (12) month period after the expiration of the initial cumulative twelve (12) month period referred to above, the PHA must exclude from annual income of a qualified family fifty percent (50%) of any increase in income of a family member as a result of employment over income of that family member prior to the beginning of such employment.

MAXIMUM FOUR-YEAR DISALLOWANCE

The earned income disallowance is limited to a lifetime forty-eight (48) month period for each family member. For each family member, the disallowance only applies for a maximum of twelve (12) months of full exclusion of incremental increase, and a maximum of twelve (12) months of phase-in exclusion during the forty-eight (48) month period starting from the date of the initial exclusion.

If the period of increased income does not last for twelve (12) consecutive months, the disallowance period may be resumed at any time within the forty-eight (48) month period and continue until the disallowance has been applied for a total of twelve (12) months of each disallowance (the initial twelve (12) month full exclusion and the second twelve (12) month phase-in exclusion).
No earned income disallowance will be applied after the forty-eight (48) month period following the initial date the exclusion was applied regardless of whether the family has received the full exclusion for a total of twelve (12) months or the phase-in exclusion for the total of twelve (12) months.

APPLICABILITY TO CHILD CARE AND DISABILITY ASSISTANCE EXPENSE DEDUCTIONS

The amount deducted for childcare and disability assistance expenses necessary to permit employment shall not exceed the amount of employment income that is included in annual income. Therefore, for families entitled to the earned income disallowance, the amounts of the full and phase-in exclusions from income shall not be used in determining the cap for childcare and disability assistance expense deductions.

TRACKING THE EARNED INCOME EXCLUSION

The earned income exclusion will be reported on the HUD 50058 form. Documentation will be included in the family's file to show the reason for the reduced increase in rent.

Such documentation will include:

- The date the increase in earned income was reported by the family
- Name of the family member whose earned income increased
- Reason {new employment, participation in job training program, within six (6) months after receiving TANF} for the increase in earned income
- Amount of the increase in earned income (amount to be excluded)
- Date the increase in income is first excluded from annual income
- Date(s) earned income ended and resumed during the initial cumulative twelve (12) month period of the exclusion (if any)
- Date the family member has received a total of twelve (12) months of the initial exclusion
- Date the twelve (12) month phase-in period began
- Date(s) earned income ended and resumed during the second cumulative twelve (12) month period (phase-in) of exclusion (if any)
- Date the family member has received a total of twelve (12) months of the phase-in exclusion
- Ending date of the maximum forty-eight (48) month, {four (4) year} disallowance period {forty-eight (48) months from the date of the initial earned income disallowance}

The PHA will maintain a tracking system to ensure correct application of the earned income disallowance.

If an interim reexamination is not done for income increase, the initial twelve (12)-month exclusion will still begin on the date on which the increase in earned income begins.

INAPPLICABILITY TO ADMISSION

The earned income disallowance does not apply for purposes of program admission.

D. INDIVIDUAL SAVINGS ACCOUNTS

The PHA chooses not to establish a system of individual savings accounts for families who qualify for the disallowance of earned income.

E. TRAINING PROGRAMS FUNDED BY HUD

All training income from a HUD sponsored or funded training program, whether incremental or not, is excluded from the resident's annual income while the resident is in training. Income from a resident services training program, which is funded by HUD, is excluded.

F. WAGES FROM EMPLOYMENT WITH THE PHA OR RESIDENT ORGANIZATION

Upon employment with the PHA or officially recognized resident organization, the full amount of employment income received by the person is counted. There is no exclusion of income for wages funded under the 1937 Housing Act Programs, which includes Public Housing and the Housing Choice Voucher program.

G. AVERAGING AND ANNUALIZING INCOME

When annual income cannot be anticipated for a full twelve (12) months, the PHA will average known sources of income that vary to compute an annual income.

If there are bonuses or overtime, which the employer cannot anticipate for the next twelve (12) months, bonuses and overtime received the previous year will be used.

Income from the previous year may be analyzed to determine the amount to anticipate when third party or check-stub verification is not available.

If by averaging, an estimate can be made for those families whose income fluctuates from month to month, this estimate will be used so that the total tenant rent will not change from month to month.

The PHA may annualize income for a shorter period if it is not feasible to determine the value for a twelve (12) month period for example seasonal work or unemployment compensation.

The method used depends on the regularity, source and type of income.

H. MINIMUM INCOME

There is no minimum income requirement. Families who report zero (0) income are required to complete an interim reexamination every ninety (90) days. Families that report zero (0) income will also be required to provide information regarding their means of basic subsistence, such as food, utilities, transportation, etc.

The PHA will request credit checks for all adult members of families that report zero (0) income. Where credit reports show credit accounts open and payments current, the PHA will take action to investigate the possibility of fraud or program abuse.

If the family's expenses exceed their known income, the PHA will make inquiry of the head of household as to the nature of the family's accessible resources.

In some cases a person with zero (0) income will receive a utility allowance reimbursement to help assist with paying utilities for their unit.

I INCOME OF PERSON PERMANENTLY CONFINED TO NURSING HOME

If a family member is permanently confined to a hospital or nursing home and there is a family member left in the household, the PHA will calculate the income by using the following methodology and use the income figure, which would result in a lower payment by the family:

- Exclude the income of the person permanently confined to the nursing home and give the family no deductions for medical expenses of the confined family member; or
- Include the income of the person permanently confined to the nursing home and give the family the medical deductions allowable on behalf of the person in the nursing home.

J. REGULAR CONTRIBUTIONS AND GIFTS

Regular contributions and gifts received from persons outside the household are counted as income for calculation of the Total Tenant Payment.

Any contribution or gift received every three (3) months or more frequently will be considered a "regular" contribution or gift, unless the amount is less than four hundred dollars ($400) per year. This includes rent and utility payments made on behalf of the family and other cash or non-cash contributions provided on a regular basis. It does not include casual contributions or sporadic gifts (see Chapter 7 - Verification Procedures for further definition).

If the family's expenses exceed their known income, the PHA will make inquiry of the family about contributions and gifts.

K. ALIMONY AND CHILD SUPPORT

Regular alimony and child support payments are counted as income for calculation of Total Tenant Payment.

If the amount of child support or alimony received is less than the amount awarded by the court, the PHA must use the amount awarded by the court unless the family can verify that they are not receiving the full amount.

The PHA will accept as verification that the family is receiving an amount less than the award if:

- The PHA receives verification from the agency responsible for enforcement or collection
- The family furnishes documentation of child support or alimony collection action filed through a child support enforcement/collection agency, or has filed an enforcement or collection action through an attorney

It is the family's responsibility to supply a certified copy of the divorce decree.

L. LUMP-SUM RECEIPTS

Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or property losses, are not included in income but may be included in assets.

Lump-sum payments caused by delays in processing periodic payments such as unemployment or welfare assistance are counted as income. Lump sum payments from Social Security or SSI are excluded from income, but any amount remaining will be considered an asset. Deferred periodic payments which have accumulated due to a dispute will be treated the same as periodic payments which are deferred due to delays in processing.

In order to determine the amount of retroactive tenant rent that the family owes as a result of the lump sum receipt the PHA uses a calculation method which calculates retroactively, depending on the circumstances.

RETROACTIVE CALCULATION METHODOLOGY

The PHA will calculate the lump sum retroactively by going back to the date the lump-sum payment was received, or to the date of admission, whichever is closer as long as the date is not prior to program admission.

The PHA will determine the amount of income for each certification period, including the lump sum, and recalculate the resident rent for each certification period to determine the amount due the PHA. This retroactive amount is due and payable to the PHA.

At the PHA's option, the PHA may enter into a repayment agreement with the family, This retroactive amount is due and payable to PHA. The amount owed by the family is a collectible debt even if the family becomes unassisted.

ATTORNEY FEES

The family's attorney fees may be deducted from lump-sum payments when computing annual income if the attorney's efforts have recovered a lump-sum compensation, and the recovery paid to the family does not include an additional amount in full satisfaction of the attorney fees.

M. ASSETS AND ASSET INCOME

Income generated from some assets is used in the calculation of annual income for the purpose of determining the Total Tenant Payment. Net family assets are defined as the net cash value after deduction of reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment. The following are excluded from assets:

- Interests in Indian trust land
- Equity accounts in HUD homeownership programs
- The value of necessary items of personal property such as furniture and automobiles

Where the family has net family assets in excess of five thousand dollars ($5,000) the PHA will use the greater of:

- Actual income from all net family assets, or
- Imputed asset income which is the cash value of listed assets multiplied by HUD-determined local passbook interest rate

N. CONTRIBUTIONS TO RETIREMENT FUNDS

Contributions to company retirement/pension funds are handled as follows:

- While an individual is employed, assets counted are the amounts the family can withdraw without retiring or terminating employment
- After retirement or termination of employment, assets counted are any amount the employee elects to receive as a lump sum.

O. ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE

The PHA must count assets disposed of for less than fair market value during the two (2) years preceding certification or reexamination. The PHA will count the difference between the market value and the actual payment received in calculating total assets.

Assets disposed of as a result of foreclosure or bankruptcy are not considered to be assets disposed of for less than fair market value. Assets disposed of as a result of a divorce or separation are not considered to be assets disposed of for less than fair market value.

The PHA's minimum threshold for counting assets disposed of for less than fair market value is five thousand dollars ($5,000). If the total value of assets disposed of within the two (2) year period is less than five thousand dollars ($5,000) they will not be considered an asset.

P. CHILDCARE EXPENSES

Unreimbursed childcare expenses for children under thirteen (13) years of age shall be deducted from annual income if they enable a family member to actively seek employment, to be employed, or to further his or her education to comply with federal law.

For disabled family members who are children aged thirteen (13) and older, childcare expenses which enable a family member to be employed and are not paid to a member of the family nor reimbursed by an outside source shall be considered deductible disability assistance expenses.

In the case of a child attending K-12 private school, only before or after-hours care can be counted as childcare expenses.

Childcare expenses must be reasonable. Reasonable is determined by the average childcare rates in the PHA’s jurisdiction.

Allowance of deductions for childcare expenses is based on the following guidelines:

CHILDCARE TO WORK

The maximum childcare expense allowed must be less than the amount earned by the person enabled to work. The "person enabled to work" will be the adult member of the household who earns the least amount of income from working.

CHILDCARE FOR SCHOOL

The number of hours claimed for childcare may not exceed the number of hours the family member is attending school {including one (1) hour travel time to and from school}.

AMOUNT OF EXPENSE

The PHA will survey the local care providers in the community and other various surveys to determine what is reasonable. The PHA will use the collected data as a guideline. If the hourly rate materially exceeds the guideline, the PHA may calculate the allowance using the guideline.

Q. DISABILITY ASSISTANCE EXPENSE

Families may deduct reasonable anticipated expenses for attendant care and auxiliary apparatus for family members with disabilities under the following circumstances:

- If they are necessary to enable a family member to be employed (this maybe the disabled member)
- Provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.

This deduction may not exceed the earned income received by family members who are able to work because of such qualified expenses.

Auxiliary apparatus are items such as wheelchairs, ramps, adaptations to vehicles, or special equipment to enable a blind person to read and write, but only if these items are directly related to permitting the disabled person or other family member to work.

R. MEDICAL EXPENSES

Families who are determined to be either elderly or disabled may deduct un-reimbursed medical expenses in determining their total tenant payment. When a household is eligible for a medical expense deduction, the medical expenses of all family members may be counted.

When it is unclear in the HUD rules as to whether or not to allow an item as a medical expense, IRS Publication 502 will be used as a guide.

In order to be considered a medical expense, nonprescription medicines must be doctor-recommended and the qualified family must furnish legible receipts.

Acupressure, acupuncture and related herbal medicines, and chiropractic services will be considered allowable medical expenses with approval from a licensed medical professional.

S. PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES

APPLICABILITY

Proration of assistance must be offered to any "mixed" applicant or participant family. A "mixed" family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible members.

"Mixed" families that were participants on June 19, 1995, and that do not qualify for continued assistance must be offered prorated assistance. (See Chapter titled "Recertifications.") Applicant mixed families are entitled to prorated assistance. Families that become mixed after June 19, 1995, by addition of an ineligible member are entitled to prorated assistance.

PRORATED ASSISTANCE CALCULATION

Prorated assistance is calculated by determining the amount of assistance payable if all family members were eligible and multiplying by the percent of the family members who actually are eligible. Calculations for each housing program are performed on the HUD 50058 form.

T. INCOME CHANGES RESULTING FRON WELFARE PROGRAM REQUIREMENTS

See Chapter 11 - Recertification for reduction in welfare benefits.

U. UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS

If the cost of utilities (excluding telephone) is not included in the resident rent, a utility allowance will be deducted from the total tenant payment. The utility allowance is intended to help defray the cost of utilities not included in the rent. The allowances are based on the monthly cost of reasonable consumption of utilities in an energy conservative household, not on a family's actual consumption.

When the utility allowance exceeds the family's Total Tenant Payment, the PHA will provide a utility reimbursement payment for the family each month. The check will be made out directly to the resident.

RESIDENT-PAID UTILITIES

The following requirement applies to residents living in developments with resident-paid utilities or applicants being admitted to such developments. Paying the utility bill is the resident's obligation under the lease. Failure to pay utilities is grounds for eviction.

V. FAMILY CHOICE RENTS

AUTHORITY FOR FAMILY TO SELECT

The PHA shall provide for each family residing in a public housing unit to elect annually whether the rent paid by such family shall be 1) determined based on family income (income based); or 2) the flat rent. The PHA will provide families with sufficient information to make an informed choice. This information will include:

- How to switch the type of rent in circumstances of financial hardship
- The dollar amount of tenant rent the family will pay under each option

The PHA may not at any time fail to provide both such rent options for any public housing unit owned, assisted or operated by the PHA.

ALLOWABLE RENT STRUCTURES

FLAT RENTS

The PHA has established, for each dwelling unit in public housing, a flat rental amount for the dwelling unit, that:

- Is based on the market rental value of the unit, as determined by the PHA
- Is designed so that the rent structures do not create a disincentive for continued residency in public housing by families who are attempting to become economically self-sufficient through employment or who have attained a level of self-sufficiency through their own efforts

The PHA shall review the income of families paying flat rent not less than once every three (3) years. Family composition will be reviewed annually for all families, including those paying flat rent. For a family paying flat rent there will be no utility deduction.

INCOME-BASED RENTS

The monthly Total Tenant Payment amount for a family shall be an amount, based on the total family income, as verified by the PHA that does not exceed the greatest of the following amounts:

- Thirty percent (30%) of the family's monthly-adjusted income
- Ten percent (10%) of the family's gross monthly income
- The PHA's Minimum TTP of fifty dollars ($50)

Switching Rent Determination Methods Because of Hardship Circumstances

In the case of a family that has elected to pay the PHA's flat rent, the PHA shall within thirty (30) days provide for the family to pay rent in the amount determined under

income-based rent, during the period for which such choice was made, upon a determination that the family is unable to pay the flat rent because of financial hardship, including:

- Situations in which the income of the family has decreased because of changed circumstances, loss or reduction of employment, death in the family, and reduction in or loss of income or other assistance
- An increase in expenses, due to a change of circumstance, in the family's expenses, such as increased medical costs, childcare, transportation, education, or similar items
- Such other situations as may be determined by the PHA

All hardship situations will be verified. Once a family switches to income-based rent due to financial hardship, the family must wait until its next annual recertification to select the type of rent.

The rental policy developed by the PHA encourages and rewards employment and self-sufficiency.

Annual Reexamination: At time of recertification of the annual reexamination, the family will be sent a form from the PHA, on which the family will indicate whether they choose flat rent or income-based rent.

W. PHA'S FLAT RENT METHODOLOGY

The PHA has set a flat rent for each public housing unit, based on the reasonable market value of the unit. The PHA's methodology is described in the PHA Agency Plan.

The PHA's flat rents have been established using the following methodology:

- The PHA may contract with a real estate consultant as well as utilize Housing Choice Voucher comparability statistics to establish flat rents for each unit.
- The analysis will include relevant factors such as age, location, condition, amenities, and size of units as well as unassisted rents for similar units.

The PHA will review the flat rents as often as necessary, but at least annually, to ensure that flat rents continue to mirror the market rent values. Residents paying flat rents would not have their flat rents adjusted (up or down) until their annual reexamination or annual flat rent update.

The PHA Flat Rent schedule is available at development offices.

CHAPTER 7

VERIFICATION PROCEDURES

INTRODUCTION

The verification process during the time of application, interim reexamination and annual reexamination is a critical task in the administration of the HUD's assisted housing programs. This task requires PHAs to verify factors that affect the determination for an applicant's/ participant's adjusted income. The verification process also requires the applicant/participant to provide and disclose information that is true and complete whenever information is requested.

The PHA's verification requirements are designed to maintain program integrity and to utilize limited housing resources as correctly and efficiently as possible. This chapter explains the PHA's procedures and standards for verification of preferences, income, assets, completion of the citizenship or eligible immigration status, allowable deductions, family status, and changes in family composition. The policies in this chapter provide detailed verification procedures so that participants are thoroughly informed of the verification process. The PHA will obtain proper authorization from the family before requesting information from independent sources.

A. METHODS OF VERIFICATION AND TIME ALLOWED

The PHA will verify information through the five (5) methods of verification acceptable to HUD in the following order:

- Up-front income verification (UIV)
- Third-Party Written
- Third-Party Oral
- Review of Documents
- Certification/Self-Declaration

UP FRONT INCOME VERIFICATION

Up-front income verification 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.

Types of income that may be verified using up-front income verification (UIV)

- Gross Wages and Salaries (including overtime pay, commission, fees, tips, bonuses, and other compensation for personal services).
- Unemployment Compensation
- Welfare Benefits
- Social Security Benefits (including Federal and State benefits, Black Lung benefits, and dual benefits).

AVAILABLE UP-FRONT INCOME VERIFICATION TECHNIQUES

The PHA will obtain up-front income verification through the following methods when ever possible:

- Computer matching agreements with a federal, state, or local government agency, or a private agency

- Use of HUD's Enterprise Income Verification (EIV)

- Submit direct requests for income verifications to a federal, state, or local government agency or a private agency

USE OF THIRD-PARTY VERIFICATIONS TO SUPPLEMENT UP-FRONT INCOME VERIFICATION

Up-front income verification replaces, to the maximum extent possible, the more time-consuming and less accurate third-party verification process of contacting individual employers identified by families or reviewing outdated income verification documents. However, third-party verification may continue to be necessary to complement up-front income verification, for example, when the resident disputes the data or when there is a substantial difference between resident-provided income and UIV. Up-front income verification should not be considered an automatic substitute for other third-party verification. Rather, up-front income verification may supplement other verification documentation such as original, current tenant-provided documents.

THRESHOLD FOR SUBSTANTIAL DIFFERENCES

The PHA has adopted HUD's established criteria for what constitutes a "substantial difference" in cases where UIV income data differs from tenant-provided and/or other verified income information. HUD defines a "substantial difference" as one that is $200 or more (per family member) per month.

UIV Income Data that is not substantially different than participant-provided income information.

UIV may alleviate the need for third-party verification when there is not a substantial difference between UIV and tenant-reported income (either pay stubs or what tenant claims on the data collection sheet/reexamine form).

In cases where UIV income data is NOT substantially different than tenant-reported income, PHAs will follow guidelines below:

- If UIV income data is more than current tenant-provided documentation, the PHA will use UIV income data to calculate anticipated annual income unless the tenant provides the PHA with documentation of a change in circumstances (i.e. change in employment, reduction in hours, etc.)
- Upon receipt of acceptable tenant-provided documentation of a change in circumstances, the PHA will use tenant-provided documents to calculate anticipated annual income.

UIV Income Data That Is Substantially Different Than Participant-Provided Income Information

In cases where UIV income data is substantially different than tenant-report income, the PHA shall follow the guidelines below:

- The PHA shall request written third party verification from the discrepant income source, in accordance with 24 CFR 5.236 (3) (I)

- The PHA shall review historical income data for patterns of employment, paid benefits, and/or receipt of other income, when the PHA can not readily anticipate income, such as in the sources of seasonal employment, unstable working hours, and suspected fraud
- The PHA must analyze all data (UIV data, third party verification and other documents/information provided by the family) and attempt to resolve the income discrepancy
- The PHA will use the most current verified income data (and historical income data if appropriate) to calculate annual income.

When Third-Party Verifications Are Required

Third-party verification is required in the following instances:

- UIV is not available
- There is a “substantial difference” between tenant-provided documents and UIV verification
- The resident disputes the UIV data and provides supplemental supporting documentation

PHA Responsibilities for Utilizing UIV Systems and Data

While UIV is an excellent tool for highlighting potential income errors, the PHA has the responsibility:

- To compare UIV information with participant-provided information

- To resolve income discrepancies promptly to determine accurate tenant rents based on all available information
- Not to take any adverse actions against participants solely based on computer matching information. This means the PHA will not suspend, terminate, reduce or make a final denial of assistance to any tenant as a result of information produced by UIV until (a) the tenant has received a notice from the PHA detailing its findings and has been offered the opportunity to contest the findings and (b) either the notice period provided in applicable regulations of the program or 30 days whichever is later, has expired.

THIRD-PARTY WRITTEN VERIFICATION

Third-party verification is used to verify information directly with the source. Third-party written verification forms will be sent and returned via first class mail, faxed e-mailed directly to and received directly back from the source. The family will be required to sign an authorization for release of information form to release the specified information.

The PHA will accept verifications received directly from the provider as third party documentation including but not limited to the following:

- Social Security disability or award statements
- Veterans Administration award statement
- IRS tax forms
- Written verification of TANF or General Assistance
- Unemployment Compensation statements
- Pay stubs or earning statements
- City or County Court documents
- Signed receipts or paid invoices for child care expenses
- Receipts from pharmacies for prescription drugs
- Child Support cancelled checks or award letters
- Receipts for medical expenses or insurance premiums

NUMBER OF ATTEMPTS TO OBTAIN WRITTEN THIRD PARTY VERIFICATION

The PHA will make one attempt to obtain written third-party verification. If a response is not received back from the source within ten working days after the written request for third-party is sent, the PHA will make an attempt at obtaining oral third-party verification.

THIRD-PARTY ORAL VERIFICATION

Oral third-party verifications will be used when written third-party verifications are delayed or not possible, or to verify documents provided by the family. When a third-party oral verification is used, staff will be required to complete a Certification of Document Viewed or Person Contacted form, noting with whom they spoke, the date of the conversation, and the facts provided. The information collected through oral third-

party verification shall be the same information collected on written third-party verification forms. If provided by telephone, the PHA must originate the call.

ACCEPTABLE PARTICIPANT-PROVIDED DOCUMENTS

In the event that third party written or oral verification is unavailable or after the PHA has made two documented unsuccessful attempts (one may be written and one oral), the PHA may review the original (authentic) documents provided by the participant. All original documents should be dated within the last 60 days of the interview. The PHA will make a photocopy of the original documents and maintain the copy in the participant files. The PHA shall document in the tenant files, the receipt, copy, and review of the original (authentic) documents. Below are some acceptable participant-provided documents:

- At least the last three months consecutive, original wage stubs
- Social Security Administration award letter
- Bank Statements
- Pension benefit statements
- TANF award letter
- Computer printouts from the employer
- Other documents noted in this chapter as acceptable verification

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

UNTIMELY RECEIPT OF THIRD-PARTY VERIFICATIONS

Despite the PHA's best efforts to obtain third-party verifications timely, sometimes third-party verifications are returned days or even weeks after the effective date of the new rent determination. In cases where the third-party verification is returned from sources within 30 day after the effective date of the reexamination, the PHA will only re-determine income when the difference between the third-party verification and the resident-provided verification is greater than $100 per month for entire family.

LATE THIRD-PARTY VERIFICATIONS THAT REQUIRE A NEW INTERIM REEXAMINATION

The following cases will require the resident to come in for an interim reexamination so that resident-provided information can be updated and compared to the third-party verifications:

- In cases where a family has several sources of income and more than one third-party verification arrives late and at different times and there is a cumulative discrepancy of more then $100 per month between the participant-provided income and the third-party verified income;

- In the event that third-party verification is returned more than 30 days after the effective date of the recertification and there is a discrepancy of more then $100 per month between the participant-provided income and the third-party income.

SELF-CERTIFICATION/SELF-DECLARATION

When verification cannot be made by third-party verification or review of documents, families will be required to submit self-certification.

Self-certification means a notarized statement signed under penalty of perjury in the presence of a witness.

The PHA will allow up to one week for a family to provide a self-certification or self-declaration if other forms of verification are impossible to obtain.

B. RELEASE OF INFORMATION

All adult family members will be required to sign the HUD 9886 Release of Information/Privacy Act form.

In addition, adult family members will be required to sign specific authorization forms when information is needed that is not covered by the HUD form 9886 Authorization for Release of Information/Privacy Act Notice.

Each member requested to consent to the release of specific information will be provided with a copy of the appropriate forms for their review and signature.

Family refusal to cooperate with the HUD prescribed verification system will result in denial of admission or termination of assistance because it is a family obligation to supply any information and to sign consent forms requested by the PHA or HUD.

C. ITEMS TO BE VERIFIED

The following items will need to be verified:

- All income (earned or unearned)
- Zero-income status of household
- Full-time student status for students who are eighteen (18) years or over
- Current assets including assets disposed of for less than fair market value in proceeding two (2) years
- Childcare expenses where it allows an adult family member to be employed or to further his/her education or seek employment
- Total medical expenses of all family members in households whose head or

spouse is elderly or disabled

- Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus for a disabled member of the family, which allow an adult family member to be employed
- Legal identity
- U.S. citizenship/eligible immigrant status
- Social Security Numbers for all family members six (6) years of age or older
- Preference status
- Familial/marital status when needed for head or spouse definition
- Disability for determination of preferences, allowances or deductions
- Completion of Community Service Requirement (unless exempt)

VERIFICATION OF REDUCTION IN BENEFITS FOR NONCOMPLIANCE

The PHA will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance before denying the family's request for rent reduction.

D. VERIFICATION OF INCOME

This section explains the documentation the PHA will use to verify various types of income.

EMPLOYMENT INCOME

Verification forms request the employer to specify the:

- Dates of employment
- Amount and frequency of pay
- Date of the last pay increase
- Likelihood of change of employment status and effective date of any known salary increase during the next twelve (12) months
- Year-to-date earnings
- Estimated income from overtime, tips, and bonus pay expected during next twelve (12) months

Applicants and program residents will be required to sign an authorization for release of information from the Internal Revenue Service for further verification of income. In cases where there are questions about the validity of information provided by the family, the PHA will require the most recent federal income tax statements. Where doubt regarding income exists, a referral to IRS for confirmation will be made on a case-by-case basis.

ALIMONY OR CHILD SUPPORT PAYMENTS

Acceptable methods of verification include, in this order:

- PHA verification form completed by payment provider
- Verbal confirmation by payment provider
- Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules
- DA Child Support Hotline
- Copy of latest check and/or payment stubs from court trustee. PHA must record the date, amount, and number of the check
- 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 payments are irregular, the family must provide:

- A copy of the separation or settlement agreement, or a divorce decree stating the amount and type of support and payment schedules
- A statement from the agency responsible for enforcing payments to show that the family has filed for enforcement
- Welfare Notice of Action showing amounts received by the welfare agency for child support
- A written statement from an attorney certifying that a collection or enforcement action has been filed

NET INCOME FROM A BUSINESS

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

ACCEPTABLE METHODS OF VERIFICATION INCLUDE:

IRS Form 1040, including:

- Schedule C (Small Business)
- Schedule E (Rental Property Income)
- Schedule F (Farm Income)

If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense computed using straight-line depreciation rules should be provided.

- Audited or unaudited financial statement(s) of the business
- Credit report or loan application

- Family's self-certification as to net income realized from the business during previous years

Documents such as manifests, appointment books, cash books, bank statements, and receipts will be used as a guide for the prior six (6) months {or lesser period if not in business for six (6) months} to project income for the next twelve (12) months. The family will be advised to maintain these documents in the future if they are not available.

The PHA may request any of the documentation identified above, regardless of the verification used.

RECURRING GIFTS

The family must furnish a self-certification that contains the following information:

- The person who provides the gifts
- The value of the gifts
- The regularity (dates) of the gifts
- The purpose of the gifts

ZERO INCOME STATUS

When families report zero income, and have no income excluded for rent computation, the PHA will pursue verification of income that reflects the family's lifestyle.

Zero income families may be required to:

- Execute verification forms to determine that types of income such as unemployment benefits, TANF, SSI, etc. are not being received by the household
- Complete the reexamination process every ninety days
- Complete a zero income form that estimates how much they spend on telephone, cable TV, food, clothing, transportation, debts, household items, and whether any of these costs are being paid by an individual outside the family (such payments are considered income)

To further verify zero income the PHA may:

- Request information from the State Employment Development Department and/or from the IRS
- Run a credit report if information is received that indicates the family has an unreported income source

FULL-TIME STUDENT STATUS

Only the first four hundred-eighty dollars ($480) of the earned income of full time students eighteen (18) years of age or older, other than head or spouse, will be counted towards family income. This $480 is disregarded for dependents, netting zero.

Financial aid, scholarships and grants received by full time students are not counted towards family income.

Verification of full time student status includes:

- Written verification from the registrar's office or other school official
- School records indicating enrollment for sufficient number of credits to be considered a full-time student by the educational institution

E. INCOME FROM ASSETS

The PHA is responsible for verifying all assets to determine the amount of income produced by these assets: Checking, & Savings Accounts, Stocks, Bonds, Interest Income and Dividends.

The PHA recognizes that it is not always cost effective to incur bank verification fees nor utilize the administrative staff time to facilitate third-party verifications for checking and savings accounts; therefore, checking and savings accounts with average balances (for the last 6 months) under $1,000 will not require third-party verifications from financial institutions.

For checking and savings accounts that do not require third-party verification, the PHA will utilize the current balance for savings accounts and the average six-month balance for checking accounts.

Checking and savings accounts, stocks, bonds, interest income and dividends will be verified in the following order by:

- PHA verification forms completed by the financial institution (if average monthly balance is over $1,000).
- Verbal confirmation of information from the financial institution
- Account statements, passbooks, certificates of deposit
- Broker's statements showing value of stocks or bonds and the earnings credited the family. Earnings can be obtained from current newspaper quotations or oral broker's verification
- IRS Form 1099 from the financial institution provided that the PHA must adjust the information to project earnings expected for the next twelve (12) months

Interest Income from Mortgages or Similar Arrangements

- A letter from an accountant, attorney, real estate broker, the buyer, or a financial institution stating interest due for next twelve (12) months. (A copy of the check paid by the buyer to the family is not sufficient unless a breakdown of interest and principal is shown)

- Amortization schedule showing interest for the twelve (12) months following the effective date of the certification or recertification

NET RENTAL INCOME FROM PROPERTY OWNED BY FAMILY

- IRS Forms 1040 with Schedule E (Rental Income)
- Records from property management company handling the rental property
- Copies of latest rent receipts, leases, or other documentation of rent amounts
- Documentation of allowable operating expenses of the property: tax statements, insurance invoices, and bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense
- Lessee's written statement verifying rent payments to the family and family's notarized statement as to net income realized

F. VERIFICATION OF ASSETS

CURRENT MARKET VALUE

The PHA will require the information necessary to determine the current cash value of the family's assets, (the net amount the family would receive if the asset were converted to cash).

- Verification forms, letters, or documents from a financial institution or broker
- Passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker
- Quotes from a stockbroker or realty agent as to net amount family would receive if they liquidated securities or real estate
- Real estate tax statements if the approximate current market value can be deduced from assessment
- Financial statements for business assets
- Copies of closing documents showing the selling price and the distribution of the sales proceeds
- Appraisals of personal property held as an investment
- Family's self-certification describing assets or cash held at the family's home or in safe deposit boxes

Assets Disposed of for Less than Fair Market Value (FMV) during two years proceeding effective date of certification or recertification.

For all certifications and recertifications, the PHA will obtain the family's certification as to whether any member has disposed of assets for less than fair market value during the two (2) years preceding the effective date of the certification or recertification.

If the family self-certifies that they have disposed of assets for less than fair market value, verification (or self-certification) is required that shows: (a) all assets disposed of for less than FMV, (b) the date they were disposed of, (c) the amount the family received, and (d) the market value of the assets at the time of disposition. Third party verification will be obtained wherever possible.

G. VERIFICATION OF ALLOWABLE DEDUCTIONS FROM INCOME

CHILDCARE EXPENSES

Written verification from the person who receives the payments is required. If the childcare provider is an individual, s/he must provide a statement of the amount they are charging the family for their services.

Verifications must specify the child care provider's name, address, telephone number, Social Security number, the names of the children cared for, the number of hours the childcare occurs, the rate of pay, and the typical yearly amount paid, including school and vacation periods.

A family must certify as to whether any of those payments have been or will be paid or reimbursed by outside sources.

MEDICAL EXPENSES

Families, who claim medical expenses, will be required to submit a certification as to whether or not any expense payments have been, or will be, reimbursed by an outside source. One or more of the methods listed below will verify all expense claims:

- Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, of (a) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and (b) extent to which those expenses will be reimbursed by insurance or a government agency
- Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family
- Written confirmation from the Social Security Administration's of Medicare premiums to be paid by the family over the next twelve (12) months. A computer printout will be accepted
- Receipts, cancelled checks, or payment stubs that verify past medical costs or past insurance expenses that are likely to be incurred in the next twelve (12) months. expenses that are likely to be incurred in the next twelve (12) months.
- Copies of payment agreements or most recent invoice that verify payments made on outstanding medical bills that will continue over all or part of the next twelve (12) months.

- Receipts or other record of medical expenses incurred during the past twelve (12) months that can be used to anticipate future medical expenses. PHA may use this approach for "general medical expenses" such as non-prescription drugs, as prescribed by a physician, and regular visits to doctors or dentists, but not for one-time, nonrecurring expenses from the previous year
- The PHA will use mileage, at the IRS rate, cab, bus fare, or other public transportation cost for verification of the cost of transportation directly related to medical treatment

For attendant care:

- A reliable, knowledgeable professional's certification that the assistance of an attendant is a necessary medical expense and a projection of the number of hours the care is needed for calculation purposes
- Attendant's written confirmation of hours of care provided and amount and frequency of payments received from the family or agency (or copies of canceled checks the family used to make those payments) or stubs from the agency providing the services

ASSISTANCE TO PERSONS WITH DISABILITIES

In All Cases:

- Written certification from a reliable, knowledgeable professional that the person with disabilities requires the services of an attendant and/or the use of auxiliary apparatus to permit him/her to be employed or to function sufficiently independently to enable another family member to be employed
- Family's certification as to whether they receive reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received

Attendant Care:

- PHA verification form must be completed by provider
- Attendant's written certification of amount received from the family, frequency of receipt, and hours of care provided
- Certification of family and attendant and/or copies of canceled checks family used to make payments

Auxiliary Apparatus:

- Receipts for purchases or proof of monthly payments and maintenance expenses for auxiliary apparatus
- In the case where the person with disabilities is employed, a statement from the employer that the auxiliary apparatus is necessary for employment

H. VERIFYING NON-FINANCIAL FACTORS

VERIFICATION OF LEGAL IDENTITY

In order to prevent program abuse, the PHA will require applicants to furnish verification of legal identity for all family members.

The documents listed below will be considered acceptable verification of legal identity for adults. If a document submitted by a family is illegible or otherwise questionable, more than one of these documents may be required.

- Certificate of Birth, naturalization papers accompanied by state or federal photo identification
- Church issued baptismal certificate accompanied by state or federal photo identification
- Current, valid Driver's license, or State ID Card
- U.S. military discharge (DD 214), U.S. passport
- Department of Human Assistance Identification Card accompanied by state or federal photo identification

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

- Certificate of Birth
- Adoption papers
- Custody agreement
- Health and Human Services ID
- School ID cards
- Drivers License
- Passport

VERIFICATION OF MARITAL STATUS

Verification of marriage status is a marriage certificate.

Verification of a separation may be a copy of court-ordered maintenance or other records.

Verification of divorce status will be a certified copy of the divorce decree, signed by a court officer.

FAMILIAL RELATIONSHIPS

Self-Certification will normally be considered sufficient verification of family relationships. In cases where reasonable doubt exists, the family may be asked to provide verification.

The following verifications will be required if certification is insufficient:

Verification of relationship:

- Official identification showing name
- Birth Certificates
- Baptismal certificates

Verification of guardianship:

- Court-ordered assignment
- Affidavit of parent
- Verification from social services agency
- School records

SPLIT HOUSEHOLDS/DOMESTIC VIOLENCE

Verification of domestic violence when assessing applicant split households includes:

- Shelter for battered persons
- Police reports
- District Attorney's office
- Self vertification of domestic violence status

VERIFICATION OF PERMANENT ABSENCE OF FAMILY MEMBER

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

- Husband or wife institutes divorce action
- Husband or wife institutes legal separation
- Order of protection/restraining order obtained by one family member against another

- Proof of another home address, such as utility bills, canceled checks for rent, driver's license, or lease or rental agreement.

- Statements from other agencies such as social services that the adult family member is no longer living at that location
- If the family member is incarcerated, a document from the court or correctional facility should be obtained stating how long they will be incarcerated
- If no other proof can be provided, the PHA will accept a self-certification from the head of household or the spouse or co-head, if the head is the absent member.

VERIFICATION OF CHANGE IN FAMILY COMPOSITION

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

VERIFICATION OF DISABILITY

Verification of disability must be receipt of SSI or SSA disability payments under Section 223 of the Social Security Act or 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7) or verified by appropriate diagnostician such as physician, psychiatrist, psychologist, therapist, rehabilitation specialist, or licensed social worker, using the HUD language as the verification format.

VERIFICATION OF CITIZENSHIP/ELIGIBLE IMMIGRANT STATUS

To be eligible for assistance, individuals must be U.S. citizens or eligible immigrants. Individuals who are neither may elect not to contend their status. Ineligible family members have either been declared ineligible, or elect not to contend their status. Eligible immigrants must fall into one of the categories specified by the regulations and must have their status verified by Immigration and Naturalization Service (INS). Each family member must declare his or her status once. Assistance cannot be delayed, denied, or terminated while verification of status is pending except that assistance to applicants may be delayed while the PHA hearing is pending.

The PHA will not require citizens to provide documentation of citizenship.

Citizens or Nationals of the United States are required to sign a declaration under penalty of perjury.

Eligible Immigrants who were Residents and sixty-two (62) years of age or over on June 19, 1995 are required to sign a declaration of eligible immigration status and provide proof of age.

Non-citizens with eligible immigration status must sign a declaration of status and verification consent form and provide their original immigration documents which are copied front and back and returned to the family. The PHA verifies the status through the INS SAVE system. If this primary verification fails to verify status, the PHA must request within ten days that the INS conduct a manual search.

Ineligible family members who do not claim to be citizens or eligible immigrants must be listed on a statement of ineligible family members signed by the head of household or spouse.

Non-citizen students on student visas are ineligible members even though they are in the country lawfully. They must provide their student visa but their status will not be verified and they do not sign a declaration but are listed on the statement of ineligible members.

FAILURE TO PROVIDE

If an applicant or resident family member fails to sign required declarations and consent forms or provide documents, as required, they must be listed as an ineligible member. If the entire family fails to provide and sign as required, the family may be denied or terminated for failure to provide required information.

TIME OF VERIFICATION

For applicants, verification of U.S. citizenship/eligible immigrant status occurs at the same time as verification of other factors of eligibility for final eligibility determination. For family members added after other members have been verified, the verification occurs at the interim recertification, after the new member moves in. Once verification has been completed for any covered program, it need not be repeated.

EXTENSIONS OF TIME TO PROVIDE DOCUMENTS

The HA will grant an extension of thirty (30) days for families to submit evidence of eligible immigrant status.

ACCEPTABLE DOCUMENTS OF ELIGIBLE IMMIGRATION

The regulations stipulate that only the following documents are acceptable unless changes are published in the Federal Register.

- Resident Alien Card (I-551)
- Alien Registration Receipt Card (I-151)
- Arrival-Departure Record (I-94)
- Temporary Resident Card (I-688)
- Employment Authorization Card (I-688B)

- Receipt issued by the INS for issuance of replacement of any of the above documents that shows individual's entitlement has been verified.

A birth certificate is not acceptable verification of status. All documents in connection with U.S. citizenship/eligible immigrant status must be kept five (5) years.

VERIFICATION OF SOCIAL SECURITY NUMBERS

Social Security numbers must be provided as a condition of eligibility for all family members six (6) and over if they have been issued a number. Verification of Social Security numbers will be done through a Social Security card issued by the Social Security Administration.

If a family member cannot produce a Social Security card, only the documents listed below showing his/her Social Security number may be used for verification. The family is also required to certify in writing that the document(s) submitted in lieu of the Social Security card information provided is/are complete and accurate:

- Verification of benefits or SSN from Social Security Administration
- Identification card issued by a federal, state or local agency
- Identification card issued by Medicare and Medicaid
- Benefit award letters from government agencies

New family members age six (6) year and older will have, and make available, their Social Security card or provide the substitute documentation described above together with their certification that the substitute information provided is complete and accurate. This information is to be provided at the time the change in family composition is reported to the PHA.

If an applicant or resident is able to disclose the Social Security number but cannot meet the documentation requirements, the applicant or resident must sign a certification to that effect provided by the PHA. The applicant/resident or family member will have an additional sixty- (60) days to provide proof of the Social Security number. If they fail to provide this documentation, the individual’s application or assistance will be terminated.

In the case of an individual at least sixty-two (62) years of age, the PHA may grant an extension for an additional sixty (60) days to a total of one hundred twenty (120) days. If, at the end of this time, the elderly individual has not provided documentation, the individual’s assistance will be terminated.

If the family member states they have not been issued a number, the family member will be required to sign a certification to this effect.

I. VERIFICATION OF WAITING LIST PREFERENCES

Wait List preferences will be verified prior to determination of eligibility. Such preferences include the following.

Involuntary Displacement: By Disaster, Government Action, or Inaccessibility

Families who claim they are being or have been displaced due to a natural disaster, government action, or inaccessibility are required to provide written verification by the displacing unit or agency of government, or by a service agency such as the Red Cross.

K. VERIFICATION OF SUITABILITY FOR ADMISSION

- Refer to Chapter 2 – Eligibility for Admission.

CHAPTER 8

TRANSFER POLICY

INTRODUCTION

The transferring of families is very costly, both to the PHA and to the families. However, it is the policy of the PHA to permit a resident to transfer within or between housing developments when it is necessary to comply with occupancy standards; or when it will help accomplish the affirmative housing goals of the PHA. The transfer policy will be carried out in a manner that does not violate any fair housing or civil rights acts.

The PHA will always consider a request to transfer as a reasonable accommodation for a person with a disability.

A. INVOLUNTARY (MANDATORY) TRANSFERS

DIFFERENT SIZE UNIT

The PHA may require the resident to transfer to a different size unit if the resident's family composition changes. The PHA will place all families requiring a mandatory transfer due to occupancy standards on a transfer list, which will be reviewed for need-based transfers prior to offering a unit to a family in the wait pool.

OUT OF AN ACCESSIBLE UNIT

The PHA may require a non-disabled resident to transfer from a disabled-accessible/adaptable unit to a unit that is not disabled-accessible/adaptable.

EMERGENCY TRANSFERS

The PHA will authorize an emergency transfer for a participant family if the resident's unit has been damaged by fire, flood, or other causes to such a degree that damages are hazardous to life, health or safety and the unit is not habitable. If the damage was a result of carelessness or negligence by the resident, a member of the resident's household, or a guest, the reasonable expense of repairing such damage will be charged to the resident and the household may be subject to eviction.

SPECIAL CIRCUMSTANCES TRANSFERS

The PHA will authorize transfers under special circumstances for a participant family if one of the following conditions occurs:

- The resident's unit is being modernized or significantly remodeled

- When the PHA determines it is necessary to rehabilitate or demolish the resident's unit
- The PHA has a need, at the discretion of the Housing Authority Director, to transfer the household to another unit and the resident voluntarily agrees to such transfer

In the case of involuntary (mandatory) transfers, the resident shall be required to move into the dwelling unit that is made available, after two offers by the Authority. The resident shall be given thirty (30) days in which to move following delivery of a transfer notice. If the resident refuses to move, the PHA may terminate the *Lease*.

Involuntary transfers, for reasons other than safety or rehabilitation, are subject to the *Grievance Policy & Procedure (see Chapter 13).* Transfers will be delayed until such time as the grievance request has expired or the grievance process has been completed.

Resident will pay a new security deposit and all moving costs related to the transfer except when the transfer is due to the need of the PHA or inhabitability through no fault of the resident.

B. VOLUNTARY TRANSFERS

The PHA will consider any resident request for voluntary transfers in accordance with the priorities noted in Section C below. Residents must complete a *Transfer Request* form and provide documentation in support of the request.

When a unit becomes available, and after the transfer list has been reviewed for families requiring a mandatory transfer, the transfer list will be reviewed for other families desiring a transfer.

If the resident makes a written request for special unit features in support of a documented disability, the PHA shall make reasonable accommodations to modify the resident’s existing unit. If the cost and extent of the modifications needed are tantamount to those required for a fully accessible unit the PHA may transfer the resident to another unit with the features requested at the resident’s expense.

A family may be eligible to transfer for valid and certifiable reasons such as enabling the family:

- To live within twenty (15) miles of the place of employment of at least one family member
- To live within twenty (15) miles of a relative who will care for the children of a working parent
- To live within twenty (15) miles of a required medical treatment center

- To move from an upstairs to a downstairs unit for medical or accessibility reasons

Prior to approval of voluntary transfers, the resident, except for emergencies or medical hardship, must be in good standing with the PHA according to the following additional qualifying criteria:

- Rent (and payment agreements) must be current
- Other charges (and payment agreements) must be current
- Interim or annual recertifications must be current
- There must be no unresolved lease violations or eviction pending

Residency requirements, except for emergencies or medical hardship, are as follows:

- Eighteen (18) months after the resident's initial move into housing
- Twenty-four (24) months after a previous transfer

The PHA does not allow residents to transfer from one unit to another within the same building or development except as a reasonable accommodation for a family member with a disability or when the move is mandatory per the request of the PHA.

The PHA will not grant a transfer request solely to accommodate neighbors who cannot get along.

The PHA retains the right to suspend voluntary transfers.

Resident shall be responsible for a new security deposit and their own moving expenses for all approved voluntary transfers.

C. TRANSFER WAITING LIST

The Transfer Waiting List will be maintained by date of approval in rank order by:

- Emergency
- Medical hardship
- Household over-housed or under-housed (unit too large or small)
- All other reasons

Families on the Transfer Waiting List will be offered two (2) units. If the two offered units are refused they will be removed from the transfer list unless the PHA determines that the refusal was made for good cause. The family will have to wait eighteen months before applying for a transfer again. The PHA reserves the right to make the final determination on all non-mandatory transfers.

TRANSFER VACATE CHARGES

Residents with approved transfers are allowed three days of overlap between the unit transferred from and the unit transferred to. The resident is responsible for the per diem tenant rent on both units during this time.

Keys to the vacated unit must be returned to the area management office not later than the third (3rd) day from the new lease date. If the resident fails to return keys by the end of the third (3rd) day, the PHA may initiate termination of tenancy and/or remove belongings at tenant cost. After the third (3rd) day, if the resident has not returned keys to the unit from which they are transferring, the PHA may contract to have the resident's belongings placed in a secure storage facility at the expense of the resident.

The resident will be responsible for damages beyond normal wear and tear in the unit from which the resident was transferred.

GOOD CAUSE CRITERIA FOR RESIDENT DENIAL OF VOLUNTARY TRANSFER

If the resident has refused an approved voluntary transfer request they will be removed from the transfer list unless the PHA determines that the refusal was made for good cause.

Good cause may be any of the following reasons:

- The new unit is more than fifteen (15) miles from the place of employment of at least one (1) member of the family;
- The new unit is more than fifteen (15) miles from the school or job training program that at least one adult member of the family is attending;
- Travel to the doctor from the new unit would create a hardship for an elderly or disabled person.

The inconvenience or undesirability of changing schools for any minor child will not be considered good cause.

The hearing requirements described in chapter 13 are applicable to participating families who disagree with an action, decision, or inaction of the PHA regarding transfers.

CHAPTER 9

LEASING

[24 CFR 966.4]

INTRODUCTION

It is the PHA's policy that all units must be occupied pursuant to a dwelling lease agreement that complies with HUD's regulations [24 CFR Part 966]. This chapter describes pre-leasing activities and the PHA's policies pertaining to lease execution, security, other charges, and additions to the *Lease*.

A. LEASE TERMS AND CONDITIONS

The following terms and conditions of occupancy are made a part of the *Lease.*

LEASE REQUIREMENTS

The initial term of the lease will be for 12 months. The lease will renew automatically for 12-month terms except for noncompliance with the community service requirements, as described in the chapter on community services.

Residents will be required to sign a new 12 month lease agreement on an annual basis.

PROVISION FOR MODIFICATION

Changes to the *Lease*, other than changes in resident's rent amount, shall be by written addendum signed by both the PHA and the resident. Additional information, including but not limited to, this *Admissions and Continued Occupancy Policy (ACOP), Schedule of Fees and Charges, Schedule of Utility Allowances*, *Grievance Procedure*, etc. are all incorporated into the lease by reference and may be changed from time-to-time by the PHA. The resident shall be given thirty (30) days written notice setting forth the proposed changes, the reasons for them, and providing the resident with an opportunity to make written comments.

ABILITY TO COMPLY WITH LEASE TERMS

If during the term of the lease, the resident, due to a physical or mental disability covered by the Americans with Disabilities Act (ADA), is no longer able to comply with the provisions of the lease and cannot make arrangements for someone to aid him/her in complying with the lease, and the PHA cannot make reasonable accommodations that would enable the resident to comply with the lease, then the lease will terminate.

THE PHA'S OBLIGATIONS

- To maintain the premises and the property in decent and safe condition
- To comply with the requirements of applicable building and housing codes and HUD regulations materially affecting health and safety
- To make necessary repairs to the premises
- To keep property buildings, facilities and common areas, not otherwise assigned to the resident for maintenance and upkeep, in a clean and safe condition
- To maintain in good and safe working order and condition electrical, plumbing, sanitary, heating, ventilating, and other facilities and appliances, including elevators, supplied or required to be supplied by the PHA
- To provide and maintain appropriate receptacles and facilities for the deposit of garbage, and other waste removed from the premises by the resident.
- To supply running water, reasonable amounts of hot water, and heat at appropriate times of the year, except where heat or hot water is within the exclusive control by resident
- To notify the resident of the specific grounds for any proposed adverse action by the PHA such as proposed lease termination, transfer of resident to another unit or imposition of charges for maintenance or repair

THE RESIDENT'S OBLIGATIONS (INCLUDING MEMBERS OF THE HOUSEHOLD AND GUESTS)

- To pay rent or other charges due under the lease (i.e., maintenance charges and late charges)
- Not to assign the lease or to sublease the dwelling unit. Any attempt to assign or sublease the dwelling unit shall void the lease
- Not to provide accommodations for boarders or lodgers. To use the dwelling unit solely as a private dwelling for the resident and the resident's household as identified on the *Data Collection Sheet addendum* to the lease. Not to use the dwelling unit or permit its use for any other purpose, including mailing, for any persons not listed on the lease
- To pay charges, within thirty (30) days, (other than for wear and tear) for the repair of damages to the dwelling unit, development buildings, facilities, or common areas caused by either intentional or negligent conduct of resident, members of the household, or guests
- The rent is due and payable in advance no later than the first day of each month. Allocating a grace period, any rent received after the fifth day of each month will be considered delinquent and will be subject to a late charge. Being delinquent in the rent payment more than four (4) times during a twelve (12) month term of the *Lease* shall be a material breach of the lease, unless any such delinquency is outside the control of the resident and is documented by the resident to the satisfaction of the PHA

- To abide by any *House Rules* for the benefit and well being of the housing development and the residents

- To comply with all obligations imposed upon residents by applicable provisions of building and housing codes materially affecting health and safety
- To keep the dwelling unit and such other areas as may be assigned to the resident for the resident's exclusive use in a clean and safe condition
- To dispose of all garbage and other waste from the dwelling unit in a sanitary and safe manner
- To use in a reasonable manner all electrical, plumbing, heating, ventilating, air conditioning, elevators, and other facilities in the development buildings and common areas
- To refrain from scattering garbage, destroying, defacing, damaging, or removing any part of the dwelling unit or development
- To conduct himself/herself and assure other persons who are in the dwelling unit or in the common area of the development with the resident's consent, to conduct themselves in a manner which will not disturb neighbors' (including those neighbors who are not residents of low-rent public housing) peaceful enjoyment of their housing and which will be conducive to maintaining the development in a decent, safe, and sanitary condition

THE RESIDENT MUST ASSURE THAT NO MEMBER OF THE HOUSEHOLD, OR GUEST, ENGAGES IN:

- Any harassing activity or criminal activity that threatens the health, safety, or right to peaceful enjoyment of the PHA's public housing premises by other residents, the PHA management staff working or residing on the premises, or by persons residing in the immediate vicinity of the premises
- Any drug-related or violent criminal activity on or off the premises. For the purposes of this lease, the term drug-related activity means the illegal possession, manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute, or use of a controlled substance as defined in Section 102 of the Controlled Substances Act
- Alcohol abuse that the PHA determines interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents

THE RESIDENT MUST ASSURE THAT NO OTHER PERSON UNDER THE TENANT'S CONTROL ENGAGES IN:

- Any harassing activity or criminal activity including drug or alcohol abuse that threatens the health, safety, or right to peaceful enjoyment of the PHA's public housing premises by other residents, PHA management staff working or residing on the premises, or by persons residing in the immediate vicinity of the premises
- Any drug-related or violent criminal activity on the premises

The resident agrees not to do any of the following in the dwelling unit without first obtaining the PHA's written permission:

- Dismantle, change or remove any part of the appliances (unless resident owned), fixtures or equipment
- Paint or install wallpaper or contact paper
- Attach awnings or window and door security bars
- Attach or place any fixtures, signs, or fences on the building(s), the common areas, or the property grounds
- Attach any shelves, screen doors, or other permanent improvements
- Install or alter carpeting, resurface floors or alter woodwork
- Install washing machines or dryers unless appropriate connections are available in the dwelling unit
- Install any antennas or satellite dishes (see antenna and satellite dish policy)
- Install additional or different locks or gates on any doors or windows
- Install alarm(s) or security system (s)
- Tamper, destroy, or dismantle any safety devises such as pull cords, fire extinguishers, or smoke detectors.
- Install a window HVAC unit

Resident agrees to:

- To abide by the provisions of the PHA's *Pet Policy/Agreement (see chapter 10)*
- Not to create (by act or omission) or permit to exist, any condition on the premises, which results in risk to personal health or safety of any person or damage to property.
- Resident must provide for the uninterrupted provision of electric and gas services.
- To immediately report to the PHA, any vandalism to the premises, or need for repair to the dwelling unit or common areas
- To abide by housekeeping standards set forth by the PHA
- Keep the area free of trash and debris and maintain the cleanliness of walkways, stairs, landings, hallways, porches, and patios adjacent to the dwelling unit. Resident must water, mow and maintain lawns or other landscaped or paved areas adjacent to the resident's dwelling unit unless the resident or the dwelling unit has been given written exemption by the PHA
- To abide by provisions of the PHA parking policy (9-16)

Notice

- Any legal notice to resident from the PHA shall be in writing delivered personally to the resident or to an adult member of the resident's household or sent by prepaid first class mail
- Any legal notice the resident gives to the PHA shall be in writing and delivered to the area management office responsible for the development in which the dwelling unit is located

EMERGENCIES

Resident shall take every care to prevent fires. (Refer to House Rules) In the event the dwelling unit is damaged to the extent that conditions are created which are hazardous to life, health, or safety of the occupants:

- In case of fire, resident shall immediately notify the fire department and the PHA
- The PHA shall be responsible for repair of the dwelling unit. If the damage is caused by the resident, members of the household or guests, the resident shall pay the costs of repair
- The PHA may enter the premises at any time without advance notification when there is a reasonable cause to believe that an emergency exists

ABANDONMENT OF THE PREMISES

The PHA may give a notice of belief of abandonment to the resident pursuant to California Civil Code Section 1951.3(b) only where the rent on the property has been due and unpaid for at least 14 consecutive days and the PHA reasonably believes that the resident has abandoned the property.

WAIVER OF LEASE PROVISIONS

The PHA does not give up any of its rights to enforce the provisions of the *Lease* unless it does so in writing.

UNENFORCEABLE LEASE PROVISIONS

The provisions of the *Lease* are intended by the parties to be joint and severable. Should any paragraph or any portion of any paragraph, or any portion of any sentence of any paragraph in the *Lease* be found to be unenforceable due to any reason whatsoever, it is the intention of the parties that the remaining portions of this *Lease,* which are enforceable, remain binding and enforceable upon the parties.

ATTACHMENTS AND ADDENDUMS TO THE LEASE

Any revised attachments and addendums will be distributed at recertification. Attachments and addendums may include, but are not limited to:

- *Data Collection Sheet*
- *50058/50059 Certification*
- *House Rules*
- *Notice of Rent Adjustment*
- *Parking Policies*
- *Grievance Policy & Procedure (ACOP – Chapter 13)*
- *Lead Poisoning Notice*

- *Pet Policy/Agreement, when applicable*
- *Resident Rights & Responsibilities Notice*
- *Community Service Requirement*

B. LEASE ORIENTATION

Prior to execution of the lease, a PHA representative will provide a lease orientation to the family head and spouse or co-head. The orientation may be conducted with more than one family. The family must attend an orientation before taking occupancy of the unit.

ORIENTATION AGENDA

When families attend the lease orientation, they will be provided with:

* A copy of the Lease
* A copy of the PHA's lease and grievance procedure
* A copy of the House Rules
* A copy of the PHA Newsletter

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

* Applicable deposits and other charges
* Provisions of the Lease
* Family Choice of Rents
* Orientation to the community
* Unit maintenance and work orders
* Explanation of occupancy forms
* Terms of occupancy
* Community Service
* Lead-based paint disclosure notice
* Lead hazard information pamphlet

C. EXECUTION OF LEASE

The lease shall be executed by the head of household, co-head, spouse, and all other adult members of the household, and by an authorized representative of the PHA, prior to admission.

The head of household is the person who assumes legal and financial responsibility for the household and is listed on the application as head.

The following provisions govern lease execution and amendments:

- A lease is executed at the time of admission for all new residents

- A new lease is executed at the time of the transfer of a resident from one PHA unit to another (with no change in reexamination date)
- If, for any reason, any signer of the lease ceases to be a member of the household, a new lease will be executed
- Lease signers must be persons legally eligible to execute contracts
- The names and date of birth of all household members are listed on the *Data Collection Sheet* at initial occupancy and at each subsequent recertification. Only those persons listed on the most recent certification shall be permitted to occupy a dwelling unit
- Changes to Resident rents are made upon the preparation and execution of a *Notice of Rent Adjustment* by the PHA, which becomes an amendment to the lease. This document will be included in the resident file as confirmation that the resident was issued proper notice.
- Households that include a live-in attendant are required to execute a lease addendum authorizing the arrangement and describing the status of the attendant
- Households that include a live-in attendant will contain file documentation that the live-in attendant is not a party to the lease and is not entitled to PHA assistance, with the exception of occupancy while serving as the live-in attendant for the participant family member

PERMISSIBLE AND REASONABLE MODIFICATIONS OF THE LEASE

The PHA may modify its form of lease from time to time, giving residents an opportunity to comment on proposed changes and advance notice of the implementation of any changes. A resident's refusal to accept permissible and reasonable lease modifications or those modifications required by HUD, is grounds for termination of tenancy

D. ADDITIONS TO THE LEASE

Requests for the addition of a new member to the household must be approved by the PHA prior to the actual move-in of the proposed new member, except in the case of birth, adoption or court awarded custody of a minor child.

Following receipt of a family's request for approval, the PHA will conduct a pre-admission screening, including the criminal history report, of the proposed new member. Only new members approved by the PHA will be added to the household. Any new household member must reside in the household for at least two (2) years prior to being able to take possession of the unit as head of household.

DETERMINING FACTORS FOR HOUSEHOLD ADDITIONS:

Household additions subject to screening:

- Resident plans to marry

- Resident is awarded custody of a child over the age for which juvenile justice records are available
- Resident desires to add a new family member to the lease, employ a live-in aide, or take in a foster child(ren)
- A unit is occupied by a remaining family member(s) under age eighteen (18), (not an emancipated minor) and an adult who was not a member of the original household requests permission to take over as the head of household

Factors determining household additions, which are not subject to screening:

- Children born to a family member or whom a family member legally adopts are exempt from the pre-screening process

Factors determining household additions, which may be subject to screening, depending on PHA discretion:

- Children below the age, under which juvenile justice records are made available, who are added through a kinship care arrangement, are exempt from the pre-screening process

In such cases where the addition of a new member who has not been born, married, or legally placed into the family, and the addition will affect the bedroom size required by the family, according to the PHA occupancy standards, the PHA will not approve the addition.

The PHA will not approve adding a family consisting of more than one member to the lease if it will change the bedroom size required by the family. Such applicants will be encouraged to apply to the waiting list.

Residents who fail to notify the PHA of additions to the household, or who permit persons to join the household without undergoing screening, are in violation of the *Lease*. Such persons are considered to be unauthorized occupants by the PHA, and the entire household will be subject to eviction. Family members age eighteen (18) and over who move from the dwelling unit to establish new households shall be removed from the lease. The resident must notify the PHA of the move-out within ten (10) days of its occurrence.

The resident may not allow visitors to stay overnight without the consent of management for more than fourteen (14) consecutive days in a twelve (12) month period. Any adult not included on the HUD 50058, who has been in the unit more than fourteen (14) consecutive days, or a total of fifteen (15) cumulative days in the month, will be considered to be living in the unit as an unauthorized household member.

Absence of evidence of any other address will be considered verification that the visitor is an unauthorized household member. The PHA will consider:

- Statements from neighbors and/or PHA staff
- Vehicle license plate verification
- Post Office records
- Drivers license verification
- Law enforcement reports
- Credit reports

Use of a unit address as the visitor‘s current residence, for any purpose that is not explicitly temporary, shall be construed as permanent residence.

The burden of proof that the individual is a visitor rests on the family. In the absence of such proof, the individual will be considered an unauthorized member of the family, and the PHA will terminate the family’s lease since prior approval was not requested for the addition.

Minors and college students who were part of the family, but who now live away from home during the school year, and are not considered members of the household, may visit for up to ninety (90) days per year without being considered a member of the household.

In a joint custody arrangement, if the minor is in the household less than one hundred eighty three (183) days per year, the minor will be considered to be an eligible visitor and not a family member. If both parents reside in Public Housing, only one parent would be able to claim the child for deductions and for determination for the occupancy standards.

Roomers and lodgers are not permitted to occupy a dwelling unit, nor are they permitted to move in with any family occupying a dwelling unit.

Residents are not permitted to allow a former resident of the PHA who has been evicted to occupy the unit for any period of time.

Residents must advise the PHA when they will be absent from the unit for more than thirty (30) days and provide a means for the PHA to contact the resident in the event of an emergency. Failure to advise the PHA of extended absences is grounds for termination of the lease.

E. LEASING UNITS WITH ACCESSIBLE OR ADAPTABLE FEATURES [24 CFR 8.27(a)(1)(2) and (b)]

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

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

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

F. UTILITY SERVICES

Residents responsible for direct payment of utilities must abide by any and all regulations of the specific utility company, including regulations pertaining to advance payments of deposits.

Failure to maintain utility services during tenancy is a lease violation and grounds for eviction.

Non-payment of excess utility charge payments to the PHA is a violation of the lease and is grounds for eviction.

G. SECURITY DEPOSITS

New residents must pay a security deposit per the *Schedule of Fees & Charges* to the PHA at the time of admission. The PHA will hold the security deposit for the period the resident occupies the unit. The PHA will refund to the resident or designee the amount of the security deposit, less any amount needed to pay the cost of:

- Unpaid Rent
- Damages listed on the move-out inspection report beyond normal wear and tear
- Other charges under the *Lease*

The PHA will refund the security deposit less any amounts owed, within twenty-one (21) days after move out and resident's notification of new address. An itemized list of any deductions along with copies showing the charges incurred for making repairs will be provided to the tenant within 21 days.

The PHA will provide the resident or designee identified above with a written list of any charges against the security deposits that are tenant caused items. If the resident disagrees with the amount charged to the security deposit, the PHA will schedule a meeting to discuss the charges.

The resident must leave the dwelling unit in a clean and undamaged condition beyond normal wear and tear. All keys to the unit must be returned to the area management office upon vacating the unit.

The PHA will not use the security deposit for payment of rent or other charges while the resident is living in the unit.

If the resident transfers to another unit, the PHA will collect a new deposit in the amount in effect at the time of the transfer and credit the balance of the prior security deposit, less damages, to the resident's receivables account.

H. RENT PAYMENTS

The resident's rent is due and payable at the PHA-designated location on the first (1st) of every month. If the first (1st) falls on a weekend or holiday, the rent is due and payable on the first business day thereafter. If the PHA does not receive payment by the agreed-upon date, a delinquent rent notice will be sent.

I. FEES AND NON-PAYMENT PENALTIES

If the resident fails to pay monthly rent by the fifth (5th) day of each month, (the allocated grace period) a *14-Day Notice to Pay Rent or Quit/3-Day Notice running concurrently* will be issued. A late fee will be charged in accordance with the *Schedule of Fees and Charges*.

The resident will be charged for checks that are returned for non-sufficient funds (NSF), or checks written on a closed account according to the *Schedule of Fees and Charges*. The PHA will always consider the rent unpaid when a check is returned as NSF or a check is written on a closed account and personal checks will no longer be accepted.

Payments received will be applied to the oldest charges in the resident's account first.

J. SCHEDULE OF FEES & CHARGES

The PHA's *Schedule of Fees & Charges* for special charges including, but not limited to, services and repairs, which are incorporated into the lease by reference shall be publicly posted in a conspicuous manner in the area management office and will be provided to residents upon request. Included in the schedule of fees & chargers will be amounts for fines for tampering with or dismantling safety equipment in the unit or on PHA property.

If you receive a bill for services and repairs, you will be required to pay the entire amount within thirty (30) days from the date of the bill.

K. MODIFICATIONS TO THE LEASE

Schedules of special charges, rules and regulations are subject to modification or revision. Residents will be provided at least thirty days written notice of the reason(s) for any proposed modifications or revisions, and they will be given an opportunity to present written comments. Comments will be taken into consideration before any proposed modifications or revisions become effective.

A copy of such notice shall be posted in the area management office, and:

- Personally delivered and/or mailed to the resident at the dwelling unit
- In accordance to 966.5 (b), the posting must be in at least 3 three places at each multi-family development in which residents affected by the modifications or revisions are located

Any modifications of the lease must be accomplished by a written addendum to the lease and signed by both parties.

L. CANCELLATION OF THE LEASE

Cancellation of the resident's lease is to be in accordance with the provisions contained in the lease agreement and as stated in this policy.

M. INSPECTIONS OF PUBLIC HOUSING UNITS

INITIAL INSPECTIONS

The PHA and the resident will inspect the premises prior to occupancy of the unit in order to determine the condition of the unit and equipment in the unit. A copy of the initial inspection, signed by the PHA and the resident, will be kept in the resident's file and a copy will be given to the resident. Any adult member may sign the inspection form for the head of household.

VACATE/MOVE-OUT INSPECTIONS

The PHA will perform a move-out inspection when the family vacates the unit, and will encourage the resident to participate in the move-out inspection.

The purpose of this inspection is to determine necessary maintenance and whether there are damages that exceed normal wear and tear. The PHA will determine the extent of resident caused damages to the unit, beyond normal wear and tear and

charge according to the *Schedule of Fees & Charges.* Resident caused damages may affect part or all of the family's security deposit.

The move-out inspection also assists the PHA in determining the time and extent of the preparation and repairs necessary to make the unit ready for the next resident.

When giving a thirty (30) day notice to vacate, the resident has a right to request an inspection prior to moving out in order to determine what items may need attention or repair. This is to allow the resident the opportunity to complete these repairs and avoid charges against the family's security deposit.

ANNUAL INSPECTIONS

The PHA will inspect all units at least annually using HUD's Uniform Physical Condition Standards (UPCS) as a guideline. All inspections will include a check of all smoke alarms to ensure proper working order. Needed repairs will be completed by the PHA, if necessary to bring the unit into UPCS compliance.

- Damages beyond "normal wear and tear" will be billed to the resident
- Residents who repeatedly "fail" the inspection or cause excessive damage to the unit are in violation of their lease and may be scheduled for a lease violation conference

SPECIAL INSPECTIONS

The PHA may conduct special inspections, including but not limited to housekeeping, unit condition, or suspected lease violation.

HUD representatives or local government officials may review PHA operations periodically and as a part of the monitoring may inspect a sampling of the PHA's inventory.

In order to maintain a high level of fire safety, when responding to general work orders in housing units, the Maintenance Department will also be inspecting smoke detectors for proper function. At this same time the department may also be inspecting other fire, life, and safety equipment.

SITE INSPECTIONS

The PHA will periodically conduct windshield and/or walk-through inspections to determine whether there may be lease violations, adverse conditions or local code violations.

RESIDENT DAMAGES

Repeated failed inspections including, but not limited to, housekeeping or damages to the unit beyond normal wear and tear may constitute serious or repeated lease violations subject to lease termination.

ENTRY OF PREMISES NOTICES

The PHA will give forty-eight (48) hours written notice for non-emergency inspections. Non-emergency entries to the unit will be made during reasonable and customary business hours of the day. Reasons the PHA will enter the unit are:

- Inspections and maintenance
- To make improvements and repairs
- Pest control services

The PHA can enter the unit without notice if housing staff reasonably believes an emergency exists within the unit.

FAMILY RESPONSIBILITY TO ALLOW INSPECTION

The PHA must be allowed to inspect the unit at reasonable times (normal business hours) with reasonable notice. Forty-eight (48) hour written notice will be considered reasonable in all cases.

EMERGENCY INSPECTIONS

Housing staff, including PHA inspectors, may initiate an emergency inspection report to generate a work order if they believe that an emergency exists in the unit or on a Public Housing site. In addition, the inspector may conduct an emergency inspection without a work order and generate a work order after the inspection has been conducted (see *Entry of Premises Notices* in this chapter.) Emergency work order repairs are to be either abated or completed within twenty-four (24) hours from the time the work order is issued.

EMERGENCY REPAIRS TO BE ABATED IN LESS THAN TWENTY-FOUR (24) HOURS

The following items are to be considered emergency in nature and require immediate {less than twenty-four (24) hour} response and repair or resolution with 24 hours:

- Broken lock, which affects unit security
- Broken window glass, which affects unit security, is a cutting hazard, or occurs within inclement weather (to be secured or abated)
- Plumbing leaks, which have the capacity to create flooding, or cause damage to the unit
- Natural gas leaks or smell of fumes
- Backed-up sewage
- Electrical hazard

- Inoperable smoke detectors will be treated as a twenty-four (24) hour emergency and will be made operable by the PHA if the smoke detector is in need of repair. Residents who disengage smoke detectors, or any safety equipment will be cited and fined.

NON-INSPECTION EMERGENCY ENTRY

The PHA staff will allow access to the unit to proper authorities when issues of health or safety of the resident are concerned.

QUALITY CONTROL INSPECTIONS:

The housing management staff may conduct periodic quality control inspections to confirm the condition of the unit and to identify problems or issues.

N. PEST CONTROL

Once yearly, according to a pre-arranged schedule or as required, the pest control technician and a representative of PHA will enter each residence to complete fumigation for the control of vermin and/or roaches, etc.

O. TRASH DISPOSAL AND RECYCLE PROGRAM

Proper disposal of trash by the resident is required. All trash such as garbage, papers, bottles, and cans, which is unacceptable for recycling, should be securely wrapped and fastened in plastic bags and deposited in the cans or bins provided.

Large articles, such as boxes, must be flattened before depositing in cans or bins. The resident should dispose of stuffed furniture, mattresses, tables, chairs etc., on their own at a refuse station. The maintenance department may offer assistance in disposing of furniture (see *Schedule of Fees and Charges*).

Residents residing in multi-family developments must participate in the recycling program if so equipped. Garbage only designated bins are provided for garbage. Recycle bins are available for recycle material including acceptable containers and paper.

P. APPLIANCES

The PHA supplies stoves in all units. Refrigerators are supplied in all elderly and elderly disabled units and they may be supplied in scattered multi-family housing units. Refrigerators are not supplied in scattered duplexes and single family homes. If residents have their own appliance, where one is otherwise provided, they must make

their own arrangements to store the unit. At no time are appliances to be removed from the premises. Proper authorities will be notified to recover stolen appliances.

The resident must maintain appliances in an acceptable condition. Requests for repairs should be reported to maintenance. Resident caused damage or neglect will be assessed on a pro-rated basis.

No washers and/or dryers are supplied or serviced by the PHA, but they may be installed with appropriate provisions and prior written approval of management. Improper ventilation of a dryer is cause for a lease violation.

Q. SCREEN DOORS

No screen doors may be installed without management approval (see Screen Door policy). Only screen doors installed by PHA will be repaired. Unauthorized installations will result in tenant charges for screen door removal costs. Unauthorized installations will result in tenant charges for screen door removal costs.

R. WINDOW COVERINGS

Only shades, blinds, drapes or curtains are acceptable window coverings and must show as white or off white to the outside. Residents are responsible for removal and or repairs of resident installed window coverings. For units without PHA-installed window shades, coverings are required as indicated, and must have prior PHA written approval.

S. GARDENING

Planter areas in multi-unit complexes are dedicated for PHA use. Agency maintenance personnel and/or contractors provide the ongoing maintenance to these areas. These designated areas are specific to each site and are used for planting shrubs, flowers and other low growing foliage. Planter areas are standardized for each site and bordered by concrete mow strips, sidewalks or lawn turf edges.

Some complexes may have space for residents to grow vegetables, flowers, or low growing shrubs, with management written approval, in designated areas only. Requests for gardening shall be made in writing directly to the property manager. The request(s) must show the area to be planted, describe the type of plants and materials to be installed, and indicate the type of any low borders or fencing to be placed in the area. Where borders or fencing are allowed, they will not have a height of more than 1 foot and shall have no sharp or pointed edges. Under no circumstances shall the area of a designated planter be increased and cutting and removing existing turf shall be prohibited.

If after receiving written approval, the resident fails to water and keep weed free, they will be charged for clean up of any debris and the use privilege will be withdrawn. All watering must be supervised by the resident and no free flowing hoses allowing water to run across sidewalks and into street gutters will be allowed. Residents that have been given written approval for gardening in planter areas will be provided a placard stating "Maintained by Tenant" to be placed in the planter area.

T. PARKING

Residents are required to park only in designated areas, and ensure that guests and visitors do not park in parking areas of other residents and abide by parking policies adopted by the PHA (see *Parking Policy*). Residents are to refrain from driving, or parking any vehicles on the lawns, sidewalks, or other areas of use provided under this lease. In multi unit developments, vehicles must be parked front end in first, not backed in.

U. INOPERATIVE AND ABANDONED VEHICLES

Inoperative vehicles must be promptly removed from PHA property

Vehicles must have current registration in resident's name. Failure to supply current registration will result in vehicle being ticketed and towed.

Vehicle repairs on PHA property are prohibited. Offenders will receive written notice to discontinue the activity at once. Failure to comply will result in the towing of the vehicle and notification of a lease violation for the tenant.

Abandoned vehicles will be removed promptly from PHA property. Management has authorized the PHA to have such vehicles ticketed and towed. Where ownership is known, the owner will be given a written notice to remove the vehicle. If the owner does not comply within forty-eight (48) hours, the vehicle will be towed at owner's expense

If a vehicle is given a 48 hour notice, for cure, this notice will serve in perpetuity for the issue it was written and the vehicle will be subject to tow without any further warning.

V. MISCELLANEOUS POLICIES

HOUSE RULES

Rules and regulations are established for the benefit of the residents. Such rules and regulations will be posted and incorporated into the lease by reference. Residents must abide by such rules and regulations.

EMERGENCY HOUSING

In cases of emergency such as fire, flood or natural disaster the PHA may assist with housing arrangements (see *ACOP – Chapter 8).*

In developments where the unit's front door opens to an indoor common area (corridor), it is prohibited to prop this door open. The door may remain open for normal entry and egress only.

W. KEY CONTROL

The policy of the housing authority shall be to issue and assign keys or key cards only to individuals who have been screened through a criminal background check and found to be responsible for the proper use and safeguarding of the key or key card.

Each adult resident is issued one key or key card for their building or property (if applicable) and one key for their apartment.

Residents may apply for additional key(s) for friends, care givers, etc., upon payment of the key duplicating fee. The key(s) or key card shall be assigned to the individual requested by the resident provided that the proposed key assignee consents to and passes a criminal background check using tenant eligibility criteria.

Keys may be revoked or recovered from any non-resident who use of the key or actions disrupt the quiet enjoyment of the residents. In serious or repeated incidences of misconduct or misuse of their assigned key, the resident can be held responsible for the misconduct of their guests.

X. WADING POOLS

Due to property damage, health, safety, liability, and the increased sensitivity to water conservation, the PHA does not allow wading pools of any size within any agency property limits.

CHAPTER 10

PET POLICY

[24 CFR 5 Subpart C and 960 Subpart G]

INTRODUCTION AND STATEMENT OF VALUES

PURPOSE

This pet policy is to establish the PHA's policy for ownership of pets in elderly, disabled and family housing and to ensure that no applicant or resident is discriminated against regarding admission or continued occupancy because of ownership of pets. The policy also establishes reasonable rules governing the keeping of common household pets. The pet policy is designed to protect both pet owners and non-pet owners, and to ensure the animals receive responsible care. The policy applies to all pets kept in PHA housing. The rules adopted are reasonably related to the legitimate interest of the PHA to provide a decent, safe and sanitary living environment for all residents, to protect and preserve the physical condition of the premises, and to protect the financial interest of the PHA.

A. REGISTRATION OF PETS

Pets must be registered with the PHA before they are brought onto the premises.

Registration must be updated annually, coordinated with the annual recertification date. Proof of license and inoculation must be submitted with the resident's annual recertification documents.

B. NON-APPLICABILITY OF PET POLICY TO ANIMALS THAT ASSIST PERSONS WITH DISABILITIES

REASONABLE ACCOMMODATION FOR ASSISTANCE ANIMALS

Assistance animals are animals that work, provide assistance, or perform tasks for the benefit of a person with a disability, or provide emotional support that alleviates one or more identified symptoms or effects of a person's disability.

Animals do not necessarily have to be formally trained to qualify as assistance animals however the animal must actually perform the assistance or provide the benefit needed by the person with the disability. Reasonable accommodation requires that there is a relationship between the person's disability and his or her need for the animal.

Assistance animals that are needed as a reasonable accommodation for persons with disabilities are not considered pets, and thus, are not subject to certain portions of the PHA Pet Policy. There is no pet deposit for approved assistance animals. Household members with documented disabilities are exempt from pet deposits, provided the exemption is requested. All other residents requesting exemption from the pet deposit requirement must request a verification of the need for reasonable accommodation for an assistance animal, which must be provided by a licensed physician, attending health care professional, or other qualified professional and submitted on a *Verification of Need for Reasonable Accommodation* form. The PHA will consider all requests for reasonable accommodation.

All provisions of the *Lease* and *Pet Policy/Agreement* regarding the responsibilities of pet owners to control the animals, maintain the premises in clean and sanitary condition, and ensure that their animal does not interfere with any neighbors right to enjoy the premises in a safe and peaceful manner that apply to all residents.

The PHA retains the right to disapprove an assistance animal as a means to provide a reasonable accommodation for an individual with a disability in the following cases:

- There is reliable objective evidence that the animal posses a direct threat to the health or safety of others that cannot be reduced or eliminated by a reasonable accommodation.
- There is reliable objective evidence that the animal would cause substantial physical damage to the property of others.
- The presence of the assistance animal would pose an undue financial and administrative burden to the PHA.

C. ADVANCE PERMISSION, REGISTRATION, AND PET DEPOSITS

Permission to keep a pet is granted at the PHA's sole discretion and is subject to the resident's strict adherence to all aspects of the *Pet Policy/Agreement*. Any resident who wishes to keep a pet will first obtain the approval of the PHA, register the pet by complying with the requirements of the *Pet Policy/Agreement*, pay (or make arrangements to pay) a pet deposit for each qualified pet, and sign a *Pet Policy/Agreement*.

The pet deposit for dogs and cats is two hundred fifty dollars ($250). No pet deposit is required for birds, fish, or rodents/other.

Only common household pets will be allowed. These include dogs, cats, fish, birds, rabbits, and rodents such as guinea pigs and hamsters. Residents may be permitted to have two (2) pets, but may not have two dogs or two cats.

Dogs: Dogs are limited to no more than one dog in any dwelling unit, and are limited to a maximum adult weight of twenty-five (25) pounds as documented by a veterinarian.

They must be housebroken; must be effectively restrained and under the control of a responsible person when passing through common areas; must not be tethered or chained outside or within the dwelling unit; must not be housed outside; and must be leashed when outdoors or in common areas. The dog owner must carry appropriate containment apparatus to promptly and completely remove all fecal matter deposited by dogs in a sanitary manner.

Cats: Are limited to no more than one cat in any dwelling unit. Cats must remain inside unless being transported in an appropriate secured carrier and must be trained to use a litter box or other waste receptacle. Litter boxes must be cleaned regularly and the waste disposed of in a sanitary manner. Litter must never be flushed down the toilet.

General Conditions for Dogs and Cats: A health certificate must be obtained by a licensed veterinarian and given to the PHA at time of registration of the dog or cat. This certificate must contain, but is not limited to the following information:

1. The name, address and telephone number of the attending veterinarian.
2. Documentation that the dog or cat is in generally good health and free of any communicable diseases or parasites.
3. That the dog or cat has been spayed or neutered or this procedure will be completed prior to 4-6 months of age as recommended by the veterinarian.
4. Documentation that the dog or cat is current on all standardized inoculations with a schedule of future inoculations included.
5. Confirmation of breed, current weight and estimated adult weight.

The PHA requires the name, address and telephone number of the veterinarian that will be providing future regular care for the dog or cat and contact information for a responsible adult, other than the resident or a household member, who may be contacted in an emergency.

Dogs and cats must be licensed at time of registration and ongoing if specified by local, state or federal mandate. A color photograph must be provided at the time of registration.

Other Pets: Pet cages and/or aquariums must be in good repair and be cleaned regularly.

Birds: Maximum number two (2). Birds must be contained in an acceptable cage at all times.

Fish: Maximum aquarium size twenty (20) gallons or any combination of tanks not to exceed twenty (20) gallons. Fish aquariums must be maintained on stands approved by management.

Rodents/Other: Maximum number two (2) rabbits, guinea pigs, hamsters, or gerbils and must be in an acceptable cage at all times.

D. PROHIBITED ANIMALS

Prohibited animals include, but are not limited to, the following:

- Any animal whose weight could exceed twenty-five (25) pounds by maturity.
- Dogs or other pets determined to be dangerous, intimidating or vicious.
- Chicks or other animals that pose a significant risk of salmonella infection to those who handle them.
- Pigeons, doves, mynah birds, psittacine birds of other species that are hosts to the organisms causing psittacosis in humans.
- Animals who would be allowed to produce offspring for sale - breeding of any animals are prohibited.

E. ADDITIONAL CONDITIONS AND REQUIREMENTS

- 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
- Except as required by law or permitted by the PHA as a reasonable accommodation, pets are not permitted in common areas (except to pass through for ingress or egress) including, but not limited to lobbies, community rooms, kitchens, dining facilities, and laundry areas
- Residents are responsible for controlling the noise of pets so that such noise does not constitute a nuisance to other residents or interrupt the quiet enjoyment of their dwelling unit or the premises. This includes, but is not limited to loud or continuous barking, howling, whining, biting, scratching, chirping, or other such activities
- No pet (excluding fish) shall be left unattended in any dwelling unit for a period in excess of forty-eight (48) hours
- Resident/pet owners shall be responsible for adequate care, nutrition, exercise and medical attention for his/her pet(s)
- Resident/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 at all times
- Resident/pet owners shall take adequate precautions to eliminate any pet odors within or around the dwelling unit and to maintain the unit in sanitary condition at all times
- Pet waste must be promptly placed in a sealed plastic bag and deposited in an outside garbage container for disposal
- Residents are prohibited from feeding or harboring stray animals including birds
- The PHA regularly treats units for pest control, if a pet is the cause for more frequent treatments, all such treatments or specialized treatments, will be charged to the tenant.

- It will be the responsibility of the tenant to remove any animal that may be harmed by the use of pesticides.

F. INSPECTIONS AND OTHER RIGHTS OF THE AUTHORITY

- The PHA reserves the right to enter the premises at any time when there is evidence that an animal has been left alone and is in danger or distress.
- The PHA reserves the right to seek impoundment and sheltering of any animal found to be maintained in violation of housing rules, pending resolution of any dispute regarding such violation, at the resident's expense.
- The PHA may, after reasonable notice to the resident, during reasonable hours, enter and inspect the premises, in addition to other inspections allowed. This may include, but not be limited to a monthly walk-through inspection to insure the resident is adhering to the *Pet Policy/Agreement.*

G. PET REMOVAL

Residents are solely responsible and liable for the conduct or misconduct of pets, whether owned or allowed on PHA premises by the resident. The resident shall take all necessary steps to insure that pets that become vicious or intimidating, display symptoms of severe illness, or demonstrate behavior that constitutes an immediate threat to the health or safety of others, are immediately removed by the resident and/or referred by the resident to the appropriate state or local entity authorized to remove such animals. If the resident fails to fulfill his/her obligation to remove a pet from the premises the PHA may take all necessary steps to remove, or have removed, the pet from the premises. If a pet injures or intimates another resident or anyone in the building or on the grounds of any PHA property, including but not limited to biting, scratching, or assaulting person(s), the pet owner must immediately remove the pet permanently from the premises without direction from the PHA to do so. 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, and the designated responsible party is unavailable (or unwilling) to provide a remedy, the PHA will remove the pet from the using any legal remedy available and at the expense of the resident.

H. TERMINATION OF TENANCY

The PHA may terminate tenancy when the resident has failed to remove the pet or correct a pet rule violation within the time specified in a warning notice.

I. DISPOSITION OF PET DEPOSIT(S)

All reasonable expenses incurred by the PHA as a result of damages directly attributable to the presence of the pet will be the responsibility of the resident including,

but not limited to the cost of fumigation, repairs and/or replacement to the resident's dwelling unit or common areas. The pet deposit is fully refundable upon removal of the pet or the household's move out of housing if the PHA determines that there are no damages or other expenses caused by the pet. If upon removal of the pet or the household's move out of housing, the cost of repairing any damages caused by the pet exceeds the pet deposit, management will use funds from the resident's regular security deposit to cover the expense. The resident will be billed for any amount owed in excess of the pet deposit and security deposit.

J. LIABILITY

Residents shall be held solely responsible and liable for the conduct or misconduct of their pet(s). The Housing Authorities of the City and County of Sacramento and their representatives will not be held responsible for any accident or injury involving residents, guests, or visitors to the premises as a result of allowing pets.

K. REFUSAL TO REGISTER PETS

The PHA shall 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, 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 allowed under *Section D, Prohibited Pets* as found in this policy.
- Keeping the pet would violate any *House Pet Rules.*
- The pet owner fails to provide complete pet registration information, or fails to update the registration annually.
- The PHA reasonably determines that the pet owner is unable to keep the pet in compliance with the pet rules and other lease obligations. Attributes of the pet including, but not limited to temperament and behavior will be considered as a factor in determining the pet owner's ability to comply with provisions of the lease.

L. PETS TEMPORARILY ON THE PREMISES

Pets not owned by the resident will not be allowed on the premises. This rule excludes visiting pet programs sponsored by a humane society or other non-profit organization and approved by the PHA. But even with visiting pet programs the PHA reserves the right to limit the type of animal to those listed in section C of this chapter.

In the event the PHA's policy conflicts with state or local law, state or local laws governing pets temporarily in dwelling accommodations shall prevail.

In all cases, the resident will be responsible for all liability, financial or otherwise, for the action of any pet knowingly allowed in their residence.

Chapter 11

RECERTIFICATIONS

[24 CFR 5.617, 24 CFR 960.209]

INTRODUCTION

In accordance with HUD requirements, the PHA will reexamine the income and household composition of all families at least annually. Families will be provided accurate annual and interim rent adjustments. Annual recertifications and interim examinations will be processed in a manner that ensures families are given reasonable notice of rent increases. All annual activities will be coordinated in accordance with HUD regulations. It is a HUD requirement that families report all changes in household composition, but the PHA decides what other changes must be reported and the procedures for reporting them. This chapter defines the PHA's policy for conducting annual recertifications and coordinating annual activities. It also explains the interim reporting requirements for families, and the standards for timely reporting.

A. ELIGIBILITY FOR CONTINUED OCCUPANCY

Residents who meet the following criteria will be eligible for continued occupancy:

- Qualify as a family as defined in this policy
- Are in full compliance with the obligations and responsibilities described in the dwelling lease
- Whose family members, age six (6) and older, each have submitted their Social Security numbers or have certifications on file that they do not have a Social Security number
- Whose family members have submitted required citizenship/eligible immigration status/non-contending documents
- Compliance with the Community Service requirements

B. ANNUAL RECERTIFICATIONS

The terms *annual recertification* and *annual reexamination* are synonymous. At least annually, the resident is required to provide the PHA with accurate and current information as stipulated in the *Lease*. In order to be recertified, families are required to provide current and accurate information on income, assets, allowances and deductions, and family composition.

Transfers That Occur Around the Time of the Annual Reexamination

If the family transfers, an interim recertification will be conducted (unless a recertification was completed with an effective date of action within the last 120 days). If the move occurs prior to, but close to the time (within 120 days) of the regularly scheduled annual reexamination, an interim reexamination will be conducted first, so that current income is used to determine tenant rent for the new lease. The interim reexamination will be followed by the regularly scheduled annual reexamination, at which time the next reexamination date will be changed to the next year. This two-step method ensures that current income is used for new leases and ensures a complete annual reexamination is performed while allowing the recertification month to remain the same as the original admission month.

REEXAMINATION NOTICE TO THE FAMILY

The PHA will maintain a reexamination tracking system and the household will be notified by mail at least ninety (90) days in advance of the anniversary date. If requested as an accommodation by a person with a disability, the PHA will provide the notice in an accessible format. The PHA will also mail the notice to a third party, if requested as reasonable accommodation for a person with disabilities. These accommodations will be granted upon verification that they meet the need presented by the disability.

COMPLETION OF ANNUAL RECERTIFICATION

The PHA will have all recertifications for families completed before the anniversary date. This includes notifying the family of any changes in rent at least thirty (30) days before the scheduled date of the change in family rent.

RECERTIFICATION BY MAIL – (AS A REASONABLE ACCOMMODATION)

The PHA will permit the family to submit annual and interim recertification forms through the mail, or a home visit may be conducted, when the PHA has determined that the request is necessary as a reasonable accommodation.

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

If there is more than one adult member in the household, but only one is disabled, recertifications will be required and will not be processed through the mail. In such cases, the able adult family members come in for the appointment and then take the necessary forms home to the member with a disability for completion and signature.

HOME VISITS – (AS A REASONABLE ACCOMMODATION)

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

Requests for home visit recertifications must be received by the PHA at least five (5) days before the scheduled appointment date in order for the request to be considered.

The PHA will not consider home visit recertifications that are requested after the scheduled appointment has been missed. However, the PHA may grant an exception to this policy on a case by case basis.

COLLECTION OF INFORMATION

The PHA has established appropriate recertification procedures necessary to ensure that the income data provided by families is complete and accurate.

The family is required to complete a *Data Collection* form prior to all annual recertification interviews.

REQUIREMENTS TO ATTEND

All family members over the age of 18 must attend the annual recertification.

FAILURE TO RESPOND TO NOTIFICATION TO RECERTIFY

If the family does not appear for the recertification interview, and has not rescheduled or made prior arrangements with the PHA, the PHA will reschedule a second appointment.

If the family fails to appear for the second appointment, and has not rescheduled or made prior arrangements, the PHA will terminate tenancy for the family.

Supervisory or designated staff may make exceptions to these policies, if the family is able to document an emergency situation that prevented them from canceling or attending the appointment, or if requested, as a reasonable accommodation for a person with a disability.

DOCUMENTS REQUIRED FROM THE FAMILY

In the notification letter to the family, the PHA will include instructions for the family to bring the following:

- Most recent IRS Tax filing and all most recent W2 forms
- Documentation of income for all family members
- Documentation of liquid and non-liquid assets
- Documentation to substantiate any deductions or allowances
- Personal declaration form completed by head of household
- Other documents as required (including release forms for criminal record information)
- Complete recertification packet

If there has been a misrepresentation or a material omission by the family, or if the family causes a delay in the reexamination processing, there will be a retroactive increase in rent to the scheduled effective date of the annual recertification unless reported and resolved 40 days prior to annual effective date.

VERIFICATION OF INFORMATION

All information affecting the family's continued eligibility for the program and the family's Total Tenant Payment (TTP) will be verified in accordance with the verification procedures and guidelines described in this policy. All verifications will be placed in the file, which has been established for the family.

When the information has been verified, it will be analyzed to determine:

- The continued eligibility of the resident as a *family* or as the *remaining member* of a family
- The unit size required by the family
- The amount of rent the family should pay

CRIMINAL RECORD CHECKS ON EXISTING RESIDENTS

In an effort to maintain safe and healthy environments for public housing residents and nearby neighborhoods, the PHA must ensure that families have met their obligation to comply with HUD regulations.

Release forms for the PHA to obtain criminal records will be obtained at the time of annual recertification. Criminal background checks will be run (as dictated by policy).

Criminal record checks may be obtained on existing residents on a random basis, by individual sites, or on individual residents, if there is reasonable cause to suspect that the resident is in violation of the family obligation not to engage in drug or violent criminal activity on or off the premises. Resident screening would be performed only for those violations for which a person could lawfully be terminated from public housing.

CHANGES IN THE RESIDENT RENT

If there is any change in rent, the lease will be amended, or a new lease will be executed, or a *Notice of Rent Adjustment* will be issued.

RESIDENT RENT INCREASES

If the resident rent increases, a notice is mailed to the resident 30 days prior to the effective date of the increase.

If less than thirty (30) days are remaining before the scheduled effective date of the annual recertification, the resident rent increase will be effective on the first of the month following the thirty-day notice.

If there has been a misrepresentation or a material omission by the family, or if the family causes a delay in the reexamination processing, there will be a retroactive increase in rent to the scheduled effective date of the annual recertification.

RESIDENT RENT DECREASES

In cases where the tenant rent decreases when the reexamination is submitted by the family and completed as an annual reexamination, the effective date will be the first of the month of the anniversary date.

If the family causes a delay so that the processing of the reexamination is not complete by the anniversary date, rent change will be effective on the first (1st) day of the month following completion of the reexamination processing by the PHA.

If the resident rent decreases and the resident reported the change within a month prior to the annual recertification anniversary date or between the annual recertification anniversary date and the effective date of the annual recertification, the change will be treated as an interim reexamination. The change will be effective the first (1st) of the following month that the family reported the change. In this case, the PHA processes and submits another HUD 50058 as an annual recertification.

C. REPORTING INTERIM CHANGES

HOUSEHOLD COMPOSITION

Families must report all changes in household composition within fifteen (15) days to the PHA between annual reexaminations. This includes additions due to birth, adoption and court-awarded custody. The family must obtain PHA approval prior to all other additions to the household.

When there is a change in head of household or a new adult family member is added, the PHA will complete an application for continued occupancy and re-verify, using the same procedures the PHA staff would use for an annual reexamination, except for effective dates of changes. In such case, the Interim Reexamination Policy would be used. The annual reexamination date will not change as a result of this action.

If an adult family member is declared permanently absent by the head of household, the notice must contain a certification by the head of household or spouse that the member (who may be the head of household) removed is permanently absent.

The head of household must provide a statement that the head of household or spouse will notify the PHA if the removed member wants to return to the household. Prior to

their return to the household the family must fill out a request to add form, and it must be approved by the PHA.

The U.S. citizenship/eligible immigrant status of new family members must be declared and verified prior to the approval by the PHA of the family member being added to the lease. Residents are required to complete a “request to add member to household”.

INCREASE IN FAMILY SIZE

The PHA will consider a unit transfer (if needed under the occupancy guidelines) for additions to the family in the following cases:

- Addition by marriage/or marital-type relation
- Addition of a minor who is a member of the nuclear family who had been living elsewhere
- Addition of a PHA-approved live-in attendant
- Addition due to birth, adoption or court-awarded custody

Families who need a larger sized unit because of voluntary additions will have lower priority on the transfer list than other families who are required by the PHA to change unit size.

If a change due to birth, adoption, court-awarded custody, or need for a live-in attendant causes overcrowding and thus requires a larger size unit, the change in unit size shall be made effective upon availability of an appropriately sized unit.

DEFINITION OF TEMPORARILY/PERMANENTLY ABSENT

The PHA must compute all applicable income of every family member who is on the lease, including those who are temporarily absent. In addition, the PHA must count the income of the spouse, co-head or the head of the household if that person is temporarily absent.

Income of persons permanently absent will not be counted. If the spouse is temporarily absent and in the military, all military pay and allowances (except hazardous duty pay when exposed to hostile fire and any other exceptions to military pay HUD may define) is counted as income.

It is the responsibility of the head of household to report changes in family composition. The PHA will evaluate absences from the unit in accordance with this policy.

ABSENCE OF ANY MEMBER

Any member of the household will be considered permanently absent if s/he is away from the unit thirty (30) consecutive days in a twelve- (12) month period except as otherwise provided in this chapter. If a member of the household is subject to a court

order that restricts him/her from the home for more than thirty (30) days, the person is considered permanently absent.

Full time students, under the age of twenty-four (24), who attend school away from the home and live with the family during school recess, will be considered temporarily absent from the household.

ABSENCE OF ENTIRE FAMILY

These policy guidelines address situations when the family is absent from the unit, but has not moved out of the unit. In cases where the family has moved out of the unit, the PHA may terminate tenancy in accordance with the appropriate lease termination procedures contained in this Policy. However, families are required to notify the PHA before they move out of a unit in accordance with the lease and to give the PHA information about any family absence from the unit. During the period of absence, the rent and other charges must remain current.

Families must notify the PHA if they are going to be absent from the unit for more than fourteen (14) consecutive days. A person with a disability may request an extension of time as a reasonable accommodation.

"Absence" means that no authorized family member is residing in the unit.

In order to determine if the family is absent from the unit, the PHA may:

- Conduct home visit
- Write letters to the family at the unit
- Post letters on exterior door
- Telephone the family at the unit
- Interview neighbors
- Verify if utilities are in service
- Check with Post Office for forwarding address
- Contact emergency contact

If the entire family is absent from the unit, without PHA permission, for more than thirty (30) consecutive days, the unit will be considered to be vacant and the PHA may terminate tenancy.

ABSENCE DUE TO MEDICAL REASONS

If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, the PHA will seek advice from a reliable qualified source as to the likelihood and timing of their return. If the verification indicates that the family member will be permanently confined to a nursing home, the family member will be considered permanently absent. If the verification indicates that the family member will return in less than one hundred-twenty (120) consecutive days, the family member will

not be considered permanently absent, as long as rent and other charges remain current.

If the person who is determined to be permanently absent or deceased and is the sole member of the household, assistance will be terminated in accordance with the PHA's "Absence of Entire Family" policy.

ABSENCE DUE TO INCARCERATION

Any member of the household will be considered permanently absent if s/he is incarcerated for thirty (30) or more consecutive days. The rent and other charges must remain current during this period, and may result in the termination of the lease.

The PHA will determine if the reason for incarceration is for drug-related or criminal activity, which would threaten the health, safety and right to peaceful enjoyment of the dwelling unit by other residents.

FOSTER CARE AND ABSENCES OF CHILDREN

If the family includes a child or children temporarily absent from the home due to placement in foster care, the PHA will determine from the appropriate agency when the child/children will be returned to the home.

If the time period is to be greater than six (6) months from the date of removal of the child(ren), the child will be considered permanently absent from the unit and the unit size will be reduced in accordance with the PHA's occupancy guidelines.

CARETAKER FOR CHILDREN

If neither parent remains in the household, and the appropriate agency has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period, the PHA will treat that adult as a visitor for the first fourteen (14) days. The caretaker will be allowed to remain in the unit, as a visitor, until a determination of custody is made.

If, court-awarded custody or legal guardianship has been awarded to the caretaker, and the caretaker qualifies under all program criteria, the lease will be transferred to the caretaker, who becomes the head of household.

If the court has not awarded custody or legal guardianship, but the action is in process, the PHA will secure verification from social services staff or the attorney as to the status.

The PHA will work with the appropriate service agencies to provide a smooth transition in these cases.

ABSENCE DUE TO FULL-TIME STUDENT STATUS

Full time students under twenty-four (24) years of age, who attend school away from the home, will be treated in the following manner:

- A student (other than head of household or spouse) who attends school away from home but lives with the family during school recesses may, at the family's choice, be considered either temporarily or permanently absent.
- If the family decides that the member is permanently absent, income of that member will not be included in total household income, the member will not be included on the lease, and the member will not be included for determination of unit size.
- If the family decides that the member is temporarily absent, income of that member will be included in total household income, the member will be included on the lease, and the member will be included for determination of unit size

INCOME

INCREASES IN INCOME TO BE REPORTED

Families are required to report all increases in income or assets that occur between regularly scheduled annual recertifications. (See C. Reporting Interim Changes.) Increases in income, less than two hundred dollars ($200) per month, between annual recertifications will be noted in the file, but a rent adjustment will not be calculated until the next annual recertification or the addition of a household member.

DECREASES IN INCOME AND RENT ADJUSTMENTS

Residents may report a decrease in income and other changes, such as an increase in allowances or deductions, which would reduce the amount of the total tenant payment. The PHA will process the rent adjustment unless the PHA confirms that the decrease in income will last less than thirty (30) days.

If the family causes a delay in the processing of the reexamination, rent change will be effective on the first day of the month following completion of the reexamination processing by the PHA.

OTHER INCOME ISSUES

For families reporting zero income, an interim reexamination will be performed every ninety (90) days.

In the following circumstances, the PHA may conduct the interim recertification by mail:

- As a reasonable accommodation when requested. (see *Chapter 1 - Statement of Policies and Objectives*)

D. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS

The PHA will not reduce the public housing rent for families whose welfare assistance is reduced specifically because of:

- Fraud
- Failure to participate in an economic self-sufficiency program
- Non-compliance of welfare requirements
- Noncompliance with a work activities requirement

However, the PHA will reduce the rent if the welfare assistance reduction is a result of:

- The expiration of a lifetime time limit on receiving benefits
- A situation where the family has complied with welfare program requirements but cannot or has not obtained employment
- The family has complied with welfare program requirements, but the durational time limit, such as a cap on the length of time a family can receive benefits, causes the family to lose their welfare benefits

VERIFICATION BEFORE DENYING A REQUEST TO REDUCE RENT

The PHA will obtain written verification from the welfare agency stating that the family's benefits have been reduced due to fraud or noncompliance with welfare agency economic self-sufficiency or work activities requirements *before* denying the family's request for rent reduction.

The PHA will rely on the welfare agency's written notice to the PHA regarding welfare sanctions.

COOPERATION AGREEMENTS

The PHA has an unwritten cooperation agreement in place with the local welfare agency that assists the PHA in obtaining the necessary information regarding welfare sanctions.

The PHA has taken a proactive approach to culminating an effective working relationship between the PHA and the local welfare agency for the purpose of targeting economic self- sufficiency programs throughout the community that are available to public housing residents.

E. TIMELY REPORTING OF CHANGES IN INCOME (AND ASSETS)

STANDARD FOR TIMELY REPORTING OF CHANGES

The PHA requires that families report interim changes in writing to the PHA within thirty (30) days of when the change occurs. Any information, document or signature needed from the family, which is needed to verify the change~~,~~ must be provided, in writing, within thirty (30) working days from the date the information or signatures are requested from the family. .

If the change is not reported within the required time period, or if the family fails to provide signatures, certifications or documentation, (in the time period requested by the PHA), it will be considered untimely reporting.

PROCEDURES WHEN THE CHANGE IS REPORTED IN A TIMELY MANNER

The PHA will notify the family of any changes in resident rent to be effective according to the following guidelines:

- Increases in the resident rent are effective at annual recertification or when there is a change in the household composition
- Decreases in the resident rent are effective the first (1st) of the month following the month in which the change is reported

The change will not be made until the third party verification is received.

PROCEDURES WHEN THE CHANGE IS NOT REPORTED BY THE RESIDENT IN A TIMELY MANNER

If the family does not report the change as described under *Timely Reporting*, the family will have caused an unreasonable delay in the interim reexamination processing and the following guidelines will apply:

- Increase in resident rent will be effective at time of annual recertification or retroactive to the date it would have been effective had it been reported on a timely basis. The family will be liable for any underpaid rent, and may be required to sign a repayment agreement.
- Decrease in resident rent will be effective on the first of the month following completion of processing by the PHA and not retroactively.

PROCEDURES WHEN THE CHANGE IS NOT PROCESSED BY THE PHA IN A TIMELY MANNER

"Processed in a timely manner", means that the change goes into effect on the date it should when the family reports the change in a timely manner. If the change cannot be made effective on that date, the change is not processed by the PHA in a timely manner.

Therefore, an increase will be effective after the required thirty (30) day notice prior to the first of the month after completion of processing by the PHA.

If the change resulted in a decrease, the overpayment by the family will be calculated retroactively to the date it should have been effective, and the family will be credited for the amount.

F. REMAINING MEMBER OF RESIDENT FAMILY – RETENTION OF UNIT

To be considered the remaining member of the resident family, the person must have been previously approved by the PHA to be living in the unit.

A live-in attendant, by definition, is not a member of the family and will not be considered a remaining member of the family.

A reduction in family size will require a transfer to an appropriate unit size per the occupancy standards. This transfer will take place per policy and when an appropriate unit is available.

G. CHANGES IN UNIT SIZE

The PHA shall grant exceptions from the occupancy standards if the family requests and the PHA determines the exceptions are justified according to this policy.

When an approvable change in the circumstances in a resident family requires another unit size, the family's move depends upon the availability of a suitable size and type of unit. If the unit is not available at the time it is requested, the family will be placed on the *Transfer List* (see *Chapter 5 - Occupancy Guidelines*).

H. CONTINUANCE OF ASSISTANCE FOR "MIXED" FAMILIES

Under the Non-Citizens Rule, "Mixed" families are families that include at least one citizen or eligible immigrant and any number of ineligible members.

"Mixed" families who were participants on June 19, 1995, shall continue receiving full assistance if they meet the following criteria:

- The head of household or co-head or spouse is a U.S. citizen or has eligible immigrant status; and
- The family does not include any person (who does not have eligible immigrant status) other than the head or spouse, or parents or children of the head, co-head or spouse

Mixed families who qualify for continued assistance after 11/29/96 may receive prorated assistance only.

If they do not qualify for continued assistance, the member(s) that cause the family to be ineligible for continued assistance may move, or the family may choose prorated assistance (See Chapter 6 – Determination of Total Tenant Payment). The PHA may no longer offer temporary deferral of termination (see *Chapter 12 - Lease Terminations).*

CHAPTER 12

LEASE TERMINATIONS

[24 CFR 966.4]

INTRODUCTION

The PHA may terminate tenancy for a family because of the family's action or failure to act in accordance with HUD regulations (24 CFR 966.4 (l)(2)), and the terms of the lease. This chapter describes the PHA's policies for notification of lease termination and provisions of the lease.

A. TERMINATION BY RESIDENT

The resident may terminate the lease by providing the PHA with a written thirty (30) days advance notice as defined in the lease agreement.

B. TERMINATION BY PHA

The lease may be terminated by the PHA at any time by giving written notice for violation of material terms of the lease, such as, but not limited to the following:

- Nonpayment of rent or other charges due under the lease, or chronic late payment of rent (late more than four times in a twelve-month period)
- Failure to pay reasonable charges (other than for normal wear and tear) for the repair of damages to the premises, project buildings, facilities, equipment, or common areas
- Failure to provide, pay for and maintain all utilities not furnished by the Housing authority
- Failure to provide timely and accurate statements of income, assets, expenses and family composition at admission, interim, special or annual rent recertification's
- Non-compliance with non-citizen rule requirements
- Discovery, after admission, of any inaccurate facts or omission of information that would have made the resident ineligible
- 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 purposes
- Assignment or subleasing of the premises or providing accommodation for boarders or lodgers and/or allowing previous residents that have been evicted and or had their lease terminated by the housing authority access to and/or on property or premises

- Failure to abide by posted house rules, necessary and reasonable rules and/or other notices made by the PHA for the benefit and well being of the housing development and the residents
- Alcohol abuse that the PHA determines interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents
- Failure to abide by applicable building and housing codes materially affecting health and/or safety
- Failure to dispose of garbage waste and rubbish in a safe and sanitary manner and/or non compliance with recycling protocol
- Failure to dispose of pet waste or control pet(s) (i.e.; use of leash, barking dog, loose cat etc.) in accordance with pet policy and agreement. Feeding or harboring stray or wild animals
- Failure to use electrical, plumbing, heating, ventilating, air conditioning and other equipment, including elevators, in a safe manner
- Acts of destruction, defacement or removal of any part of the premises, or failure to cause guests to refrain from such acts
- Failure to report criminal activity, arrests, convictions, at annual recertifications (add a self certification that resident and/or members of household have not been involved in any criminal activity
- Criminal or other activity by a member of the household that threatens the health and safety of other public housing residents in the immediate vicinity of the premises
- Criminal activity by a member of the household that threatens the health and safety of PHA staff
- The resident, any member of the resident's household, or a guest or other person under the resident's control shall not engage in drug-related or violent criminal activity, in, *on or near* public housing premises (as defined in the lease), while the resident resides in public housing. Such criminal activity shall be cause for termination of tenancy. The term "drug-related criminal activity" means the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute, or use, a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)). If contraband or a controlled substance is seized on the above premises, incidental to a lawful search or arrest, the landlord (the PHA) will bring an unlawful detainer against that resident
- Violating a condition of probation or parole imposed under federal or state law
- Fleeing to avoid prosecution, custody, or confinement after conviction for a crime, or attempt to commit a crime that is a felony under the laws of the place from which the tenant flees
- Other good cause

C. NOTIFICATION REQUIREMENTS

The PHA's written *Notice of Lease Termination* will state the reason for the proposed termination, the date that the termination will take place, and it will offer the resident all

of the rights and protections afforded by the regulations and this policy (see *Chapter 13 - Complaints, Grievances and Appeals*).

Notices of lease termination shall be in writing and delivered to resident and all adult member(s) of the household or sent by first class mail properly addressed to resident**.** The notice shall contain a statement describing the resident's right to meet with the site manager to determine whether a reasonable accommodation would eliminate the need for a lease termination. Notice shall also be given to resident that if they are evicted and/or lease is terminated for any reason they are no longer welcome on SHRA property at any time for any reason.

TIMING OF THE NOTICE

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

- At least fourteen (14) days prior to termination in the case of failure to pay rent
- A three-day notice may be served based on the seriousness of the offense and taking into consideration the health and safety of other residents or PHA employees.
- At least thirty (30) days prior to termination in all other cases

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

DRUG RELATED CRIMINAL ACTIVITY

The PHA must immediately and permanently terminate tenancy of persons convicted of manufacturing or producing methamphetamine on the premises of the assisted housing project in violation of any federal or state law. "Premises" is defined as the building or complex in which the dwelling unit is located, including common areas and grounds.

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

The PHA will consider the use of a controlled substance or alcohol abuse to be a *pattern* if there is more than one incident during the previous eighteen (18) months.

The PHA may permit continued occupancy provided the family accepts imposed conditions that the involved family member(s) does not reside in the unit. The PHA will consider evidence that the person is no longer in the household such as a divorce

decree/incarceration/ death/copy of a new lease for the person including the owner's telephone number and address/or other substantiating evidence**.**

D. RECORD KEEPING

A written record of every termination and/or eviction shall be maintained by the PHA at the development office where the family was residing, and shall contain the following information:

- Name of resident, number and identification of unit occupied
- Date of the *Notice of Lease Termination* and any other notices required by state or local law; these notices may be on the same form and will run concurrently
- Specific reason(s) for the notices, citing the lease section or provision that was violated, and other facts pertinent to the issuing of the notices described in detail (other than the *Criminal History Report*)
- Date and method of notifying the resident
- Summaries of any conferences held with the resident including dates, names of conference participants, and conclusions

E. TERMINATIONS DUE TO INELIGIBLE IMMIGRATION STATUS

If the PHA determines that a family member has knowingly permitted an ineligible individual to reside in the family's unit on a permanent basis, the family's assistance will be terminated for thirty-six (36) months. This provision does not apply to a family if the eligibility of the ineligible individual was considered in calculating any proration of assistance provided.

CHAPTER 13

COMPLAINTS, GRIEVANCES AND APPEALS

[24 CFR 966.50-966.57]

INTRODUCTION

It is the policy of the PHA to ensure that all families have the benefit of all protections due to them under the law. Therefore, the PHA has established a grievance procedure which affords all residents the opportunity to be heard when a resident disputes, within a reasonable time, any PHA action or failure to act involving the resident's lease with the PHA or PHA regulations which adversely affect the individual resident's rights, duties, welfare or status.

Grievances shall be handled in accordance with the Authority's approved grievance procedures. The written grievance procedure is incorporated into this document by reference and is the guideline to be used for grievances and appeals.

Grievance procedures are not applicable to the following issues:

- Disputes with non-residents
- Disputes between residents not involving the PHA
- Disputes between a live-in aide and the PHA
- Disputes not involving the PHA
- Disputes involving drugs, violence, felony conviction or non-payment of rent
- Class grievances

A. COMPLAINTS

It is the PHA's intention to process all complaints/issues in a timely manner. To accomplish this, the PHA has developed a process utilizing a *Tenant Management Communication Form (TMC)* through which all complaints are initiated. Residents will fill out this form stating the issue and the form will be assigned to the appropriate department. The person filing the complaint is considered the complainant for purposes of this document. The tenant will receive a copy of the form for their records and a copy will be kept at the management office at all times as documentation of the tenant's concern(s).

Complaints regarding the condition of a unit or conditions of the grounds or common areas may be reported directly by phone to the management office. Anonymous complaints are checked whenever possible. The PHA requires that all other complaints be put in writing.

Complaints from families. If a family disagrees with an action or inaction of the PHA, complaints will be referred to the site manager. Complaints regarding repairs of the units will be reported by phone to the management office.

Complaints from staff. When a person reports a family is violating or has violated a lease provision or is not complying with program rules, the complaints will be referred to the site manager.

Complaints from the general public. Complaints or referrals from persons in the community in regards to the PHA or a family will be referred to the appropriate staff for processing.

B. INFORMAL REVIEW PROCEDURES FOR APPLICANTS

PREFERENCE DENIALS

When the PHA denies a preference to an applicant, the family will be notified in writing of the specific reason(s) for the denial and offered the opportunity for a meeting with PHA staff to discuss the reasons for the denial and to dispute the PHA's decision.

The person who conducts the meeting will be an employee of the PHA who is at or above the level of housing specialist, but not the employee who made the decision**.**

ASSISTANCE DENIALS

Informal reviews are provided for applicants who are denied assistance. The exception is that when an applicant is denied assistance for citizenship or eligible immigrant status, the applicant is entitled to a formal hearing.

When the PHA determines that an applicant is ineligible for the program, the family must be notified of their ineligibility in writing. The notice must contain:

- The reason(s) they are ineligible
- The procedure for requesting a review if the applicant does not agree with the decision
- The time limit for requesting a review

When denying admission for criminal activity as shown by a criminal record, the PHA will provide the subject of the record and the applicant with a copy of the criminal record upon which the decision to deny was based.

The PHA must provide applicants with the opportunity for an informal review of decisions denying:

- Qualification for preference
- Listing on the PHA's waiting list
- Participation in the program

Informal reviews are not required for established policies and procedures and PHA determinations such as:

- Discretionary administrative determinations by the PHA
- General policy issues or class grievances
- A determination of the family unit size under the PHA subsidy standards
- Determination that unit is not in compliance with UPCS
- Determine that unit is not in accordance with HQS due to family size or composition

PROCEDURE FOR REVIEW

A request for an informal review must be received in writing by the close of the business day, no later than the number of days from the date of the PHA's notification of denial. Example, a 14 day notice has a 14 day review. The informal review will be held within thirty (30) days from the date the request is received.

The informal review may not be conducted by the person who made or approved the decision under review, nor a subordinate of such person.

The applicant will be given the option of presenting oral or written objections to the decision. Both the PHA and the family may present evidence and witnesses. The family may use an attorney or other representative to assist them at their own expense.

The review may be conducted by mail and/or telephone if acceptable to both parties.

A notice of the review findings will be provided in writing to the applicant within fifteen (15) days after the review. It shall include the decision of the reviewer, and an explanation of the reasons for the decision.

All requests for a review, supporting documentation and a copy of the final decision will be retained in the family's file.

C. INFORMAL REVIEW PROCEDURES FOR RESIDENTS

When a resident has a complaint or issue (not related to a Termination of Assistance Notice) and has gone through the procedure of filing a *Tenant Management Communication Form* and wants further clarification or review of a particular issue, the resident may request and informal review of that issue. This review will not be offered to a resident that has received a Termination of Assistance Notice, ie: 3 Day, 14 Day or 30 Day notices. If a resident has received a Termination of Assistance Notice and they have discussed the reasons for such termination with their manager and have not reached a resolution to the issues they must go directly to a Formal Review (see section below).

REQUEST FOR INFORMAL REVIEW

In order to request an informal review, the resident needs to present their request either orally or in writing to the area PHA office. An informal review date and time will be determined within 10 working days from receipt of the informal review request and the resident will be notified in writing of the date, time and location of the review.

Both the manager of the property where the complainant resides and a designated supervisory staff will conduct the informal review.

SUMMARY OF DISCUSSION

A summary of such discussion shall be prepared within seven (7) days from the date of the informal review and one copy shall be given to the tenant and one retained in the PHA's tenant file. The summary shall specify the names of the participants, dates of meeting, the nature of the proposed disposition of the complaint and the specific reasons therefore.

D. FORMAL HEARING PROCEDURES FOR RESIDENTS

The PHA must provide participants with the opportunity for a formal hearing for decisions related to any of the following PHA determinations:

- Determination of the family's annual or adjusted income and the computation of the housing assistance payment
- Appropriate utility allowance used from schedule
- Family unit size determination under PHA subsidy standards
- Determination to terminate a family's FSS contract, withholds supportive services, or proposes forfeiture of the family's escrow account.

- Termination of assistance under a 30 Day

When a tenant is served a 30 Day Notice of Termination of Tenancy, the resident will be entitled to request a Formal Hearing. An informal review may be held but the resident is strongly encouraged to contact their manager to try and resolve the issues listed in the Notice of Termination of Assistance prior to requesting a Formal Hearing. The PHA will provide the opportunity for a formal hearing before termination of assistance except when the expedited formal hearing procedures are invoked due to the nature and seriousness of the reasons that led up to the lease termination.

Formal hearings are not required for established policies and procedures and PHA determinations such as:

1. Discretionary administrative determinations by the PHA

2. General policy issues or class grievances

3. Establishment of the PHA schedule of utility allowances for families in the program

4. A PHA determination not to approve a unit or lease

5. A PHA determination that an assisted unit is not in compliance with UPCS (PHA must provide hearing for family breach of UPCS because that is a family obligation determination)

6. PHA determination that the unit is not in accordance with UPCS because of the family size

REQUEST FOR A FORMAL HEARING

In order to request an formal hearing, the complainant must personally present a grievance orally or in writing to the resident's housing office within ten (10) days of service of a Notice of Action or seven (7) days from receipt of a Notice of Summary of Discussion of the informal review, if one was held. The written request shall specify:

1. The reasons for the grievance

2. The action or relief sought

SELECTING THE HEARING OFFICER [966-55]

The grievance hearing shall be conducted by an impartial person or persons appointed by the PHA, other than a person who made or approved the PHA action under review or a subordinate of such person.

The PHA will use the “Professional Services Procurement Process” to determine the most qualified hearing officer, and will consult with the resident organizations before PHA appointment of a hearing officer or panel. ,

Conduct of Formal Hearing

The Formal Hearing Officer is an unbiased individual who is not an employee but contracted by the PHA. The Formal Hearing Officer will accept relevant information from the PHA and from the resident/resident’s representative sufficient to arrive at a decision to either grant the relief sought by the tenant or allow the termination of the lease or other proposed adverse action to proceed. A written result of the hearing will be issued within fourteen (14) calendar days. All Formal Hearings are electronically recorded.

NOTIFICATION OF HEARING

When the PHA receives a request for a formal hearing, a hearing shall be held within thirty (30) days from the receipt of the request for formal hearing. The notification of hearing will contain:

1. The date and time of the hearing
2. The location where the hearing will be held
3. The family's right to bring evidence, witnesses, legal or other representation at the family's expense
4. The right to view any documents or evidence in the possession of the PHA upon which the PHA based the proposed action and, at the family's expense, to obtain a copy of such documents prior to the hearing. Requests for such documents or evidence must be received no later than five (5) days before the hearing date
5. A notice to the family that the PHA will request a copy of any documents or evidence the family will use at the hearing. Requests for such documents or evidence must be received no later than five (5) days before the hearing date

The PHA's Formal Hearing Procedures

After a hearing date is agreed to, the family may request to reschedule only upon showing "good cause," which is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family.

If a family does not appear at a scheduled hearing and has not rescheduled the hearing in advance, the family must contact the PHA within forty-eight (48) hours, excluding weekends and holidays. The PHA will reschedule the hearing only if the family can show good cause for the failure to appear.

Families have the right to:

1. Present written or oral objections to the PHA's determination
2. Examine the documents in the file which are the basis for the PHA's action, and all documents submitted to the hearing officer
3. Copy any relevant documents at their expense
4. Present any information or witnesses pertinent to the issue of the hearing
5. Request that PHA staff be available or present at the hearing to answer questions pertinent to the case
6. Be represented by legal counsel, advocate, or other designated representative at their own expense as long as the PHA is notified.

If the family requests copies of documents relevant to the hearing, the PHA will make the copies for the family and assess a fee according to the Charge & Fee Schedule. In no case will the family be allowed to remove the file from the PHA's office.

In addition to other rights contained in this chapter, the PHA and the resident has a right to:

- Present evidence and any information pertinent to the issue of the hearing
- Be notified if the family intends to be represented by legal counsel, advocate, or another party no later than 5 days in advance of the hearing
- Examine and copy any documents to be used by the family prior to the hearing
- Have its attorney present
- Have staff persons and other witnesses familiar with the case present

The formal hearing shall be conducted by the hearing officer appointed by the PHA who is neither the person who made or approved the decision, nor a subordinate of that person. The PHA appoints hearing officers who are professional mediators or arbitrators contracted and paid for by the PHA.

The hearing shall concern only the issues for which the family has received the opportunity for hearing. Evidence presented at the hearing may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

No documents may be presented which have not been provided to the other party before the hearing if requested by the other party. "Documents" includes records and regulations.

The 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 without good cause or deadline ordered by the hearing officer, the action of the PHA shall take effect and another hearing will not be granted.

The hearing officer will determine whether the action, inaction or decision of the PHA is legal in accordance with HUD regulations and this ACOP based upon the evidence and testimony provided at the hearing. Factual determinations relating to the individual circumstances of the family will be based on a preponderance of the evidence presented at the hearing.

A notice of the hearing findings shall be provided in writing to the PHA and the family within fourteen (14) days and shall include:

1. A clear summary of the decision and reasons for the decision
2. If the decision involves money owed, the amount owed and documentation of the calculation of monies owed
3. Notice that the Code of Civil Procedure, Sect 1094.6 governs the time within which judicial review must be sought
4. The date the decision goes into effect
5. If the PHA is upheld by the hearing decision a notice of termination of subsidy will be sent effective thirty (30) days from the date of the notice

EFFECT OF DECISION

Except as provided below, the decision of the hearing officer shall be binding on the PHA. The PHA shall take all actions, or refrain from any actions, necessary to carry out the decision unless the Sacramento Housing and Redevelopment Agency Commission determines, within a reasonable time and promptly notifies the resident of its determination.

The PHA is not bound by hearing decisions:

- Which concern matters in which the PHA is not required to provide an opportunity for a hearing
- Which conflict with or contradict to HUD regulations or requirements
- Which conflict with or contradict federal, state or local laws
- Which exceed the authority of the person conducting the hearing

The PHA shall send a letter to the participant if it determines the PHA is not bound by the hearing officer's determination within ten (10) days. The letter shall include the PHA's reasons for the decision.

All requests for a hearing, supporting documentation, and a copy of the final decision will be retained in the family's file (except for hearings involving reasonable accommodations, which are kept in a separate file).

If the hearing officer's decision upholds the PHA's decision to evict the resident, the PHA will proceed with filing an unlawful detainer.

E. HEARING AND APPEAL PROVISIONS FOR "RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS"

Assistance to the family may not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of the decision on the INS appeal.

Assistance to a family may not be terminated or denied while the PHA hearing is pending but assistance to an applicant may be delayed pending the PHA hearing.

INS DETERMINATION OF INELIGIBILITY

If a family member claims to be an eligible immigrant and the INS SAVE system and manual search do not verify the claim, the PHA notifies the applicant or resident within ten days of their right to appeal to the INS within thirty (30) days or to request an formal hearing with the PHA either in lieu of or subsequent to the INS appeal.

If the family appeals to the INS, they must give the PHA a copy of the appeal and proof of mailing or the PHA may proceed to deny or terminate. The time period to request an appeal may be extended by the PHA for good cause.

The request for a hearing must be made to the PHA within fourteen days of receipt of the notice offering the hearing or, if an appeal was made to the INS, within fourteen (14) days of receipt of that notice.

After receipt of a request for a formal hearing, the hearing is conducted as described in the "Formal Hearing" section of this chapter for both applicants and participants. If the hearing officer decides that the individual is not eligible, and there are no other eligible family members the PHA will:

- Deny the applicant family
- Defer termination if the family is a participant and qualifies for deferral
- Terminate the participant if the family does not qualify for deferral

If there are eligible members in the family, the PHA will offer to prorate assistance or give the family the option to remove the ineligible members.

All other complaints related to eligible citizen/immigrant status:

- If any family member fails to provide documentation or certification as required by the regulation, that member is treated as ineligible. If all family members fail to provide, the family will be denied or terminated for failure to provide
- Participants whose termination is carried out after temporary deferral may not request a hearing since they had an opportunity for a hearing prior to the termination
- Participants whose assistance is pro-rated (either based on their statement that some members are ineligible or due to failure to verify eligible immigration status for some members after exercising their appeal and hearing rights described above) are entitled to a hearing based on the right to a hearing regarding determinations of the resident's Total Tenant Payment (TTP)
- Families denied or terminated for fraud in connection with the non-citizens rule are entitled to a review or hearing in the same way as terminations for any other type of fraud

F. EXPEDITED GRIEVANCE PROCEDURE

The PHA shall exercise its right to exclude the most serious lease violations from the grievance procedures. This includes:

- Any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises of other residents or employees of the PHA; or
- Any violent or drug-related criminal activity on or off such premises; or
- Any criminal activity that resulted in felony conviction of a household member

RESIDENT'S RIGHT TO TRIAL DE NOVO AND JUDICIAL REVIEW

Nothing contained in the PHA's grievance procedure shall constitute a waiver of the resident's right to a trial de novo or judicial review in any court action.

CHAPTER 14

FAMILY DEBTS TO THE PHA

INTRODUCTION

This chapter describes the PHA's policies for the recovery of monies that have been underpaid by families. It describes the methods that will be utilized for collection of monies and the guidelines for different types of debts. It is the PHA's policy to meet the informational needs of families, and to communicate the program rules in order to avoid family debts. Before a debt is assessed against a family, the file must contain documentation to support the PHA's claim that the debt is owed. The file must further contain written documentation of the method of calculation, in a clear format for review by the family or other interested parties.

When families owe money to the PHA, the PHA will make every effort to collect it. The PHA will use a variety of collection tools to recover debts including, but not limited to:

- Requests for lump sum payments
- Civil suits / Judgments
- Payment agreements
- Collection agencies
- Credit bureaus / entries
- Income tax off-set programs
- Referral to the state Office of the Attorney General
- Referral to the Inspector General's Office

A. PAYMENT AGREEMENT FOR FAMILIES

A payment agreement is a document entered into between the PHA and a person who owes a debt to the PHA. It contains details regarding the nature of the debt, the terms of payment, any special provisions of the agreement, and the remedies available to the PHA upon default of the agreement.

The maximum length of time the PHA will enter into a payment agreement with a family is twelve (12) months, unless otherwise specified.

The minimum monthly amount of monthly payment for any payment agreement is ten dollars ($10).

LATE PAYMENTS

A payment will be considered to be late if:

- The payment has not been received by the close of the business day on which the payment was due. If the due date is on a weekend or holiday, the due date will be at the close of the next business day

It is at the discretion of the PHA to enter in a repayment agreement but, there may be some circumstances in which the PHA will not enter into a payment agreement.

Such as:

- If the family already has a payment agreement in place
- If the PHA determines that the family has committed program fraud

GUIDELINES FOR PAYMENT AGREEMENTS

With supervisor approval and verification of the hardship, the monthly payments may be decreased in cases of family hardship upon request by the family. Also, monthly payments may be increased dependent upon the family income increases.

B. DEBTS DUE: FRAUD/NON-REPORTING OF INFORMATION (24 CFR 792.103)

HUD's definition of program fraud and abuse is a single act or pattern of actions that constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead that result in a personal benefit.

FAMILY ERROR / LATE REPORTING

Families who owe money to the PHA due to the family's unintentional failure to report increases in income will be required to repay in accordance with the guidelines in the payment schedule section of this chapter.

PROGRAM FRAUD

The PHA has a zero tolerance policy for program fraud. If a family commits intentional program fraud, the PHA will initiate eviction proceedings immediately. Families who commit program fraud will be required to repay the amount in full within 10 days. If the full amount is paid within this time period, the family will be able to leave housing without an eviction record.

If a family owes an amount, to be determined by the Office of the Inspector General, as a result of program fraud, the case will be referred to the Office of the Inspector General. Where appropriate, the PHA will refer the case for criminal prosecution.

C. WRITING OFF DEBTS

All debts will be referred for collection. Debts will be written off if:

- The debtor is deceased and has no recoverable assets
- The debtor is confined to an institution indefinitely and has no recoverable assets
- The amount is less than one hundred dollars ($100) and debtor cannot be located

CHAPTER 15

COMMUNITY SERVICE AND SELF-SUFFICIENCY

INTRODUCTION

The Quality Housing and Work Responsibility Act of 1998 requires that all non-exempt public housing adult residents contribute eight (8) hours per month of community service or participate in eight (8) hours of training, counseling, classes or other activities that help an individual achieve self-sufficiency and economic independence. This is a requirement of the Public Housing Lease.

A. PROGRAM REQUIREMENTS

The performance of eight (8) hours per month may be either volunteer work or self-sufficiency program activity, or a combination of the two.

Community Service – volunteer work, which includes, but is not limited to:

- Work at a local institution including but not limited to: school, child care center, hospital, hospice, recreation center, senior center, adult day care center, homeless shelter, indigent feeding program, cooperative food bank, etc.
- Work with a non-profit organization that serves PHA residents or their children such as: Boy Scouts, Girl Scouts, Boys or Girls clubs, 4-H program, PAL, Garden Center, Community clean-up programs, beautification programs, other youth or senior organizations
- Helping neighborhood groups with special projects
- Working through resident organization to help other residents with problems, serving as an officer on a Resident Committee, serving on the Resident Advisory Board
- Caring for the children of other residents so that they may volunteer

NOTE: Political activity is excluded.

Self-Sufficiency Activities – activities that include, but are not limited to:

- Job readiness or job training programs
- GED classes
- Substance abuse or mental health counseling
- English proficiency or literacy (reading) classes
- Apprenticeships
- Budgeting and credit counseling
- Any kind of class that helps a person toward economic independence

- Full time student status at any school, college or vocational school

Family obligations:

At lease execution and at each annual reexamination, all adult members of a public housing resident family must sign the Community Services Exemption checklist, certifying that they have received and read this policy:

- Non-exempt family members must present a completed Certification Form (provided by the PHA), signed by the party administering the qualifying activities, certifying that the qualifying activities were performed over the previous twelve (12) months. Failure to comply with the community service requirement will result in non-renewal of their lease.

B. PHA RESPONSIBILITIES

- Whenever possible, the PHA will provide names and agency contacts that can provide opportunities for residents to fulfill their community service obligations
- The PHA will provide families with a Community Services Exemption checklist and Recording / Certification forms (non-exempt families only) and a copy of this policy at lease execution
- The PHA will make the final determination as to whether or not a family member is exempt from the community service requirement. Residents may use the PHA's grievance procedure (see chapter 13 – *Complaints, Grievances and Appeals*) if they disagree with the determination.

C. EXEMPT ADULTS

Public Housing residents are exempt if they are:

- 62 years of age or older or will turn 62 prior to the next determination
- Blind or disabled as defined under 216 (I)(1) or 1614 of the Social Security Act (42 U.S. C. 416 I): 1382 c), and who certify that because of this disability he or she is unable to comply with the service requirement:
- A primary caretaker of a blind or disabled person, even if the blind or disabled person is not a resident of public housing;
- Working at least twenty (20) hours per week or engaged in work activities as defined in Section 407 (d) of the Social Security Act;
- Exempt from the work requirements for a state welfare program, including Welfare-to-Work;
- A parent home Schooling their child(ren)

- Receiving Temporary Assistance for Needy Families (TANF) assistance and have not been found to be in non-compliance with TANF or other work requirements.
  Note: Any members of the family receiving benefits or services under TANF are exempt.

D. NON-COMPLIANCE OF FAMILY MEMBERS

If the PHA determines that there is a family member who is required to fulfill a service requirement, but who has violated this family obligation, the PHA will send, at least 30 days prior to the end of the lease, a notice to the resident describing the noncompliance.

The lease will end unless:

- The family provides proof that the non-compliant resident is no longer in the unit or
- The non-compliant family member and the Head of Household sign an agreement with the PHA to make up the deficient hours over the next twelve-(12) month period. The makeup agreement will stipulate how many hours each month must be made up. Staff will monitor month- to-month to ensure that the family member is complying with the agreement. Non-compliance with the makeup agreement will result in termination. A 30-day notice will be provided.

The resident may request a grievance hearing regarding the PHA determination of non-compliance and may exercise any available judicial remedy to seek timely redress for the PHA's non-renewal of the lease due to such determination.

CHAPTER 16

GLOSSARY

I. TERMS USED IN DETERMINING RENT

ANNUAL INCOME [24 CFR 5.609]

Annual income is the anticipated total income from all sources. This includes net income derived from assets, received by the family head and spouse (even if temporarily absent) and by each additional family member for the 12 month period following the effective date of initial determination or reexamination of income. It does not include income that is temporary, non-recurring, or sporadic as defined in this section, or income that is specifically excluded by other federal statute. Annual income includes:

- The full amount before any payroll deductions, of wages and salaries, overtime pay, commissions fees, tips and bonuses, and other compensation for personal services.
- The net income from operation of a business or profession, including any withdrawal of cash or assets from the operation of the business. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining the net income from a business. An allowance for the straight-line depreciation of assets used in a business or profession may be deducted as provided in IRS regulations. Withdrawals of cash or assets will not be considered income when used to reimburse the family for cash or assets invested in the business.
- Interest, dividends, and other net income of any kind from real or personal property.
- Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for the straight-line depreciation of real or personal property is permitted. Withdrawals of cash or assets will not be considered income when used to reimburse the family for cash or assets invested in the property.
- When the family has net family assets in excess of $5,000, annual income shall include the greater of the actual income derived from all net family assets, or a percentage of the value of such assets based on the current passbook savings rate as determined by HUD.
- The full amount of periodic payments received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts.

- Payments in lieu of earnings, such as unemployment and disability compensation, workers' compensation, and severance pay.
- All welfare assistance payments received by or on behalf of any family member. [24 CFR 913.106(b)(6)] contains rules applicable to "as-paid" States.
- Periodic and determinable allowances, such as alimony and child care support payments, and regular cash contributions or gifts received from persons not residing in the dwelling.
- All regular pay, special pay and allowances of a member of the Armed Forces (except special pay to a family member serving the Armed Forces who is exposed to hostile fire).

EXCLUSIONS FROM ANNUAL INCOME [24 CFR 5.609]

- Annual income does not include the following:
- Income from the employment of children (including foster children) under the age of 18 years;
- Payments received for the care of foster children or foster adults (usually individuals with disabilities, unrelated to the resident's family, who are unable to live alone);
- Lump sum additions to family assets, such as inheritances, insurance payments (including payments under health, and accident insurance and workers' compensation) capital gains, and settlement for personal property losses;
- Amounts received by the family that are specifically for or in reimbursement of the cost of medical expenses for any family member.
- Income of a live-in aide provided the person meets the definition of a live-in aide.
- The full amount of student financial assistance paid directly to the student or the educational institution.
- The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.
- Amounts received under HUD funded training programs (e.g. Step-up program); excludes stipends, wages, transportation payments and childcare vouchers for the duration of the training.
- Amounts received by a person with disabilities that are disregarded for a limited time for purposes of Supplemental Security Income and benefits that are set aside for use under a Plan to Attain Self Sufficiency (PASS).
- Amounts received by a participant in other publicly assisted programs that are specifically for, or in reimbursement of, out of pocket expenses incurred for items such as special equipment, clothing, transportation and childcare, to allow participation in a specific program.

- Amount received as a resident services stipend. A modest amount (not to exceed $200 per month) received by a public housing resident for performing a service for the PHA, on a part-time basis, that enhances the quality of life in public housing. Such services may include but are not limited to fire patrol, hall monitoring, lawn maintenance, and resident initiative coordination. No resident may receive more than one such stipend during the same period of time.
- Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of family members as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment-training program.
- Temporary, non-recurring, or sporadic income (including gifts).
- Reparation payments paid by foreign governments pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era. (For all initial determinations and reexaminations of income on or after April 23, 1993.)
- Earnings in excess of $480 for each full-time student 18 years old or older, (excluding the head of household and spouse).
- Adoption assistance payments in excess of $480 per adopted child.
- The earnings and benefits to any resident resulting from the participation in a program providing employment training and supportive services in accordance with the Family Support Act of 1988 (42 U.S.C. 1437 et seq.), or any comparable Federal, State or local law during the exclusion period. For purposes of this paragraph the following definitions apply:
- Comparable Federal, State or local law means a program providing employment training and supportive services that: (1) is authorized by a Federal, State or local law; (2) is funded by the Federal, State or local government; (3) is operated or administered by a public agency; and (4) has as its objective to assist participants in acquiring job skills.
- Exclusion period means the period during which the resident participates in a program as described in this section plus 18 months from the date the resident begins the first job acquired by the resident after completion of such program that <u>is not</u> funded by public housing assistance under the U.S. Housing Act of 1937. If the resident is terminated from employment without good cause, the exclusion period shall end.
- Earnings and benefits mean the incremental earnings and benefits resulting from a qualifying employment training program or subsequent job.

- Deferred periodic payments from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts.
- Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit.
- Amounts paid by a State agency to a family with a developmentally disabled family member living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home.
- Amounts specifically excluded by any other Federal Statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the United States Housing Act of 1937. A notice will be published by HUD in the Federal Register identifying the benefits that qualify for this exclusion.
- The following benefits are excluded by other Federal Statute as of August 3, 1933:
- The value of the allotment provided to an eligible household for coupons under the Food Stamp Act of 1977;
- Payments to volunteers under the Domestic Volunteer Service Act of 1973; examples of programs under this Act include but are not limited to:
- The Retired Senior Volunteer Program (RSVP)
- Foster Grandparent Program (FGP)
- Senior Companion Program (SCP)
- Older American Committee Service Program

NATIONAL VOLUNTEER ANTIPOVERTY PROGRAMS SUCH AS:

- VISTA
- Peace Corps
- Service Learning Program
- Special Volunteer Programs

SMALL BUSINESS ADMINISTRATION PROGRAMS SUCH AS:

- National Volunteer Program to Assist Small Businesses
- Service Corps of Retired Executives
- Payments received under the Alaska Native Claims Settlement Act. [43 USC 1626 (a)]

- Income derived from certain sub marginal land of the United States that is held in trust for certain Indian tribes. [25 USC 459e]
- Payments or allowances made under the Department of HHS' Low Income Home Energy Assistance Program. [42 USC 8624 (f)]
- Payments received under programs funded in whole or in part under the Job Training Partnership Act (29 USC 1552 (b)
- Income derived from the disposition of funds of the Grand River Band of Ottawa Indians (Pub. L. 94-540).
- The first $2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the Court of Claims (25 USC. 1407-08), or from funds held in trust for an Indian Tribe by the Secretary of Interior.
- Amounts of scholarships funded under Title IV of the Higher Education Act of 1965 including awards under the Federal work-study program or under the Bureau of Indian Affairs student assistance programs. [20 USC 1087 uu] Examples: Basic Educational Opportunity Grants (Pell Grants), Supplemental Opportunity Grants, State Student Incentive Grants, College-Work Study, and Byrd Scholarships.
- Payments received under programs funded under Title V of the Older Americans Act of 1965 [42 USC 3056 (f)] Examples include Senior Community Services Employment Program, National Caucus Center on the Black Aged, National Urban League; Association National Pro Personas Mayores, National Council on Aging, American Association of Retired Persons, National Council on Senior Citizens, and Green Thumb.
- Payments received after January 1, 1989 from the Agent Orange Settlement Fund or any other fund established in the In-Re Orange Product Liability litigation.
- The value of any childcare provided or arranged (or any amount received as payment for such care or reimbursement for costs of incurred in such care) under the Childcare and Development Block Grant Act of 1990. (42 USC 9858q)
- Earned income tax credit refund payments received on or after January 1, 1991. (26 USC 32)(j).
- Living allowances under AmeriCorps Program (Nelson Diaz Memo to George Latimer 11/15/94)

ADJUSTED INCOME

The definition for adjusted income is annual income, less allowable HUD deductions.

Qualified families are eligible for the following:

Childcare Expenses: A deduction of amounts anticipated to be paid by the family for the care of children under 13 years of age for the period for which the annual income is computed. Childcare expenses are only allowable when such care is necessary to enable a family member to be gainfully employed or to further his/her education. Amounts deducted must be un-reimbursed expenses and shall not exceed: (1) The amount of income earned by the family member released to work or (2) an amount determined to be reasonable by the PHA when the expense is incurred to permit education.

DEPENDENT DEDUCTION: An exemption of $480 for each member of the family residing in the household (other than the head or spouse, live-in aide, foster child) who is under eighteen years of age or who is eighteen years of age or older and disabled, Disabled, or a full-time student.

DISABLED EXPENSES: A deduction of un-reimbursed amounts paid for attendant care or auxiliary apparatus expenses for Disabled family members where such expenses are necessary to permit a family member(s), including the Disabled/disabled member to be employed. In no event may the amount of the deduction exceed the employment income earned by the family member(s) freed to work.

Equipment and auxiliary apparatus may include but are not limited to: wheelchairs, lifts, reading devices for visually Disabled, and equipment added to cars and vans to permit use by the Disabled or disabled family member.

> **FOR NON-ELDERLY FAMILIES AND ELDERLY FAMILIES WITHOUT MEDICAL EXPENSE:** The amount of the deduction equals the cost of all un-reimbursed expenses for Disabled care and equipment less three percent of annual income, provided the amount so calculated does not exceed the employment income earned.
>
> **FOR ELDERLY FAMILIES WITH MEDICAL EXPENSES:** The amount of the deduction equals the cost of all un-reimbursed expenses for Disabled care and equipment less three percent of annual income, (provided the amount does not exceed earnings) plus medical expenses as defined below.
>
> **FOR ELDERLY AND DISABLED FAMILIES ONLY:**
>
> **MEDICAL EXPENSES:** A deduction of un-reimbursed medical expenses, including insurance premiums anticipated for the period for which annual income is computed. Medical expenses include, but are not limited to: services of physicians and other health care professionals, services of health care facilities; insurance premiums, including the cost of Medicare), prescription and non-prescription medicines, transportation to and from treatment, dental expenses, eyeglasses, hearing aids and batteries, attendant care (unrelated to employment of family members), and payments on accumulated medical bills. To be considered by the PHA for the purpose of determining a deduction from the income, the expenses claimed must be verifiable.

FOR ELDERLY FAMILIES WITHOUT DISABLED EXPENSES: The amount of the deduction shall equal total medical expenses less 3% of annual income.

FOR ELDERLY FAMILIES WITH BOTH DISABLED AND MEDICAL EXPENSES: The amount of Disabled assistance is calculated first, then medical expenses are added.

ELDERLY/DISABLED HOUSEHOLD EXEMPTION: An exemption of $400 per household.

II. GLOSSARY OF HOUSING TERMS

ABANDONMENT OF A PUBLIC HOUSING UNIT: without advising PHA Officials so that staff may secure the unit and protect its property from vandalism.

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

ACCESSIBLE FACILITY: All or any portion of a facility other than an individual dwelling unit used by individuals with physical handicaps.

ACCESSIBLE ROUTE: For persons with mobility impairment, a continuous, unobstructed path that complies with space and reaches requirements of the Uniform Federally Accessibility Standards.

Uniform Federal Accessibility Standards (UFAC). For persons with hearing or vision impairments, the route need not comply with requirements specific to mobility.

ADAPTABILITY: Ability to change certain elements in a dwelling unit to accommodate the needs of Disabled and non-Disabled persons or ability to meet the needs of persons with different types and degrees of disability.

ADULT: A human being after an age (as 21) specified by law.

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

ALLOCATION PLAN: The plan submitted by the PHA and approved by HUD under which the PHA is permitted to designate a building, or portion of a building, for occupancy by Elderly Families or Disabled Families.

ANNUAL INCOME AFTER ALLOWANCES: The Annual Income (described above) less the HUD-approved allowances.

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

"AS-PAID" STATES: States where the welfare agency adjusts the shelter and utility component of the welfare grant in accordance with actual housing costs.

ASSETS: (See Net Family Assets.)

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

BEYOND NORMAL WEAR AND TEAR" is defined as items, which could be charged against the resident's security deposit under state law or court practice.

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

COMPLAINANT: Any resident whose grievance is presented to the authority or a site/management office, informally, or as part of the informal hearing process.

COVERED FAMILIES: The statutory term "covered families" designates the universe of families who are required to participate in a welfare agency economic self-sufficiency program and may, therefore, be the subject of a welfare benefit sanction for noncompliance with this obligation. "Covered families" means families who receive welfare assistance or other public assistance benefits from a State or other public agency under a program for which Federal, State, or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for the assistance.

CRIMINAL ACTIVITY: Includes any criminal activity that threatens the health, safety or right to peaceful enjoyment of the resident's public housing premises by other residents or employees of the PHA.

CREDIBLE EVIDENCE: Evidence by a credible source, without 'hearsay'. Standards of proof, beyond reasonable doubt.

DEPENDENT: A member of the family household (excluding foster children) other than the family head or spouse, who is under 18 years of age or is a Disabled Person or Disabled Person, or is a full-time student 18 years of age or older.

DESIGNATED FAMILY: The category of family for whom the PHA elects to designate a project (e.g. elderly family in a project designated for elderly families) in accordance with the 1992 housing Act. (24 CFR 945.105)

DISABILITY: is used where "handicap" was formerly used.

DISABILITY ASSISTANCE EXPENSE: Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and or auxiliary apparatus for a disabled family member and that are necessary to enable a

family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.

DISABLED PERSON: A person who is any of the following:

A person who has a disability as defined in section 223 of the Social Security Act. (42 USC 423).

A person who 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 ability to live independently could be improved by more suitable housing conditions.

A person who has a developmental disability as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7)).

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

DISALLOWANCE: Exclusion from annual income.

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

DISPLACEMENT PREFERENCE: The displacement preference may be defined to include applicants who can document that they have been displaced by a natural disaster declared by the President of the United States, or displaced, or through no fault of their own, by governmental action. If appropriate, the preference can also be expanded to include applicants being displaced by private actions.

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

DRUG: A controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

DRUG-RELATED CRIMINAL ACTIVITY: Term means: is the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute, or us e a controlled substances (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

Drug related criminal activity means on or of the premises, not just on or near the premises.

Drug-trafficking; or

Illegal use, or possession for personal use of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

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

ECONOMIC SELF-SUFFICIENCY PROGRAM: Any program designed to encourage, assist, train, or facilitate the economic independence of assisted families or to provide work for such families. Economic self-sufficiency programs can include job training, employment counseling, work placement, basic skills training, education, English proficiency, Workfare, financial or household management, apprenticeship, any other program necessary to ready a participant to work (such as: substance abuse or mental health treatment. Economic self-sufficiency program includes any work activities as defined in the Social Security Act (42 U.S.C. 607(d)). See the definition of work activities at Sec. 5.603(c). The new definition of the term "economic self-sufficiency program" is used in the following regulatory provisions, pursuant to the Public Housing Reform Act: family income includes welfare benefits reduced because of family failure to comply with welfare agency requirements to participate in an economic self-sufficiency program; and the requirement for public housing residents to participate in an economic self-sufficiency program or other eligible activities.

ELDERLY FAMILY: A family whose head of household, spouse or sole member is at lease 62 years of age, or two or more persons at lease 62 years of age living together, or one or more persons at lease 62 years of age living with one or more live-in aides.

ELDERLY AND DISABLED FAMILY: A family whose head or spouse or whose sole member is at least 62 years, or two or more persons who are at least 62 years of age or a disabled person. It may include two or more elderly, disabled persons living together or one or more such persons living with another person who is determined to be essential to his/her care and well being.

ELDERLY PERSON: A person who is at least 62 years old.

ELEMENTS OF DUE PROCESS: An eviction action or a termination of tenancy in a State or local court in which the following procedural safeguards are required.

- Adequate notice to the resident of the grounds for terminating the tenancy and for eviction;
- Opportunity for the resident to examine all relevant documents, records, and regulations of the Authority prior to the trial for the purpose of preparing a defense;
- Right of the resident to be represented by counsel;
- 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
- A decision on the merits of the case.

ELIGIBLE FAMILY (Family): A family is defined by the PHA in the Admission and Continued Occupancy Plan.

EMANCIPATED MINORS: To release from paternal care and responsibility having full legal rights or capacity.

ENGAGED IN OR ENGAGING: Drug related criminal activity means any act within the past 5 years by applicants or participants, household members, or guests which involved drug-related criminal activity including, without limitation, drug-related criminal activity, possession and/or use of narcotic paraphernalia, which did or did not result in the arrest and/or conviction of the applicant or participant, household members, or guests.

"Engaged in or engaging in or recent history of" criminal activity means any act within the past5 ~~3~~ years by applicants or participants, household members, or guests which involved criminal activity that would threaten the health, safety or right to peaceful enjoyment of the public housing premises by other residents or employees of the PHA, which did or did not result in the arrest and/or conviction of the applicant or participant, household members, or guests.

EXCEPTIONAL MEDICAL OR OTHER EXPENSES: Prior to the regulation change in 1982, this meant medical and/or unusual expenses as defined in Part 889 which exceeded 25% of the Annual Income. It is no longer used.

EXCESSIVE COST BURDEN: Paying more than 50 percent of monthly adjusted income for shelter.

EXCESS MEDICAL EXPENSES: Any medical expenses incurred by elderly families only in excess of 3% of Annual Income which are not reimbursable from any other source.

EXTREMELY LOW-INCOME FAMILY: A family whose income does not exceed 30 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families.

FALSIFYING AN APPLICATION FOR LEASING: including verbalizing or otherwise providing false information about family income and size, using an alias on the application for housing, or making any other material false statement or omission intended to mislead

FAMILY: The applicant must qualify as a family as defined by the PHA. The term “Family” is used interchangeably with “applicant”, “resident”, or “participant” and can refer to a single-person family.

FAMILY OF VETERAN OR SERVICEPERSON: A family is a "family of veteran or serviceperson" when:

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

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

FAMILY SELF-SUFFICIENCY PROGRAM (FSS PROGRAM): The program established by a PHA to promote self-sufficiency of assisted families, including the provision of supportive services.

FLAT RENT: Rent for a public housing dwelling unit that is based on the market rent. The market rent is the rent charged for comparable units in the private, unassisted rental market at which the PHA could lease the public housing unit after preparation for occupancy.

FOSTER CHILDCARE PAYMENT: Payment to eligible households by state, local, or private agencies appointed by the State, to administer payments for the care of foster children.

FULL-TIME STUDENT: A person who is attending school or vocational training on a full-time basis.

GRIEVEANCE: Any dispute which a resident may have with respect to a Housing Authority 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.

GROSSLY UNSANITARY OR HAZARDOUS HOUSEKEEPING: includes the creation of a fire hazard through acts such as hoarding rags, papers, or other materials. It also includes severe damages to premises and equipment, if it is established that the family is responsible for the conditions that may seriously affect neighbors by causing infestation and foul odors. Also included is the depositing garbage in halls or serious neglect of the premises. This category does not include families whose housekeeping is found to be superficially unclean or due to lack of orderliness, where such conditions do not create a problem for neighbors.

GUEST: A person temporarily staying in the unit with the consent of a tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant

HCV: Housing Choice Voucher Program.

HEAD OF HOUSEHOLD: The person who assumes legal and financial responsibility for the household and is listed on the application as head.

HEARING OFFICER/HEARING PANEL: A person or persons selected in accordance with this grievance procedure to hear grievances and render a decision with respect thereto.

HOUSEHOLD: Household (eligible household_ means an elderly or disabled household (as defined in HUD Sec. 891.205 or 891.305, respectively), as applicable, that meets the project occupancy requirements approved by HUD and, if the household occupies an assisted unit, meets the very low-income requirements.

HOUSING AGENCY: A state, country, municipality or other governmental entity or public body authorized to administer the program. The term "HA" includes an Indian housing authority (IHA). ("PHA" and "HA" mean the same thing.)

HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974: The Act in which the U.S. Housing Act of 1937 was recodified, and which added the Section 8 Programs.

HOUSING ASSISTANCE PLAN: A Housing Assistance Plan submitted by a local government participating in the Community Development Block Program as part of the block grant application, in accordance with the requirements of 570.303(c) submitted by a local government not participating in the Community Development Block Grant Program and approved by HUD.

A Housing Assistance Plan meeting the requirements of 570.303(c) submitted by a local government not participating in the Community Development Block Grant Program and approved by HUD.

HOUSING AUTHORITY OF THE CITY AND COUNTY OF SACRAMENTO: is referred to as “PHA” or “Housing Authority” or “HA” or the “Authority”, throughout this document.

HOUSING QUALITY STANDARDS (HQS): The HUD minimum quality standards for housing assisted under the Public Housing and Section 8 programs.

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

HUD REQUIREMENTS: HUD requirements for the Section 8 programs. HUD requirements are issued by HUD headquarters as regulations. Federal Register notices or other binding program directives.

HURRA: The Housing and Urban/Rural Recovery Act of 1983 legislation that resulted in most of the 1984 HUD Regulation changes to the definition of income, allowances, and rent calculations.

IMPUTED ASSET: Asset disposed of for less than Fair Market Value during two years preceding examination or reexamination.

IMPUTED INCOME: HUD passbook rate times the total cash value of assets, when assets exceed $5,000.

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

INCOME: Income from all sources of each member of the household as determined in accordance with criteria established by HUD.

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

INCOME FOR ELIGIBILITY: Gross annual income.

INCOME TARGETING: The HUD admissions requirement that PHAs not admit less than the number required by law of families whose income does not exceed 30% of the area median income in a fiscal year.

INDIAN: Any person recognized as an Indian or Alaska Native by an Indian Tribe, the federal government, or any State.

INDIAN HOUSING AUTHORITY (IHA): A housing agency established either:

By exercise of the power of self-government of an Indian Tribe, independent of State law, or

By operation of State law providing specifically for housing authorities for Indians.

INITATING THREATS: Behaving in a manner, which indicates intent to assault employees or other residents.

INTEREST REDUCTION SUBSIDIES: The monthly payments or discounts made by HUD to reduce the debt service payments and, hence, rents required on Section 236 and 221 (d)(3) BMIR projects. Includes monthly interest reduction payments made to mortgagees of Section 236 projects and front-end loan discounts paid on BMIR projects.

INVOLUNTARILY DISPLACED PERSON: Involuntarily Displaced Applicants are applicants who meet the HUD definition for the local preference, formerly known as a federal preference.

INVOLUNTARY DISPLACEMENT: Applicants who can document that they have been displaced by a natural disaster declared by the President of the United States, or displaced, or through no fault of their own by governmental action. If appropriate, the preference can also be expanded to include applicants being displaced by private actions.

LANDLORD: Either the legal owner of the property, or the owner's representative or managing agent as designated by the owner. Refers to the PHA.

LATE FEE: Charges assessed if monthly rent payments are not paid in full by the first (1st) business day after the fifth(5th) day of each month, in accordance with the Authority's Schedule of Fees and Charges.

LATE RENT: Monthly rent payments not paid in full by the first (1st) business day after the fifth (5th) day of each calendar month.

LEASE: A written agreement between an owner and an eligible family for the leasing of a housing unit.

LIVE-IN AIDE: A person who resides with an elderly person or disabled person and who:Is determined to be essential to the care and well being of the person, and is not obligated for the support of the person, and would not be living in the unit except to provide necessary supportive services.

LOCAL PREFERENCE: A preference used by the PHA to select among applicant families without regard to their date and time of application.

LOW-INCOME FAMILY: A family whose annual income does not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. For admission to the certificate program, HUD may establish income limits higher or lower than 80 percent of the median income for the area on the basis of its finding that such variations are necessary because of the prevailing levels of construction costs or unusually high or low family incomes.

MARKET RENT: The rent HUD authorizes the owner of FHA insured/subsidized multi-family housing to collect from families ineligible for assistance. For unsubsidized units in an FHA-insured multi-family project in which a portion of the total units receive project-based rental assistance, under the Rental Supplement or Section 202/Section 8 Programs, the Market Rate Rent is that rent approved by HUD and is the Contract Rent for a Section 8 Certificate holder. For BMIR units, Market Rent varies by whether the project is a rental or cooperative.

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

MINIMUM RENT: An amount established by the PHA between zero and $50.00.

MINOR: A member of the family household (excluding foster children) other than the family head or spouse who is under 18 years of age.

MONTHLY ADJUSTED INCOME: 1/12 of the Annual Income after Allowances.

MONTHLY INCOME: 1/12 of the Annual Income before allowances.

NEAR-ELDERLY FAMILY: A family whose head, spouse, or sole member is at least 50, but less than 62 years of age. The term includes two or more near-elderly persons living together and one or more such persons living with one or more live-in aides.

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

NONCITIZENS RULE: Refers to the regulation effective June 19, 1995, restricting assistance to U.S. citizens and eligible immigrants.

NON PAYMENT OF RENT: If the monthly rent is not paid by the first (1st) business day after the fifth (5th) day of each calendar month, a fourteen (14) day notice to pay rent or quit and or a three (3) day notice to pay rent or quit running concurrently will be issued.

NON PAYMENT OF RIGHTFUL OBLIGATIONS: Including rent and/or utilities and other charges owed to the PHA.

OCCUPANCY STANDARDS (Now referred to as Subsidy Standards): Standards established by a PHA to determine the appropriate number of bedrooms for families of different sizes and compositions.

OTHER CRIMINAL ACTIVITY: A history of criminal activity involving crimes of actual or threatened violence to persons or property, or a history of other criminal acts, conduct or behavior which would adversely affect the health, safety, or welfare of other residents.

OTHER PERSON UNDER THE TENANT'S CONTROL (COVERED PERSON): The person, although not staying as a guest in the unit is, or was at the time of activity in question, on the premises because of an invitation from the tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant.

PARTICIPANT: A family that has been admitted to the PHA program, and is currently assisted in the program.

PATTERN OF ALCHOL ABUSE: Includes a determination by the PHA that the pattern of alcohol abuse might interfere with the applicant's health, safety or right to peaceful enjoyment of the premises by other residents.

PATTERN OF DRUG USE: Includes a determination by the PHA that the applicant has exhibited a pattern of illegal use of a controlled substance, which might interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

PATTERN OF VIOLENT BEHAVIOR: Includes evidence of repeated acts of violence on the part of an individual, or a pattern of conduct constituting a danger to peaceful occupancy of neighbors.

PERSON WITH DISABILITIES:

1. A person who has a disability, as defined in 42 U. S. C. 423, and is determined, under HUD regulations, to have a physical, mental, or emotional impairment that is expected to be of long-continued and indefinite duration, substantially impedes

the ability to live independently, and is of such a nature that the ability to live independently could be improved by more suitable housing conditions.

2. A person who has a developmental disability as defined in 42 U.S.C. 6001.
3. An "individual with handicaps", as defined in 24 CFR 8.3, for purposes of reasonable accommodation and program accessibility for persons with disabilities
4. Does not exclude persons who have AIDS or conditions arising from AIDS
5. Does not include a person whose disability is based solely on any drug or alcohol dependence (for low income housing eligibility purposes)

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

PREPONDERANCE OF EVIDENCE: Evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. The intent is not to prove criminal liability, but to establish that the act(s) occurred. Preponderance of evidence is not determined by the number of witnesses, but by the greater weight of all evidence.

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

PUBLIC ASSISTANCE: Welfare or other payments to families or individuals based on need, which are made under programs funded, separately or jointly, by Federal, state, or local governments.

PUBLIC HOUSING AGENCY (PHA): A state, county, municipality, or other governmental entity or public body authorized to administer the programs. The term "PHA" includes an Indian housing authority (IHA). ("PHA" and "HA" mean the same thing.)

QUALIFIED FAMILY: A family residing in public housing whose annual income increases as a result of employment of a family member who was unemployed for one or more years previous to employment; or increased earnings by a family member during participation in any economic self-sufficiency or on the job training program; or new employment or increased earnings of a family member, during or within 6 months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the PHA in consultation with the local TANF agency and Welfare to Work programs. TANF includes income and benefits & services such as one time payments, wage subsidies & transportation assistance, as long as the total amount over a 6-month period is at least $500.

QUALITY HOUSING AND WORK RESPONSIBILITY ACT OF 1998: The Act, which amended the U.S. Housing Act of 1937 and is known as the Public Housing Reform Bill.

The Act is directed at revitalizing and improving HUD's Public Housing and Section 8 assistance programs.

RECERTIFICATION: Sometimes called re-examination. The process of securing documentation of total family income used to determine the rent the resident will pay for the next 12 months if no interim changes are reported by the family.

RECORD OF SERIOUS DISTURBANCES OF NEIGHBORS, DESTRUCTION OF PROPERTY OR OTHER DISRUPTIVE OR DANGEROUS BEHAVIOR: Consists of patterns of behavior, which endanger the life, safety, or welfare of other persons by physical violence, gross negligence or irresponsibility. This includes behavior which damages the equipment or premises in which the applicant resides, or which is seriously disturbing to neighbors or disrupts sound family and community life, indicating the applicant's inability to adapt to living in a multi-family setting. This also includes judicial termination of tenancy in previous housing on the grounds of nuisance or objectionable conduct, or frequent loud parties, which have resulted in serious disturbances of neighbors.

REMAINING MEMBER OF RESIDENT FAMILY: Person left in assisted housing after other family members have left and become unassisted.

RESIDENCY PREFERENCE: A local preference for admission of persons who reside in a specified geographic area.

RESIDENT: Refers to participants in terms of their relation as a lessee to the PHA as the landlord. A lessee or the remaining head of household of any resident family residing in housing accommodations owned or leased by the PHA.

RESPONSIBLE ENTITY: For the public housing, Section 8 tenant-based assistance, project-based certificate assistance and moderate rehabilitation program, the responsible entity means the PHA administering the program under an ACC with HUD. For all other Section 8 programs, the responsible entity means the Section 8 owner.

SECRETARY: The Secretary of Housing and Urban Development.

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

SELF CERTIFICATION: A notarized statement or affidavit statement under penalty of perjury

SERVICE PERSON: A person in the active military or naval service (including the active reserve) of the United States.

SINGLE PERSON: A person living alone or intending to live alone who is not disabled, elderly, or displaced, or the remaining member of a resident family.

SPECIFIED WELFARE BENEFIT REDUCTION: Those reductions of welfare agency benefits (for a covered family) that may not result in a reduction of the family rental contribution. "Specified welfare benefit reduction" means a reduction of welfare benefits by the welfare agency, in whole or in part, for a family member, as determined by the

welfare agency, because of fraud by a family member in connection with the welfare program; or because of welfare agency sanction against a family member for noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

SPOUSE: Spouse refers to the marriage partner, either a husband or wife, who is someone you need to divorce in order to dissolve the relationship. It includes the partner in a common-law marriage.

SUBSIDIZED PROJECT: A multi-family housing project (with the exception of a project owned by a cooperative housing mortgage corporation or association) which receives the benefit of subsidy in the form of:

> Below-market interest rates pursuant to Section 221(d)(3) and (5) or interest reduction payments pursuant to Section 236 of the National Housing Act; or
>
> Rent supplement payments under Section 101 of the Housing and Urban Development Act of 1965; or
>
> Direct loans pursuant to Section 202 of the Housing Act of 1959; or
>
> Payments under the Section 23 Housing Assistance Payments Program pursuant to Section 23 of the United States Housing Act of 1937 prior to amendment by the Housing and Community Development Act of 1974;
>
> Payments under the Section 8 Housing Assistance Payments Program pursuant to Section 8 of the United States Housing Act after amendment by the Housing and Community Development Act unless the project is owned by a Public Housing Agency; a Public Housing Project.

SUBSIDY STANDARDS: Standards established by a PHA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

TENANT (Synonymous with resident): The person or person's who executes the lease as lessee of the dwelling unit.

TENANT RENT: The amount payable monthly by the family as rent to the PHA.

TOTAL TENANT PAYMENT (TTP): The total amount the HUD rent formula requires the tenant to pay toward rent and utilities.

UPCS: UNIFORM PHYSICAL CONDITION STANDARDS

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

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

UTILITY ALLOWANCE: The PHA's estimate of the average monthly utility bills for an energy-conscious household. If all utilities are included in the rent, there is no utility allowance. The utility allowance will vary by unit size and type of utilities.

UTILITY REIMBURSEMENT PAYMENT: The amount, if any, by which the Utility Allowance for the unit, if applicable, exceeds the Total Tenant Payment for the family occupying the unit.

VERY LARGE LOWER-INCOME FAMILY: Prior to the change in the 1982 regulations this was described as a lower-income family which included eight or more minors. This term is no longer used.

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

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

VIOLENT CRIMINAL ACTIVITY: Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

WAIT POOL: A list of families organized, according to application receipt, date and time, that are in the process of being determined eligible for subsidy.

WAITING LIST: A list of families organized according to HUD regulations and PHA policy that are waiting for subsidy to become available.

WELFARE ASSISTANCE: Welfare or other payments to families or individuals, based on need, that are made under programs funded, separately or jointly, by Federal, state, or local governments. **"**Welfare assistance" means income assistance from Federal or State welfare programs, and includes only cash maintenance payments designed to meet a family's ongoing basic needs. The definition borrows from the Department of Health and Human Services' TANF definition of "assistance" and excludes nonrecurring short-term benefits designed to address individual crisis situations. For FSS purposes, the following do not constitute welfare assistance: food stamps; emergency rental and utilities assistance; and SSI, SSDI, and Social Security.

III. GLOSSARY OF TERMS USED IN THE NON-CITIZENS RULE

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

CITIZEN: A citizen or national of the United States.

EVIDENCE: Evidence of citizenship or eligible immigration status means the documents, which must be submitted to evidence citizenship or eligible immigration status.

PHA (A Housing Authority): Either a public housing agency or an Indian housing authority or both.

HEAD OF HOUSEHOLD: The adult member of the family who is the head of the household for purpose of determining income eligibility and rent.

HUD: Department of Housing and Urban Development.

INS: The U.S. Immigration and Naturalization Service.

MIXED FAMILY: A family whose members include those with citizenship or eligible immigration status and those without citizenship or eligible immigration status.

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

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

PHA: A housing authority who operates Public Housing.

RESPONSIBLE ENTITY: The person or entity responsible for administering the restrictions on providing assistance to non-citizens with ineligible immigration status (the PHA).

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

SPOUSE: Spouse refers to the marriage partner, either a husband or wife, who is someone you need to divorce in order to dissolve the relationship. It includes the partner in a common-law marriage. It does not cover boyfriends, girlfriends, significant others, or "co-heads." "Co-head" is a term recognized by some HUD programs, but not by public and Indian housing programs.

CHAPTER 17

PROGRAM INTEGRITY ADDENDUM

INTRODUCTION

The US Department of HUD conservatively estimates that 200 million dollars is paid annually to program participants who falsify or omit material facts in order to gain more rental subsidy than they are entitled to under the law. HUD further estimates that twelve (12) percent of all HUD-assisted families are either totally ineligible, or are receiving benefits that exceed their legal entitlement. The PHA is committed to assure that the proper level of benefits is paid to all residents, and that housing resources reach only income-eligible families so that program integrity is maintained.

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

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

A. CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD

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

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

> **REFERRALS, COMPLAINTS, OR TIPS:** The PHA will follow up on referrals from other agencies, companies or persons which are received by mail, by telephone or in person, which allege that a resident family is in non-compliance with, or otherwise violating the lease or the program rules. Such follow-up will be made providing that the referral contains at least one item of information that is independently verifiable. A copy of the allegation will be retained in the resident file.
>
> **INTERNAL FILE REVIEW:** A follow-up will be made if PHA staff discovers (as a function of a [re]certification, an interim redetermination, or a quality control review), information or facts which conflict with previous file data, the PHA's knowledge of the family, or is discrepant with statements made by the family.

VERIFICATION OR DOCUMENTATION: A follow-up will be made if the PHA receives independent verification or documentation which conflicts with representations in the resident file (such as public record information or credit bureau reports, reports from other agencies).

B. STEPS THE PHA WILL TAKE TO PREVENT PROGRAM ABUSE AND FRAUD

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

THINGS YOU SHOULD KNOW: This program integrity bulletin (created by HUD's Inspector General) will be furnished and explained to all applicants to promote understanding of program rules, and to clarify the PHA's expectations for cooperation and compliance.

PROGRAM ORIENTATION SESSION: Mandatory orientation sessions will be conducted by the Housing Manager/Property Agent for all prospective residents either prior to or upon execution of the lease. At the conclusion of all Program Orientation Sessions, the family representative will be required to sign a "Program Briefing Certificate" to confirm that all rules and pertinent regulations were explained to them.

RESIDENT COUNSELING: The PHA will routinely provide resident counseling as a part of every recertification interview in order to clarify any confusion pertaining to program rules and requirements.

REVIEW AND EXPLANATION OF FORMS: Staff will explain all required forms and review the contents of all (re)certification documents prior to signature.

USE OF INSTRUCTIVE SIGNS AND WARNINGS: Instructive signs will be conspicuously posted in common areas and interview areas to reinforce compliance with program rules and to warn about penalties for fraud and abuse

TENANT CERTIFICATION: All family representatives will be required to sign a "Tenant Certification" form, as contained in HUD's Tenant Integrity Program Manual.

C. STEPS THE PHA WILL TAKE TO DETECT PROGRAM ABUSE AND FRAUD

The PHA Staff will maintain a high level of awareness to indicators of possible abuse and fraud by assisted families.

QUALITY CONTROL FILE REVIEWS: Prior to initial certification, and at the completion of all subsequent recertifications, each resident file will be reviewed. Such reviews shall include, but are not limited to:

- Changes in reported Social Security Numbers or dates of birth.
- Authenticity of file Documents.
- Ratio between reported income and expenses
- Review of signatures for consistency with previously signed file documents.

OBSERVATION: The PHA Management and Occupancy Staff (to include maintenance personnel) will maintain high awareness of circumstances that may indicate program abuse or fraud, such as unauthorized persons residing in the household and unreported income.

PUBLIC RECORD BULLETINS: May be reviewed by Management and Staff.

STATE WAGE DATA RECORD KEEPERS: Inquiries to State Wage and Employment record keeping agencies as authorized under Public Law 100-628, the Stewart B. McKinley Homeless Assistance Amendments Act of 1988, may be made annually in order to detect unreported wages or unemployment compensation benefits

CREDIT BUREAU INQUIRIES: Credit Bureau inquiries may be made (with proper authorization by the resident) in the following circumstances:

At the time of final eligibility determination

When an allegation is received by the PHA wherein unreported income sources are disclosed.

When a resident's expenditures exceed his/her reported income, and no plausible explanation is given.

D. THE PHA'S HANDLING OF ALLEGATIONS OF POSSIBLE ABUSE AND FRAUD

The PHA staff will encourage all resident families to report suspected abuse to the Housing Authority Supervisor**.** All such referrals, as well as referrals from community members and other agencies, will be thoroughly documented and placed in the resident file. All allegations, complaints and tips will be carefully evaluated in order to determine if they warrant follow-up. The Housing Authority Supervisor will not follow up on allegations that are vague or otherwise non-specific. The will only review allegations which contain one or more independently verifiable facts.

FILE REVIEW: An internal file review will be conducted to determine:

If the subject of the allegation is a resident of the PHA and, if so, to determine whether or not the family has previously disclosed the information reported.

It will then be determined if the PHA is the most appropriate authority to do a follow-up (more so than police or social services). Any file documentation of past behavior as well as corroborating complaints will be evaluated.

CONCLUSION OF PRELIMINARY REVIEW: If at the conclusion of the preliminary file review there is/are fact(s) contained in the allegation which conflict with file data, and the fact(s) are independently verifiable, the Housing Authority Supervisor will initiate an investigation to determine if the allegation is true or false.

E. HOW THE PHA WILL INVESTIGATE ALLEGATIONS OF ABUSE AND FRAUD

If the PHA determines that an allegation or referral warrants follow-up, either the staff person who is responsible for the file or a person designated by the Executive Director to monitor the program compliance will conduct the investigation. The steps taken will depend upon the nature of the allegation and may include, but are not limited to, the items listed below. In all cases, the PHA will secure the written authorization from the program participant for the release of information.

CREDIT BUREAU INQUIRIES: In cases involving previously unreported income sources, a CBI inquiry may be made to determine if there is financial activity that conflicts with the reported income of the family.

VERIFICATION OF CREDIT: In cases where the financial activity conflicts with file data, a Verification of Credit form may be mailed to the creditor in order to determine the unreported income source.

EMPLOYERS AND EX-EMPLOYERS: Employers or ex-employers may be contacted to verify wages that may have been previously undisclosed or misreported.

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

OTHER AGENCIES: Investigators, caseworkers or representatives of other benefit agencies may be contacted.

PUBLIC RECORDS: If relevant, the PHA will review public records kept in any jurisdictional courthouse. Examples of public records which may be checked are: real estate, marriage, divorce, uniform commercial code financing statements, voter registration, judgments, court or police records, state wage records, utility records and postal records.

INTERVIEWS WITH HEAD OF HOUSEHOLD OR FAMILY MEMBERS: The PHA will discuss the allegation (or details thereof) with the Head of Household or family member by scheduling an appointment at the appropriate PHA office. The PHA Staff Person who conducts such interviews will maintain a high standard of courtesy and professionalism. Under no circumstances will the management tolerate inflammatory language, accusation, or any unprofessional conduct or language. If possible, an additional staff person will attend such interviews.

F. PLACEMENT OF DOCUMENTS, EVIDENCE AND STATEMENTS OBTAINED BY THE PHA

Documents and other evidence obtained by the PHA during the course of an investigation will be considered "work product" and will either be kept in the resident file, or in a separate "work file." In either case, the resident file or work file shall be kept in a locked file cabinet. Such cases under review will not be discussed among PHA Staff unless they are involved in the process, or have information that may assist in the investigation.

G. CONCLUSION OF THE PHA'S INVESTIGATIVE REVIEW

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

H. Evaluation of the Findings

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

- The type of violation. (Procedural, non-compliance, fraud.)
- Whether the violation was intentional or unintentional.
- The amount of money (if any) is owed by the resident.
- Is the family eligible for continued occupancy?

I. ACTION PROCEDURES FOR VIOLATIONS WHICH HAVE BEEN DOCUMENTED

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

PROCEDURAL NON-COMPLIANCE

This category applies when the resident "fails to" observe a procedure or requirement of the PHA, but does not misrepresent a material fact, and there is no retroactive rent owed by the family. Examples of non-compliance violations are:

Failure to appear at a pre-scheduled appointment.

Failure to return verification in time period specified by the PHA.

Warning Notice to the Family: In such cases a notice will be sent to the family, which contains the following:

- A description of the non-compliance and the procedure, policy or obligation which was violated.
- The date by which the violation must be corrected, or the procedure complied with.
- The action, which will be taken by the PHA if the procedure or obligation is not complied with by the date specified by the PHA.
- The consequences of repeated (similar) violations.

PROCEDURAL NON-COMPLIANCE - RETROACTIVE RENT

When the resident owes money to the PHA for failure to report changes in income or assets, the PHA will issue a Notification of Underpaid Rent. This Notice will contain the following:

- A description of the violation and the date(s).
- Any amounts owed to the PHA.
- A 10 day response period.
- The right to disagree and to request an informal hearing with instructions for the request of such hearing.

RESIDENT FAILS TO COMPLY WITH PHA'S NOTICE: If the resident fails to comply with the PHA's notice, and a material provision of the lease has been violated, the PHA will initiate termination of tenancy.

RESIDENT COMPLIES WITH PHA'S NOTICE: When a resident complies with the PHA's notice, the staff person responsible will meet with him/her to discuss and explain the obligation or lease provision which was violated. The staff person will complete a Resident Counseling Report, give one copy to the family and retain a copy in the resident file.

INTENTIONAL MISREPRESENTATIONS

When a resident falsifies, misstates, omits or otherwise misrepresents a material fact which results (or would have resulted) in an underpayment of rent by the resident, the PHA will evaluate whether or not:

- The resident had knowledge that his/her actions were wrong, and
- That the resident willfully violated the lease or the law.

KNOWLEDGE THAT THE ACTION OR INACTION WAS WRONG: This will be evaluated by determining if the resident was made aware of program requirements and prohibitions. The resident's signature on various certifications, briefing certificate, Personal Declaration and *Things You Should Know* are adequate to establish knowledge of wrongdoing.

THE RESIDENT WILLFULLY VIOLATED THE LAW: Any of the following circumstances will be considered adequate to demonstrate willful intent:

- An admission by the resident of the misrepresentation.
- That the act was done repeatedly.
- If a false name or Social Security Number was used.
- If there were admissions to others of the illegal action or omission.
- That the resident omitted material facts, which were known to them (e.g., employment of self or other household member).
- That the resident falsified, forged or altered documents.
- That the resident uttered and certified to statements at a rent (re) determination which were later independently verified to be false.

THE RESIDENT HEARING FOR SERIOUS VIOLATIONS AND MISREPRESENTATIONS

When the PHA has established that material misrepresentation(s) have occurred, a ***Resident Hearing*** will be scheduled with the family representative and the PHA staff person who is most knowledgeable about the circumstances of the case.

This hearing will take place prior to any proposed action by the PHA. The purpose of such hearing is to review the information and evidence obtained by the PHA with the resident, and to provide the resident an opportunity to explain any document findings which conflict with representations in the resident file. The PHA will take any documents or mitigating circumstances presented by the resident into consideration. The resident will be given 10 days to furnish any mitigating evidence.

A secondary purpose of the Resident Hearing is to assist the PHA in determining the course of action most appropriate for the case. Prior to the final determination of the proposed action, the PHA will consider:

- The duration of the violation and number of false statements.
- The resident's ability to understand the rules.
- The resident's willingness to cooperate, and to accept responsibility for his/her actions
- The amount of money involved.
- The resident's past history
- Whether or not criminal intent has been established
- The number of false statements

DISPOSITIONS OF CASES INVOLVING MISREPRESENTATIONS

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

CRIMINAL PROSECUTION: If the PHA has established criminal intent, and the case meets the criteria for prosecution, the PHA may:

- Terminate tenancy
- Refer the case to the local State or District Attorney, notify HUD's RIGI, and terminate rental assistance.

ADMINISTRATIVE REMEDIES: The PHA may:

- Terminate tenancy and demand payment of restitution in full.
- Terminate tenancy and pursue restitution through civil litigation.
- Permit continued occupancy at the correct rent and execute a repayment agreement in accordance with the PHA's repayment policy.

Notification to Resident of Proposed Action

The PHA will notify the resident of the proposed action no later than 10 days after the resident hearing by certified mail.

CODE OF CONDUCT

The Housing Authority of the City and County of Sacramento strives to conduct business in accordance with core values and ethical standards. Professional conduct, ethical practices and adherence to all laws, regulations, and government codes are expected by all employees at all times. To ensure compliance with these standards, the following policies have been established:

PROHIBITED ACTIVITIES:

1. Employees shall not engage in any employment, activity, or enterprise for compensation, which is inconsistent, incompatible, in conflict with, or inimical to his or her duties, functions, or responsibilities in a position with the Housing Authority. Employees shall not perform any work, service or counsel for compensation outside of the agency where any part of his/her efforts will be subject to approval by any other officer, employee, board, or commission of this Housing Authority.

2. Prohibited activities shall include but not be limited to:

    a. Acceptance of money or other consideration from anyone other than the Housing Authority for the performance of duties required or expected of him/her in the regular course of Housing Authority employment.

    b. Performance of an act in other than his/her capacity as an officer or employee which act may later be subject directly or indirectly to the control, inspection, review, audit, or enforcement of any other officer or employee of the Housing Authority.

    c. Any act wherein time demands would render performance of his or her duties as an officer or employee less efficient and productive.

    d. Embezzlement and falsification of accounts as defined in the California Penal Code.

CONFLICT OF INTEREST POLICY

1. To avoid potential conflicts of interest, or the appearance of such, it is the policy of this Housing Authority that:

    A. No employee shall enter into any agreement, written or unwritten, without prior approval from the Executive Director or his designee, that involves any direct payment or other form of compensation as a result of any program administered by this Housing Authority, either directly or indirectly, through agreements with other parties.

B. No employee, officer, or agent of the Housing Authority shall participate directly or indirectly in the selection, award or administration of any contract if a conflict, real or apparent, would be involved. Such conflict would arise when a in the execution of a contract or in Housing Authority program participation is held by:

(1) An employee, officer, or agent involved in making the award;
(2) The relative of such a person (including, but not limited to, father, other, Son, daughter, brother, sister, uncle, aunt, first cousin, father-in-law, mother in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, or half sister);
(3) The partner of such a person; or,
(4) An organization which employs, is negotiating to employ, or has an arrangement concerning prospective employment of any of the above.

THE CONSEQUENCES OF RULE VIOLATIONS:

Any violation of prohibited activities shall be handled as for the acts set out under Section 2.I. (3) of the agency's personnel policies on Discipline, Dismissal, and Review.

HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO CALIFORNIA

HOUSING CHOICE VOUCHER PROGRAM

ADMINISTRATIVE PLAN 2009

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Chapter 1

STATEMENT OF POLICIES AND OBJECTIVES

INTRODUCTION

The U.S. Housing Act of 1937 authorized local Public Housing Agencies (Public Housing Authorities / PHAs) to be established by individual states. The Sacramento City and County PHA's are programs administered by the Sacramento Housing and Redevelopment Agency (SHRA). The current Housing Choice Voucher (HCV) program evolved from various acts, amendments and rules. The most recent changes are the Quality Housing and Work Responsibility Act of 1998 (QHWRA) and the 1999 Housing and Urban Development (HUD) rule that provided for the merger of the certificate and voucher programs into one housing choice voucher program. This administrative plan clarifies PHA policies to facilitate the operation of the Housing Choice Voucher Program.

Administration of the Housing Choice Voucher program and the functions and responsibilities of the PHA staff shall be in compliance with the PHA's personnel policy, HUD regulations, and all Federal, State and local Fair Housing laws and regulations.

A. HOUSING CHOICE VOUCHER PROGRAM MISSION STATEMENT

The mission of the HCV Program to promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination.

We will perform our mission with:

- Dignity - allowing each applicant and participant a sense of esteem;
- Fairness - remaining objective at all times, remembering that there are two sides to every story;
- Respect - treating others as we would like to be treated, in a non-judgmental manner;
- Sensitivity - demonstrating empathy by ensuring that program information provided is complete and accurate.

B. LOCAL OBJECTIVES

The Housing Choice Voucher program is designed to achieve these major objectives:

- To provide access to decent, safe, and sanitary housing for very low-income families while maintaining their rent payments at a fair and affordable level.

- To promote fair housing and the opportunity for very low-income families of all ethnic backgrounds to have access to the widest possible choice of housing to meet their housing needs;

- To encourage self-sufficiency of participant families and assist in the identification of opportunities which address educational and socio-economic needs;

- To ensure that all units meet Housing Quality Standards;

- To administer an efficient, high-performing Authority through continuous improvement of the PHA's support systems and commitment to our employees, their development, and the maintenance of high standards and professionalism;

- To administer a housing program which provides an incentive to private property owners to rent to very low-income families;

- To expand affordable housing opportunities in areas outside of a high concentration of poverty;

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

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

- To promote a safe environment by denying initial or continued assistance to applicants who have demonstrated a history of violent criminal or drug related activity.

C. PURPOSE OF THE PLAN

The purpose of this Administrative Plan is to establish guidelines for the Public Housing Authority staff to follow in determining eligibility for admission and continued occupancy. These policies are governed by the requirements of the Department of Housing and Urban Development with latitude for local policies and procedures. These policies and procedures for admissions and continued occupancy are binding upon applicants, participants, and the PHA.

The PHA is responsible for complying with all changes in HUD regulations pertaining to these programs. If any changes conflict with this Administrative Plan, HUD regulations will have precedence.

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 the

Housing Choice Voucher program which are not addressed in this document are governed by such Federal regulations, HUD memos, notices, policies, or other applicable law.

The PHA Board of Commissioners will approve any significant amendment to this Administrative Plan.

Significant amendment to the Administrative Plan is defined in the 2005 PHA Annual Plan

D. FAIR HOUSING POLICY

It is the policy of the Public Housing Authority to comply fully with all Federal, State, and local nondiscrimination laws and with the rules and regulations governing fair housing and equal opportunity in housing and employment.

The PHA shall not deny any family or individual the opportunity to apply for or receive assistance under the Housing Choice Voucher programs on the basis of race, color, sex, religion, creed, national or ethnic origin, age, familial or marital status, disability or sexual orientation.

To further its commitment to full compliance with applicable civil rights laws, the PHA will provide Federal/State/local information to voucher holders regarding discrimination and any recourse available to them should they be victims of discrimination. Such information will be made available during the family briefing session and placed in their briefing packet.

Except as otherwise provided in 24 CFR 8.21(c)(1), 8.24(a), 8.25, and 8.31, no individual with disabilities shall be denied the benefits of, be excluded from participation in, or otherwise be subjected to discrimination because the PHA's facilities are inaccessible to or unusable by persons with disabilities.

Posters and housing information are displayed in locations throughout the PHA's offices in such a manner as to be easily readable from a wheelchair.

The office of the Housing Choice Voucher & Application Division is accessible to persons with disabilities. Accessibility for the hearing impaired is provided by a TTD/TDY telephone service provider.

The Public Housing Authority will provide and review information regarding fair housing rights and responsibilities during family briefing sessions.

E. REASONABLE ACCOMMODATIONS POLICY

This policy is applicable to all situations described in this Administrative Plan, including but not limited to when a family initiates contact with the PHA, when the PHA initiates contact with a family, including when a family applies, and when the PHA schedules or reschedules appointments.

An applicant or a participant with a disability must first request an accommodation for the disability before the PHA will deviate from standard practice. Most requests will be reviewed by a Reasonable Accommodation Committee.

The PHA's policies and practices are intended to afford persons with disabilities equal opportunity to obtain the same result, to gain the same benefit or to reach the same level of achievement, as those who do not have disabilities and is applicable to all situations described in this Administrative Plan. To request a reasonable accommodation due to a disability, an applicant or participant must qualify under the following Americans with Disabilities Act (ADA) definition of disability:

- Have a physical or mental impairment that substantially limits one or more of the major life activities of an individual;
- Have a record of such impairment; or,
- Be regarded as having such impairment.

The PHA will fully comply with the obligations found in HUD Notice PIH 2006-13 (HA) [Accessibility Notice: Section 504 of the Rehabilitation Act of 1973; the American with Disabilities Act of 1990; the Architectural Barriers Act of 1968 and the Fair Housing Act of 1988].

As referenced in 24 CFR 9.103, "(2) The term ``individual with disabilities" does not include: An individual who is currently engaging in the illegal use of drugs…[t]his exclusion, however, does not exclude an individual [whose drug use is their only disability] with disabilities who-- (A) Has successfully completed a supervised drug rehabilitation program, and is no longer engaging in the illegal use of drugs, or has otherwise been rehabilitated successfully, and is no longer engaging in such use; (B) Is participating in a supervised rehabilitation program, and is no longer engaging in such use"."

Methods Used to Certify a Person with a Disability and the Need for a Reasonable Accommodation

To verify that an applicant is a person with a disability, PHA staff will first check to see whether the applicant is under the age 62 and receives either Social Security or SSI disability income.

Some applicants or tenants may be persons with disabilities even though they do not have such income. In these cases, a verification form will be sent to a qualified professional having knowledge of the person's disability who can verify the person's status.

The PHA staff will work with the individual client to determine the least intrusive or restrictive means for certifying a disability.

Once the individual's disabled status is established, a professional third-party, competent to make an assessment, must provide written verification that the specific accommodation is due to the disability and the specific change is required for equal access to the housing program.

In order to appropriately review some requests (such as when a family requests an additional bedroom for medical equipment) a home visit may be conducted by the PHA. The PHA will provide a written decision to the person requesting the accommodation within a reasonable time. When the request for accommodation is denied, the denial letter will indicate that the applicant may contact staff to discuss alternative modifications. Additionally, the applicant may submit another request for accommodation at any time. If a person is denied the accommodation or feels that the alternative suggestions are inadequate, they may request an informal hearing to review the PHA's decision.

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

Reasonable accommodations will be made for persons requesting PHA mailings be available in an accessible format.

Undue Hardship

Requests for reasonable accommodation from persons with disabilities will be granted upon verification that they meet the need, and do not create an undue financial or administrative burden. The PHA may deny the request and/or present an alternate accommodation that will still meet the need of the person.

An undue administrative burden is one that requires a fundamental alteration of the essential functions of the PHA or when considering the available resources of the Agency the requested accommodation would pose a severe financial hardship on the PHA.

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

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

F. FAMILY OUTREACH

The PHA will publicize and disseminate information to make known the availability of housing assistance and related services for low-income families on a regular basis, when appropriate. When the PHA's waiting list is opened, the PHA will publicize the availability and nature of housing assistance for low-income families in newspapers of general circulation, minority media, and by other suitable means.

To reach persons who do not have access to newspapers, the PHA will distribute fact sheets to the broadcasting media, and initiate personal contacts with members of the news media and community service personnel. The PHA may also utilize public service announcements.

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

G. PRIVACY RIGHTS

Applicants and participants, including all adults in their households, are required to sign the HUD 9886 Authorization for Release of Information. This document incorporates the Federal Privacy Act Statement and describes the conditions under which HUD / PHA will release family information. The PHA's policy regarding release of information is in accordance with State and local laws that may restrict the release of family information.

The PHA will maintain all accommodation records in a confidential manner. Under Federal privacy laws, a PHA is required to keep confidential any personal information about an applicant or tenant, obtained in a confidential manner or from a confidential source.

The PHA adheres to the following practices and procedures that are designed to safeguard the privacy of applicants and program participants:

- All applicant and participant files will be stored in a secure location, which is only accessible by authorized staff.
- Files will never be left unattended in common areas.
- PHA staff will not discuss family information contained in files unless there is a business reason to do so.
- Staff persons will be required to disclose whether they have relatives living in PHA housing or receiving assistance from PHA housing programs.

H. OWNER OUTREACH

The PHA encourages owners of decent, safe and sanitary housing units to lease to Housing Choice Voucher families. The PHA maintains lists of units available, by bedroom size, and updates the lists at least every two weeks. New listings received from owners will be compiled according to bedroom size.

The Public Housing Authority will maintain lists of available housing submitted by owners in all neighborhoods within the PHA's jurisdiction to ensure greater mobility and housing choice to very low-income households. The lists of units will be available in the lobby, provided at the front desk, mailed on request and provided at briefings. This information may also be available on the Agency website.

The staff of the PHA responds to and initiates personal contact with private property owners and managers by conducting meetings, formal and informal discussions. Printed material is offered to acquaint owners and managers with the opportunities available under the program. The PHA may also actively participate in a community-based organization(s) comprised of owners and managers of single family and multi-family rental units.

The PHA encourages program participation by owners of units located outside areas of poverty or minority concentration. The PHA may periodically evaluate the demographic distribution of assisted families to identify these areas. The purpose of these activities is to provide choices and better housing opportunities to families. Voucher holders are informed of areas where they may lease units inside the PHA's jurisdiction. They are given a list of owners or other parties who lease units or help families who desire to live outside areas of poverty or minority concentration. The PHA periodically requests the HUD Field Office to furnish a list of HUD-held, tax credits and HOME properties available for rent.

I. MANAGEMENT ASSESSMENT OBJECTIVES

The PHA operates its housing assistance programs with efficiency and can demonstrate to HUD auditors that the PHA is using its resources in a manner that reflects its commitment to quality and service. The PHA policies and practices are consistent with the goals and objectives of the following HUD SEMAP indicators:

1. Selection from the Waiting List
2. Reasonable Rent
3. Determination of Adjusted Income
4. Utility Allowance Schedule
5. HQS Quality Control Inspections
6. HQS Enforcement

7. Expanding Housing Opportunities
8. FMR / exception rent & Payment Standards
9. Annual Reexaminations
10. Correct Tenant Rent Calculations
11. Pre-Contract HQS Inspections
12. Annual HQS Inspections
13. Lease-up
14. Family Self-Sufficiency Enrollment
    14a. Percent of FSS Participants with Escrow Account Balances
15. Bonus Indicator (Deconcentration)

Quality control reviews will be performed by a PHA Supervisor or other qualified person (other than the person who performed the work), as required by HUD, on the following SEMAP factors:

- Selection from the waiting list
- Rent reasonableness
- Determination of adjusted income
- HQS enforcement
- HQS quality control

Samples of files and records will be drawn in an unbiased manner, leaving a clear audit trail. The minimum sample size for review will relate directly to each factor.

J. RECORDS FOR MONITORING PHA PERFORMANCE

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

The PHA acknowledges that its performance ratings are important to sustain its capacity to maintain flexibility and authority. The PHA intends to diligently manage its current program operations and continuously make efforts to be in full compliance with Housing Choice Voucher / Section Eight Management Assessment Program (SEMAP). The policies and procedures of this program are established so the SEMAP standards are demonstrated and can be objectively reviewed by an auditor whose purpose is to evaluate performance.

K. LANGUAGE ASSISTANCE FOR LIMITED ENGLISH PROFICIENCY (LEP) PERSONS

It is the goal of the Housing Authority to be accessible to all residents of its jurisdiction, regardless of race, color, or national origin. Therefore, we will endeavor to provide all families the same high quality customer service no matter what language they speak. In order to serve limited English proficiency (LEP) families, the Housing Authority is implementing the following activities:

1) When the adult members of the family are LEP, staff will show them the *Language Identification Flashcard*, created by the Census Bureau, so the family can identify the language they speak. The Housing Authority has identified staff who Sign American Language, speak Chinese and Spanish to assist clients with these languages. For other languages, an interpreter will be called to assist the staff person in serving the family.
2) The primary language of all LEP families will be identified on the computer, and in their file so appropriate resources can be identified in advance of the family's needing assistance with an appointment.
3) When the number of families speaking one non-English language exceeds 5% of the number of program participants, the Housing Authority will translate "important" documents into this language. "Important" is defined as those documents addressing safety, participant rights, participant obligations, or communication regarding the loss of housing (i.e., eviction or termination of the voucher).
4) When the number of families speaking one non-English language exceeds 5% of the number of program participants, the Housing Authority will actively recruit staff that speak, read and write this language.
5) The Housing Authority will post signs in public spaces, in languages known to be spoken by LEP families involved with the Agency, telling them that help is available in their primary language.
6) The Housing Authority will provide training to current and new staff, on an annual basis, about the resources available for LEP families and how to utilize these resources for participating families.
7) When at least 5% of the population of Sacramento County speak a non-English language, the Housing Authority will ensure that any outreach to the general community (i.e. when a waiting list opens) is done in those languages, in both written and verbal media.

Translation of Documents

In determining whether or not, it is reasonable to translate documents into other languages; the PHA will consider the following factors:

- Number of families in Sacramento County who do not speak English, and speak the other language.

- Evaluation of the need for translation by bi-lingual staff, and by agencies that work with the LEP speaking participants.

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

Chapter 2

ELIGIBILITY FOR ADMISSION

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

INTRODUCTION

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

A. FACTORS AFFECTING ADMISSION [982.201(b)]

The PHA accepts applications only from families whose head or spouse is at least eighteen years of age or an emancipated minor under State law.

To be eligible for participation, an applicant must meet HUD's criteria, as well as any additional criteria established by the PHA. Eligibility factors will be verified before the family is issued a voucher.

HUD Factors:

The HUD eligibility criteria are:

- An applicant must be a "family" at admission, as defined in Section B, “Definition of Family”.
- An applicant family must be within the appropriate income limits
- An applicant family must furnish Social Security numbers for all family members age one and older.
- An applicant family must furnish declaration of citizenship or eligible immigrant status and verification where required.
- An applicant family will not be admitted to the program if any member of the family has been evicted from federally assisted housing for serious violation of the lease within the past five years. (Except as referenced in Chapter 15, Section B of this Administrative Plan)

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

- The applicant family must not be in debt to any federally assisted housing program. The PHA may allow for the family to participant in the Housing Choice Voucher Program if they are in good standing regarding any current payment agreement made with another PHA for a debt incurred.

- The PHA will permanently deny admission to sex offenders who are subject to a lifetime registration requirement under a state sex offender registration program.

Reasons for denial of admission are addressed in the "Denial or Termination of Assistance", Chapter 15 of this Administrative Plan. These reasons for denial constitute additional admission criteria.

PHA Factors:

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

- The applicant family must not have violated any family obligation during a previous participation in a federally assisted housing program for five years prior to final eligibility determination. The PHA may make an exception, if the family member who violated the family obligation is not a current member of the household. The PHA may request the family to provide verifiable documentation.

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

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

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

- Any applicant who is a current or former conventional public housing resident with SHRA must pay all debts to SHRA before a voucher may be issued.

- All applicants to the HCV program must be in “Good Standing”. Please see the glossary for a definition of “Good Standing”

- If a family incurred a debt to SHRA, and has the debt discharged through bankruptcy court, the PHA cannot require them to repay the debt, nor can the PHA deny future benefits because of the bankruptcy filing or insolvency.

Reasons for denial of admission are addressed in the "Denial or Termination of Assistance", Chapter 15 of this Administrative Plan. These reasons for denial constitute additional admission criteria.

Eligibility factors will be verified before the family is admitted to the program.

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

Definition of Family (at application)

All applicants must qualify as a family. A family may be a single person or a group of persons. Discrimination on the basis of familial status is prohibited, and a group of persons may not be denied solely on the basis that blood, marriage or operation of law does not relate them. For occupancy standards purposes, the applicant may claim a spousal relationship. See “Subsidy Standards”, Chapter 5 of this Administrative Plan.

The PHA defines a family of persons as two or more persons who intend to share residency, whose income and resources are available to meet the family's needs, and who will live together in PHA housing. Elderly, disabled, and displaced families are defined by HUD in CFR 5.403.

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

- A family with or without children;
- An elderly family;
- A disabled family;
- A displaced family;
- The remaining member of a participant family;
- A single person who is not elderly, displaced, or a person with disabilities, or the remaining member of a participant family;
- Two or more elderly or disabled persons living together, or one or more elderly or disabled persons living with one or more live-in aides are a family;
- Two or more near-elderly persons living together, or one or more near-elderly person, living with one or more live-in aide.

The temporary absence of a child from the home due to placement in foster care shall be considered in determining the family composition and family size.

Head of Household

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

Spouse of Head

Spouse means the husband or wife of the head.

For proper application of the non-citizens rule, the definition of “spouse” is: the marriage partner who, in order to dissolve the relationship, would have to be divorced. It includes the partner in a common law marriage. The term "spouse" does not apply to boyfriends, girlfriends, partner/significant others, or co-heads.

Co-Head

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

Student Eligibility

Assistance shall be denied to any single Head of Household student who

- Is enrolled in an institution of higher education;
- Is under 24 years of age;
- Is not a U.S. Veteran;
- Is unmarried;
- Does not have a dependent child;
- Is not individually income eligible and whose parents (individually or jointly) are not income ineligible.

Unless:

- The student is individually income eligible AND resides with parents (individually or jointly) who are income eligible for the program;
- The student is income eligible and has established a household separate from parents or legal guardians at least one year prior to application for occupancy OR the student meets the Department of Education definition of independent student.

- The student is not claimed as a dependent by a parents or a legal guardian pursuant to IRS regulations

- The student must obtain a certification which states the amount of financial assistance that will be provided by the parents, signed by the individual providing the support. The certification is required even if no assistance will be provided.

Live-in Aide [(982.316)]

A live-in aide:

- Is determined by the PHA to be essential to the care and well-being of an elderly person, a near-elderly person, or a person with disabilities,

- Is not obligated for the support of the person(s), and

- Would not be living in the unit except to provide care for the person(s).

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

A live-in aide is not considered to be an assisted family member and has no rights or benefits under the program:

- Income of the live-in aide will not be counted for purposes of determining eligibility or level of benefits.

- Live-in aides are not subject to Non-Citizen Rule requirements.

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

A live-in aide may only reside in the unit with the approval of the PHA. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or caseworker. The verification provider must certify that a live-in aide is needed for the care of the family member who is elderly, near-elderly (50-61 years of age) or disabled. A specific live-in aide may only reside in the unit with the approval of the PHA. The live-in aide will be subject to the Agency's normal screening criteria.

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

An individual approved as a live-in aide may not receive a subsidy from any PHA while residing with another HCV program participant as a live-in aide. If an applicant is issued a voucher and is a live-in aide in another HCV participant's household, the live-in aide must be removed from the participant's household prior to the execution of a HAP contract.

An existing family member who has been approved as a Live-in Aide may not revert to an "Other Adult" family member status.

A Live-in Aide has no residual rights to the voucher in the event the head of household or other adult family members cease to participate in the program.

Split Households Prior to Voucher Issuance

When a family on the waiting list splits into two otherwise eligible families due to divorce or legal separation and both families claim the same placement on the waiting list, if there is no court determination, the PHA will make the decision taking into consideration the following factors:

- Which family member applied as head of household.
- Which family unit retains the children or any disabled or elderly members.
- Recommendations from social service agencies or qualified professionals, such as Children's Protective Services.

Documentation of these factors is the responsibility of the applicant families. If either or both of the families fail to provide the documentation, they may be denied placement on the waiting list for failure to supply information requested by the PHA.

Multiple Families in the Same Household

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

Joint Custody of Children

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

The PHA will require a self-certification of families who claim joint custody or temporary guardianship of children.

When each parent has a separate application on the waiting list and both share equal custody of the child /children, the parent whose address is listed in the school records will be allowed to claim the school-age child as a dependent.

Applicants With Non-Biological Minor Children:

An applicant or participant household who wishes to include a non-biological child(ren) must provide documentation they are authorized to act as a guardian to the child(ren). Documentation may include:

1. A notice from the Department of Human Assistance verifying the child is in the home of the applicant/participant;
2. A letter of placement from a foster care or adoption agency; or
3. A notarized letter from the parent of the child stating the applicant/participant has been granted custody of the child; and a letter from each school aged child's school verifying the address at which the child is registered and the person who is listed as the guardian.
4. A court ordered guardianship order.

If SHRA receives information contradicting documentation provided by applicant/participant or other parties related to the custody of the child(ren), SHRA may refuse to add the child(ren) to the household until it receives conclusive evidence of guardianship such as letters of guardianship from the courts or a letter from an agency known to provide verification, such as the Department of Human Assistance.

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

To be eligible for assistance, an applicant must:

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

To be income eligible, the applicant must be a family in any of the following categories:

- A very low-income family.
- A low-income family that is continuously assisted under the 1937 Housing Act. An applicant is continuously assisted if the family has received assistance under any 1937 Housing Act program within 120 days of voucher issuance. Programs include any housing federally assisted under the 1937 Housing Act.
- A low-income family physically displaced by rental rehabilitation activity under 24 CFR part 511, or a low-income family displaced by any government activity.
- A low-income non-purchasing family residing in a HOPE 1 or HOPE 2 project.
- A low-income non-purchasing family residing in a project, subject to a home-ownership program, under 24 CFR 248.173.
- A low-income family or moderate-income family that is displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract under 24 CFR 248.165.

- A low-income family that qualifies for Housing Choice Voucher assistance as a non-purchasing family residing in a project that is subject to a resident homeownership program.

- A low-income family part of an inter-program transfer from low-income public housing to the Housing Choice Voucher program for the purpose of participating in the Section 8 Homeownership program.

Families whose Annual Income exceeds the applicable income limit will be denied admission.

Portability:

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

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

Applicants are required to provide verification of Social Security numbers for all family members. This requirement also applies to persons joining the family after admission to the program.

A Social Security number must be received by SHRA before a voucher is issued to the applicant.. Defaced social security card will not be accepted. Failure to furnish verification of social security numbers is grounds for denial of assistance.

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

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

Citizenship/Eligible Immigration Requirement:

The citizenship or immigration status of each member of the family is considered individually before the family's status is defined.

Mixed Families

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

No Eligible Members

Applicant families that include no family members who are citizens or eligible immigrant members are ineligible for assistance. Such families will be denied admission and offered an opportunity for a hearing.

Non-Citizen Students

As defined by HUD's Non-Citizen regulations, non-citizen students are not eligible for assistance. Appeals regarding disputes of citizenship/eligible immigration status are the only type for which the applicant is entitled to a hearing exactly like those provided for participants.

Verification of Status Before Admission

The PHA will not provide assistance to families prior to the verification of eligibility for the individual or at least one member of the family pursuant to this section.

F. TENANT SCREENING [24 CFR 982.307]

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

In compliance with the Violence Against Women Act (VAWA), no applicant for the HCV program who has been a victim of domestic violence, dating violence, or stalking shall be denied admission into the program if they are otherwise qualified. (PIH Notice 2006-42).

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

The owner is responsible for screening families based on their tenancy histories, including such factors as:[24 CFR 982]

- Payment of rent and utility bills
- Caring for a unit and premises
- Respecting the rights of other residents to the peaceful enjoyment of their housing
- Drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others; and
- Compliance with other essential conditions of tenancy.

The PHA must give the owner the following information:

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

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

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

- Tenant History
- Damage Claims
- History of Evictions
- Credit History
- Monies owed to a PHA

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

The PHA will advise families how to file a complaint if they have been discriminated against by an owner. The PHA will advise the family to make a Fair Housing complaint. The PHA may also report the owner to HUD (Fair Housing/Equal Opportunity) or the local Fair Housing Organization.

Transitions Between Subsidized Housing Programs

At the family's first eligibility appointment, when it is determined that the applicant is participating in another subsidized housing program, staff will advise the family that they will terminate the process if the applicant is not in 'Good Standing.' See glossary for definition of "Good Standing".

Staff will continue to communicate with conventional housing staff as the family proceeds through the process so that only families in "Good Standing: are allowed to move into the HCV program. The move will be coordinated between the staff of both programs so that the family is not a participant of both programs at the same time.

The HCV contract will not begin until the conventional housing lease has been terminated and/or confirmed.

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

Changes in subsidy standard and Total Tenant Payment which occur during the period between issuance of a voucher and prior to lease-up, may affect the family's eligibility or share of the rental payment.

A review and update of the family income and overall eligibility will be completed if necessary when extending an applicant's voucher.

H. INELIGIBLE FAMILIES

Families who are determined to be ineligible will be notified in writing of the reason for denial and given an opportunity to request an informal review, or an informal hearing if they were denied due to noncitizen status. See "Complaints and Appeals", Chapter 18 for additional information about reviews and hearings.

Chapter 3

APPLYING FOR ADMISSION
[24 CFR 982.204]

INTRODUCTION

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

A. OPENING/CLOSING OF THE WAITING LIST [24 CFR 982.206, 982.54(d)(1)]

When the waiting list is open any family asking to be placed on the waiting list for Section 8 rental assistance will be given the opportunity to complete a pre-application.

When the PHA opens the waiting list, the PHA will advertise through public notice in the following newspapers, minority publications and media entities. (The PHA may announce the opening and closing dates of the waitlist.)

- Local and minority newspapers (such as the Sacramento Bee, the Sacramento Observer, El Hispano, Nichi Bei Times, and Sacramento Spectrum.)
- The PHA will distribute fact sheets to broadcast media and may utilize public service announcements,
- City and County offices, and
- Local community service providers

The notice will contain:

- The dates, times, and the locations where families may obtain an application
- The programs for which applications will be taken
- A brief description of the program limitations, if any, on whom may apply

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

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

Closing the Waiting List

The PHA, at its discretion, may restrict application intake, suspend application intake, and close waiting lists in whole or in part. The PHA may open or close the list by local preference category. The PHA may stop applications if there are enough applicants to fill anticipated openings for the next twenty-four months. The waiting list may not be closed if it would have a discriminatory effect inconsistent with applicable civil rights laws.

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

When the period for accepting applications is over, the PHA will not accept additional pre-applications, nor maintain a list of those who wish to be notified when the waiting list is open.

B. OVERVIEW OF THE APPLICATION PROCESS [24 CFR 982.204(b)]

Applicants may apply to the HCV program during open waitlist periods.

The application process will involve two phases:

- The first is the "initial" application for admission (referred to as a pre-application). This first phase is to determine the placement on, the waiting list. Duplicate pre-applications will not be accepted.

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

Pre-applications will not require an interview. The information on the application will not be verified until the applicant has been selected for final eligibility determination. Final eligibility will be determined when the full application process is completed and all information is verified. A confirmation of receipt of pre-application is sent to applicant by first class mail or electronically if the application is completed online.

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

Applicants are required to inform the PHA of changes in family composition, income, and address, or preference status in writing within 30 days. Applicants are also required to respond to requests from the PHA to update information on their application, or to determine their interest in assistance.

All changes in income and family size that occur prior to the execution of a Housing Assistance Payment (HAP) Contract will be considered.

D. CHANGE IN APPLICATION STATUS

If the applicant head of household passes away or moves out of the household, the remaining spouse or co-head may retain the position on the waiting list. In the absence of the spouse or co-head, another adult who is on the original application may become the head of household. SHRA will consider the following when making a decision about who will retain the position on the waitlist or the voucher:

- Remaining member has custody of dependent children.
- Which family member was the head of household when the voucher was initially issued (listed on the initial application).
- The composition of the new family units, and which unit contains elderly or disabled members.
- Whether domestic violence was involved in the breakup.
- Which family members remain in the unit.
- Recommendations of social service professionals.

E. COMPLETION OF A FULL APPLICATION

Duplicate applications will not be accepted.

All preferences claimed on the pre-application or while the family is on the waiting list will be verified after the family is selected from the waiting list and attends an interview, but prior to determining final eligibility.

The qualification for preference must exist at the time the preference is verified, regardless of the length of time an applicant has been on the waiting list because the claim of a preference is based on current status.

Applicants will be required to complete a full application (including a *Personal Declaration Form)* in their own handwriting, unless assistance is needed, or a request for accommodation is made by a disabled person. Applicants will then be interviewed by PHA staff to review the information on the full application form. The applicant will sign and certify that all information is complete and accurate.

The full application may be mailed to the applicant.

Requirement to Attend Interview

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

All adult family members are required to attend the interview, and are required to sign the housing application and authorization forms. Exceptions may be made on a case by case basis; accommodations may be made upon request.

If an applicant does not respond to the initial letter or fails to appear for a pre-scheduled appointment, the PHA will withdraw the applicant from the waitlist, unless the applicant requests to be rescheduled within 90 days. Exceptions to this policy may be made by supervisory or designated staff if they find that “good cause” exists if requested as a reasonable accommodation for a person with a disability.

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

If an application is denied due to failure to attend the full application interview, the applicant will be notified in writing and offered an opportunity to request an informal review. (See "Complaints and Appeals", Chapter 18 of this Administrative Plan.)

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

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

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

If the information is not supplied in this time period, the PHA will provide the family a notification of denial for assistance. (See "Complaints and Appeals", Chapter 18 of this Administrative Plan)

F. VERIFICATION [24 CFR 982.201(e)]

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

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

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

H. TIME OF SELECTION

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

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

Chapter 4

ESTABLISHING PREFERENCES AND MAINTAINING THE WAITING LIST

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

INTRODUCTION

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

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

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

A. WAITING LIST MANAGEMENT [24 CFR 982.204]

Cross-Listing of Different Housing Programs and Housing Choice Voucher

If an applicant family is placed on a waiting list, they shall be given the option to apply for all other Housing Authority-administered housing programs that also have an open waiting list.

Other Housing Assistance

The PHA may not take any of the following actions because an applicant has applied for, received, or refused other housing assistance:

- Refuse to list the applicant on the PHA waiting list for tenant-based assistance;
- Deny any admission preference for which the applicant is currently qualified;

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

When the PHA issues an applicant a Housing Choice Voucher, the applicant’s name will be removed from all tenant-based voucher waitlists, but will remain on all other waitlists unless the family makes a written request to withdraw from a particular waitlist.

B. WAITING LIST PREFERENCES [24 CFR 982.207]

The PHA uses a single waiting list for admission to its Housing Choice Voucher program. Site-based list(s) for project-based assistance may be administratively established in accordance with HUD notices and other requirements.

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

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

- Applicant name
- Social Security Number
- Date of Birth
- Family unit size (number of bedrooms family qualifies for under PHA subsidy standards)
- Racial or ethnic designation of the head of household
- Annual (gross) family income
- Targeted program qualifications
- Qualification for any local preference

A preference does not guarantee admission to the program. Preferences are used to establish the order of placement on the waiting list. Every applicant must meet the PHA's selection criteria as defined in this Plan. An applicant's certification that they qualify for a preference will be accepted without verification during their pre-application period. When the family is selected from the waiting list for the determination of eligibility, the preference will be verified at the full application.

Local Preferences

Local preferences will be used to select families from the waiting list. Each preference will receive an allocation of points so that the computer software can put an order to the families on the waiting list. The applicant's cumulative points will determine the preference status and position on the wait list.

- (4 points) Residency preference for families who live, work, or have been hired to work in Sacramento County, or any political subdivision thereof.
- (2 points) Permanently disabled preference for families who have a member with a permanent disability.

- (1 point) Rent burden preference for participants whose rent burden (documented rent and utilities according to applicable or prorated utility allowance schedule) exceeds 50% of gross income.

  The PHA will attempt to verify the information provided by the applicant, in order to determine the applicant's qualification for the rent burden preference. In the absence of a rental lease or contract with supporting rent receipts, the PHA will employ one of the following methods, listed in order of preference, to estimate the applicant cost for rent or utilities:

  1. Accept the amount the applicant claims to be paying for rent and utilities when there is a written notice from the person from whom they are renting and it is accompanied with cancelled checks, money order receipts or cashier's check stubs;

  2. Accept the amount listed on the Housing Need Declaration with supporting payment documentation, including cancelled checks and money order receipts, or cashier's check stubs; or

  3. In the absence of all documentation, accept the rental amount to be the established local Fair Market Rent (FMR) for the bedroom size the applicant is renting.

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

C. INITIAL DETERMINATION OF LOCAL PREFERENCE QUALIFICATION

[24 CFR 982.207]

If the preference verification indicates that an applicant does not qualify for the preference, the applicant will be returned to the waiting list without the local preference, and will be notified in writing of the determination.

If the PHA denies a preference, the PHA will notify the applicant in writing of the reasons why the preference was denied and offer the applicant an opportunity for an informal review (for more information on Complaints and Appeals see Chapter 18 of this Administrative Plan). If the preference denial is upheld, as a result of the review, or the applicant does not request a meeting, the applicant will be placed on the waiting list without the benefit of the preference. Applicants may exercise other rights if they believe they have been discriminated against.

If the applicant falsifies documents or knowingly makes false statements in order to qualify for any preference, they will be removed from the waiting list. The PHA will notify the applicant in

writing of the reasons why they were removed from the waiting list and offer the applicant an opportunity for a meeting with designated staff through the informal review process.

Changes in an applicant's circumstances while on the waiting list may affect the family's eligibility for a preference. Applicants are required to notify the PHA, in writing, of relevant changes in their circumstances within 30 days of the change. When an applicant claims an additional preference, the applicant will be placed on the waiting list in the proper order of their newly claimed preference.

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

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

If an applicant fails to respond within fifteen days of the date of the purge letter, the applicant will be removed from the waiting list. If the purge letter is returned to SHRA by the Post Office, the letter will be maintained in the file. If the applicant contacts SHRA within fifteen days from the purge deadline to report a change in address, they will be given the opportunity to update their address and be reinstated. .If an applicant is removed from the waiting list for failure to respond after the fifteen day grace period, they will not be reinstated.

E. INCOME TARGETING

In accordance with the Quality Housing and Work Responsibility Act of 1998, each fiscal year the PHA will reserve seventy-five percent of its Housing Choice Voucher Program new admissions for families whose income does not exceed 30 percent of the area median income (AMI). HUD refers to these families as "extremely low income families." The PHA will admit families who are extremely low income to meet the income-targeting requirement.

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

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

To the extent that the PHA's admission of extremely low income families in the tenant-based assistance program exceeds seventy-five percent of all admissions during the fiscal year, the PHA may choose to admit less than the minimum forty percent of its extremely low-income families in a fiscal year to its public housing program under QHWRA "fungibility provisions."

F. TARGETED FUNDING [24 CFR 982.203]

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

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

If HUD awards a PHA program funding that is targeted for families living in specific units, the PHA will admit these families under a special admission procedure.

Special admissions families will be admitted outside of the regular waiting list process. They do not have to qualify for any preferences, nor are they required to be on the program waiting list. The PHA maintains separate records of these admissions.

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

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

Applicants, who are admitted under special admissions, rather than from the waiting list, are identified by codes in the automated system.

Chapter 5

SUBSIDY STANDARDS

[24 CFR 982.54(d)(9)]

INTRODUCTION

HUD guidelines require that PHA's establish subsidy standards for the determination of family unit size, and that such standards provide for a minimum commitment of subsidy while avoiding overcrowding. The standards used for the unit size selected by the family must be within the minimum unit size requirements of HUD's Housing Quality Standards. This chapter explains the subsidy standards used to determine the voucher size (*family unit size*) for families of different sizes and compositions. This chapter also establishes the guidelines to be applied when a family's size or composition changes or a family selects a unit size that is different from the voucher size.

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

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

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

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

One bedroom will be assigned to the head of household and spouse or partner, and one bedroom will be assigned for each additional two persons. An unborn child (with verification of pregnancy) will be counted as a family member in determining bedroom size.

The subsidy standard will not be increased for additions to the family unless the addition is due to birth, adoption or court-awarded custody.

The family unit size for any family consisting of a single person must be either a zero or a one-bedroom unit.

Spousal/Partner Additions

If the household size increases due to the addition of children with a spouse or partner, the subsidy standard will be increased to accommodate them as long as the spouse/partner has legal custody, in accordance with this Chapter.

The family is not required to move unless the addition of family members creates an under-housed condition, as defined in the HQS guidelines for determining unit size. as indicated in Section C of this Chapter, "Unit Size Selected".

Pregnancy

If a woman is pregnant at recertification, the bedroom size will be increased at the recertification following the birth of the child except in the following cases:

- At the time of moving. If a woman has verification of her pregnancy at the time of a move, an additional bedroom will be approved.

- If the birth of the baby causes the family to be underhoused. At the time of recertification if an imminent birth will cause an under-housed situation, an additional bedroom will be issued and the family must move.

Adding Household Members

A request to add additional members to the household will be denied if it causes the family to be under-housed unless the addition is due to a spousal addition, birth, adoption or court-awarded custody.

Foster Children

Any foster children or foster adults who are in the home at the time of initial voucher issuance, and who are determined to be in a long-term placement, will be considered as family members in the determination of subsidy size. For the purpose of determining subsidy size, long-term placement is defined as 12 or more months.

Foster children who are placed in a home on a short term emergency basis will not be considered when determining bedroom size. Short term is considered for any period less than twelve months. PHA will obtain information from the foster agency to verify the amount of time the child is expected to be in the home.

Child Protective Services

The Agency will work cooperatively with Child Protective Services (CPS) in promoting family reunification. If CPS provides written documentation that the child/children are expected to be reunited with their parents within six months and a reunification plan is established, the Agency will increase the bedroom size in accordance with the Agency's subsidy standard policy. The

reunification plan must specify the anticipated date when the children will be reunited and written confirmation must be submitted to the PHA within 30 days of the children's return to the home. Any changes that occur regarding family composition and income must be reported to the PHA immediately.

Incoming Portability

All families exercising portability into SHRA's jurisdiction are subject to its subsidy standards. A reasonable accommodation approved by an initial PHA does not transfer to SHRA with the family.

Reasonable Accommodation Requests:

All requests for exceptions to the subsidy standards as a reasonable accommodation for a person with disabilities must be submitted to the Reasonable Accommodation Committee (RA Committee) of SHRA. The RA Committee will review the family's request and the information from the health care provider and make a decision.

If the reasonable accommodation request is approved, the bedroom size will be increased at an interim recertification, effective the first day of the month following the date of the decision, or the date that the live-in aide passes the background check, whichever comes last.

If the reasonable accommodation request is denied, the applicant is sent a letter regarding the reason for the denial. The applicant may contact staff to discuss alternative modifications and may submit a revised request for a modification.

GUIDELINES FOR DETERMINING VOUCHER SIZE

Voucher Size	Persons in Household	
	Minimum Number	Maximum Number
0 Bedroom	1	1
1 Bedroom	1	2
2 Bedrooms	2	6
3 Bedrooms	3	8
4 Bedrooms	4	10
5 Bedrooms	6	12
6 Bedrooms	8	14

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

The PHA may grant an exception upon request as an accommodation for persons with disabilities. If an exception to the subsidy standards is needed as a reasonable accommodation to make the program accessible to and usable by the family member with a disability, the family may complete a "Request for Reasonable Accommodation" form and submit it to PHA staff or speak with their Housing Specialist. The PHA may approve this request, if necessary, after the need is verified by a health care professional. Exceptions may include, but are not limited to, the following:

Live-in Aide and Medical Equipment/Supplies

The RA Committee may approve an additional bedroom for a live-in aide or medical equipment and/or supplies.

The additional bedroom for the live-in aide will be increased after the PHA has confirmed that the live-in aide has passed background screening. A live-in aide will be added to the household the first day of the following month that the Reasonable Accommodation was approved and the background check was passed. An interim recertification will be done to add the live-in aide and an extra bedroom, unless the annual recertification has already been completed for that same effective date. In that case, the annual recertification will be corrected to add the extra bedroom and live in aide.

An additional bedroom will not be approved for multiple Aides who provide service to a participant(s) on a rotating or part-time basis. Once approved, the live-in aide must use the subsidized unit as his/her sole and primary place of residence.

An additional bedroom to accommodate the medical equipment and/or supplies will be effective the first day of the month following the month in which the Reasonable Accommodation was approved.

If an additional room has been granted as a reasonable accommodation, at the annual inspection, the PHA will verify that the additional bedroom is being used for its intended purpose. If the additional bedroom is verified as not being used as intended, the voucher size may be reduced.

C. UNIT SIZE SELECTED [24 CFR 982.402(c)]

The family may select a different size dwelling unit than that listed on the Voucher. The amount of assistance is based on the authorized or actual bedroom size, whichever is less. The utility allowance is based on the size of unit actually selected.

Overhoused

At the recertification, if a participant has had a decrease in the family size, the family has the option to be issued a new voucher to relocate or to remain in the unit which they are currently renting and incur the increase in their portion of rent.

If the family chooses to remain in the unit, the subsidy standard will be lowered and the family's rent portion may be increased.

If the family chooses to move, the voucher issued will be for the correct subsidy standard. The tenant portion of rent and the current utility allowance cannot exceed 40% of the family's adjusted income. The PHA rent will be based on the payment standard for the number of bedrooms the family is eligible for or the actual number of bedrooms in the unit, whichever is less. In cases where the gross rent is less than the payment standard, gross rent will be used as the payment standard.

Underhoused

If a unit does not meet HQS space standards due to an increase in family size, (unit too small), the PHA will terminate the current contract and immediately issue a new voucher of the appropriate size as soon as the underhoused situation is identified. The PHA will assist the family in locating a suitable unit.

***HQS GUIDELINES FOR UNIT SIZE SELECTED**

Unit Size	Maximum Number in Household
0 Bedroom	1
1 Bedroom	4
2 Bedrooms	6
3 Bedrooms	8
4 Bedrooms	10
5 Bedrooms	12
6 Bedrooms	14

Chapter 6

FACTORS RELATED TO TOTAL TENANT PAYMENT AND FAMILY SHARE DETERMINATION [24 CFR Part 5, Subparts E and F; 24 CFR 982]

INTRODUCTION

The accurate calculation of annual income and adjusted income will ensure that families are not paying more or less money for rent than their obligation under Federal regulations.

This chapter defines the allowable expenses and deductions to be subtracted from annual income and how the presence or absence of household members may affect the Total Tenant Payment (TTP). Income and TTP are calculated in accordance with 24 CFR Part 5, Subparts E and F, and further instructions set forth in HUD Notices and Memoranda. The formula for the calculation of TTP is specific and not subject to interpretation. The PHA's policies in this chapter address those areas, which allow the PHA discretion to define terms and to develop standards in order to assure consistent application of the various factors that relate to the determination of the TTP.

A. MINIMUM RENT

"Minimum rent" is $50. Minimum rent is a minimum Total Tenant Payment. A family whose TTP has been set at the minimum rent may receive a utility reimbursement. Families may request an exception to this policy for hardship when the appropriate form is completed.

Hardship Exemption

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 (expected to last ninety days or less) or long-term.

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.

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. 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.

Participants who are approved for a minimum rent or hardship exemption will receive a mandatory income review every ninety days. The PHA may request a credit report after ninety days once a participant has been approved for a minimum rent or hardship exception.

Long-Term Hardship

If the PHA determines 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.

B. INCOME AND ALLOWANCES

Income includes all monetary amounts, which are received on behalf of the family. For purposes of calculating the Total Tenant Payment, HUD defines what is to be calculated and what is to be excluded in the Federal Regulations. In accordance with this definition, all income that is not specifically excluded in the Regulations is counted.

Annual income is defined as, "The gross amount of income anticipated to be received by the family during the twelve months after certification or recertification." Gross income is the amount of income prior to any HUD allowable expenses or deductions, and does not include income that has been excluded by HUD. Annual income is used to determine whether or not applicants are within the applicable income limits.

Adjusted income is defined as the annual income minus any HUD allowable expenses and deductions.

HUD has five allowable deductions from annual income:

- Dependent Allowance: $480 each for family members (other than the head or spouse) who are minors, and for family members who are 18 and older who are full-time students or who are persons with disabilities.

- Elderly/Persons with Disabilities Allowance: $400 per family for families whose head or spouse is 62 or over or persons with disabilities.

- Allowable Medical Expenses: Deducted for all family members of an eligible elderly/or the families of persons with disabilities family.

- Child Care Expenses: Deducted for the care of children under thirteen years of age when child care is necessary to allow an adult member to work, attend school, or actively seek employment.

- Allowable Disability Assistance Expenses: Deducted for attendant care or auxiliary apparatus for persons with disabilities if needed to enable the individual or an adult family member to work.

C. DISALLOWANCE OF EARNED INCOME FROM RENT DETERMINATIONS MANDATORY EARNED INCOME DISALLOWANCE (MEID) [24 CFR 5.617]

Initial Twelve-Month Exclusion

The annual income for a qualified family member who is a person with disabilities may not be increased as a result of increases in earned income, beginning on the date on which the increase occurred and continuing for a cumulative 12-month period.

If the period of increased income does not last for 12 consecutive months, the disallowance period may be resumed at any time within the 48-month period, and continued until the disallowance has been applied for a total of 12 months (the initial 12-month full exclusion).

No earned income disallowance will be applied after the 48-month period following the initial date the exclusion was applied.

Second Twelve-Month Exclusion and Phase-in

After the expiration of the initial cumulative 12-month period, the PHA must exclude 50 percent of any increase in income of a family member who is a person with disabilities, from the annual income of a qualified family.

Maximum Four-Year Disallowance

The earned income disallowance is limited to a lifetime 48-month period for each family member who is a person with disabilities. For each family member who is a person with disabilities the disallowance only applies for a maximum of 12 months of full exclusion of incremental increase, and a maximum of 12 months of phase-in exclusion during the 48-month period, starting from the date of the initial exclusion.

To qualify for the earned income exclusion a family with a member who is a person with disabilities must be receiving tenant-based rental assistance under the Housing Choice Voucher Program and must meet one or more of the following conditions:

- 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; or

- 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

- 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 TANF, provided the total amount over a six-month period is at least $500.

The definitions of "Previously Unemployed" and “Economic Self-Sufficiency Program” are available in the glossary of this Administrative Plan.

Amounts to be excluded are any earned income increases of a person with disabilities family member during participation in an economic self-sufficiency or job training program and not increases that occur after participation, unless the training provides assistance, training or mentoring after employment.

The amount of TANF received in the six-month period includes monthly income and such benefits and services as one-time payments, wage subsidies and transportation assistance.

The amount that is subject to the disallowance is the amount of incremental increase in the income of a family member who is a person with disabilities. The incremental increase in income is calculated by comparing the amount of the family member’s income before the beginning of qualifying employment or increase in earned income to the amount of such income after the beginning of employment or increase in earned income.

Applicability to Child Care and Disability Assistance Expense Deductions

The amount deducted for child care and disability assistance expenses necessary to permit employment shall not exceed the amount of employment income that is included in annual income. Therefore, for families entitled to the earned income disallowance, the amounts of the full and phase-in exclusions from income shall not be used in determining the cap for child care and disability assistance expense deductions.

Tracking the Earned Income Exclusion

The earned income exclusion will be reported on the HUD 50058 form. Documentation will be included in the family’s file to show the reason for the reduced increase in rent.

Such documentation may include:

- Date the increase in earned income was reported by the family
- Name of the family member whose earned income increased
- Reason (new employment, participation in job training program, within 6 months after receiving TANF) for the increase in earned income
- Amount of the increase in earned income (amount to be excluded)
- Date the increase in income is first excluded from annual income

- Date(s) earned income ended and resumed during the initial cumulative twelve month period of exclusion (if any)
- Date the family member has received a total of 12 months of the initial exclusion
- Date the twelve-month phase-in period began
- Date(s) earned income ended and resumed during the second cumulative twelve month period (phase-in) of exclusion (if any)
- Ending date of the maximum forty-eight month (four year) disallowance period (forty eight months from the date of the initial earned income disallowance)
- Date the family member has received a total of 12 months of the phase-in exclusion

The PHA will maintain a tracking system to ensure correct application of the earned income disallowance.

Interim reexaminations will not be done for income increases. The initial 12-month exclusion will still begin on the date on which the increase in earned income begins.

Inapplicability at Admission

The earned income disallowance is only applied to determine the annual income of families with a member who is a person with disabilities, who are participants in the Housing Choice Voucher Program, and therefore does not apply for purposes of admission to the program (including the determination of income eligibility or any income targeting that may be applicable).

D. OCCUPANCY REQUIREMENTS

The PHA must compute all applicable income of every family member, including those who are temporarily absent (see "Temporary Absence of Family Members" below). It is the responsibility of the head of household to report changes in family composition.

Temporary Absence of Family Members

Any member of the household who is away from the unit for less than thirty days will be considered temporarily absent.

Permanent Absence of Family Members

Any member of the household, except minors and full-time students, will be considered permanently absent if s/he is away from the unit for more than thirty consecutive days in a twelve-month period, except as otherwise provided in this chapter.

Income of persons permanently absent will not be counted. If the spouse is temporarily absent and in the military, all military pay and allowances (except hazardous duty pay when exposed to hostile fire and any other exceptions to military pay HUD may define) is counted as income.

Reporting Absences to the PHA

Reporting changes in household composition is both a HUD and a PHA requirement.

If a family member leaves the household, the family must report this change to the PHA, in writing, within 30 days of the change and certify as to whether the member is temporarily absent or permanently absent. The Head of Household may be required to provide supporting documentation that the family member who has left the home has established a separate residence.

The PHA may conduct an interim evaluation for changes, which affect the Total Tenant Payment in accordance with the interim policy.

Absence of Entire Family

These policy guidelines address situations when the family is absent from the unit, but has not moved out of the unit (for information on move out notification, please see Chapter 14 of this Administrative Plan). In cases where the family has moved out of the unit, the PHA may terminate assistance in accordance with appropriate termination procedures contained in this Plan.

A family must notify the PHA in advance of their absence from the unit if the family anticipates that they will be gone for more than thirty consecutive days.

If the entire family is absent from the assisted unit for more than thirty consecutive days, without prior notification to the PHA, the unit will be considered to be vacated. If it is determined that the unit is considered to be vacated, the PHA will, immediately stop any future payments, and may terminate the HAP contract and the family's assistance.

In order to determine if the family is absent from the unit, the PHA may:

- Conduct a home visit
- Write letters to the family at the unit
- Telephone the family at the unit
- Interview neighbors
- Contact emergency contacts
- Verify if utilities are in service
- Check with the post office

- Obtain written or verbal verification from the Owner

A person with a disability may request an extension of time as an accommodation, provided that the extension does not go beyond the HUD-allowed 180 consecutive days limit.

If the absence which resulted in termination of assistance was due to a person's disability, and the PHA can verify that the person was unable to notify the PHA in accordance with the family's responsibilities, and if funding is available, the PHA may reinstate the family as an accommodation, if requested by the family.

Absence Due to Medical Reasons

If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, the PHA will seek advice from a reliable qualified source as to the likelihood and timing of their return.

- If the verification indicates that the family member will be permanently confined to a nursing home, the family member will be considered permanently absent.

- If the person who is determined to be permanently absent is the sole member of the household, assistance will be terminated in accordance with the PHA's "Absence of Entire Family" policy

- If the verification indicates that the family member will return in less than 120 consecutive days, the family member will not be considered permanently absent.

- In the case where the PHA verifies the family member has been away from the home in excess of 120 days, the PHA will require additional verification from a health care professional requesting verification of the anticipated return date to the home.

- If the family member has not returned to the home within 30 days from the anticipated return to the home date, the PHA may issue a notice of termination.

Absence Due to Full-time Student Status

Full time students under twenty-four years of age, who attend school away from the home, will be considered as part of the household (for calculating subsidy standards) if they live with the family for more than 183 days in a year.

Absence due to Incarceration

If the sole member is incarcerated for more than thirty consecutive days, s/he will be considered permanently absent and the PHA will stop providing assistance payments. Any member of the household, other than the sole member, will be considered permanently absent if s/he is incarcerated for thirty consecutive days in accordance with the “Permanent Absence of Family Members” section above.

The PHA will determine if the reason for incarceration is for drug-related or violent criminal activity and take appropriate action (see "Denial or Termination of Assistance", Chapter 15 of this Administrative Plan.).

If the PHA determines that any family member has been incarcerated and did not notify the PHA within thirty days of the incarceration, a termination of the family's assistance may be issued.

Absence due to Military Service

Absence of the Head of Household or the spouse or partner, due to military service, will be considered a temporary absence.

Absence of Children due to Placement in Foster Care

If the family includes a child or children temporarily absent from the home due to placement in foster care, the PHA will determine from the appropriate agency when the child/children will be returned to the home.

If the time period is to be greater than six consecutive months from the date of removal of the children, the Voucher size will be reduced. The parent will be required to provide a letter to the PHA that includes the anticipated return date of the child(ren) in order to be considered for a larger voucher size. If all children are removed from the home permanently, the voucher size will be reduced in accordance with the PHA's subsidy standards.

Caretaker for Children

If neither parent remains in the household and the appropriate agency has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period, the PHA will treat that adult as a visitor for the first ninety days. Any children will then be considered the remaining members of the participant family. If the court has not awarded custody or legal guardianship, but the action is in process, the PHA will secure verification from social services staff or the attorney as to the status.

If the appropriate agency cannot confirm the guardianship status of the caretaker, the PHA will review the status at sixty day intervals. If court-awarded custody or legal guardianship has been awarded to the caretaker, and the caretaker qualifies under all program criteria, the lease may be transferred to the caretaker, who becomes the head of household subject to all program rules.

The PHA will work with the appropriate service agencies to provide a smooth transition in these cases.

Visitors

Any adult not included on the HUD 50058 who has been in the unit more than thirty consecutive days without PHA approval, or a total of thirty days in a twelve month period, will be considered

to be living in the unit as an unauthorized household member. The following items may be considered in demonstration of residence in the assisted household:

- Absence of evidence of any other address will be considered verification that the visitor is a member of the household.
- Statements from neighbors and/or the owner.
- Use of the unit address as the visitor's current residence for any purpose that is not explicitly temporary.

The burden of proof that the individual is a visitor rests on the family. In the absence of such proof, the individual will be considered an unauthorized member of the household and the PHA will terminate assistance since prior approval was not requested for the addition.

Examples of acceptable methods of proof that the visitor is not a resident are (three are required):

- mail
- address of record given to any Federal, State, or public entity
- lease for current residence
- utility bills
- address of record from employer
- credit report history

In a joint custody arrangement, if the minor is in the household less than one hundred eighty three (183) days per year, the minor will be considered to be an eligible visitor and not a family member. If both parents are participating in the HCV program, only one parent would be able to claim the child for deductions and for determination for the occupancy standards.

Reporting Changes to Owner and PHA

Reporting changes in household composition to the PHA is both a HUD and a PHA requirement.

The family obligations require the family to request PHA approval to add any other family member as an occupant of the unit and to inform the PHA of the birth, adoption or court-awarded custody of a child. The family must request prior approval of additional household members in writing. If any new family member is added, the income of the additional member will be included in the family income as applicable under HUD regulations.

If the family does not obtain prior written approval from the PHA, any person the family has permitted to move in will be considered an unauthorized household member.

An interim reexamination will be conducted for any additions to the household.

In addition, the lease may require the family to obtain prior written approval from the owner when there are changes in family composition other than birth, adoption or court awarded custody.

E. REMAINING MEMBER OF TENANT FAMILY - RETENTION OF VOUCHER

A spouse or co-head will inherit the voucher in the absence of the Head.

In the absence of a spouse or co-head, an original family member may retain the voucher if that member has been part of the household for the past 12 months.

A household member may inherit the voucher even if they were not part of the original household as long as they have been part of the household for the past 12 months and they are:

- a minor, or
- an elderly person.

Notice: A person entering the household who has been assigned through the courts or City, County or State Social Service agency to act as the legal guardian to the remaining minor children household members is not eligible to retain the voucher, except for the period they are assigned to act as the legal guardian. When the person ceases to act as the legal guardian or the children move from the home, the legal guardian has no right to retain the voucher.

F. WAGES FROM EMPLOYMENT WITH THE PHA OR RESIDENT ORGANIZATION

Upon employment with the PHA or officially recognized Resident Organization, the full amount of employment income received by the person is counted. There is no exclusion of income for wages funded under the 1937 Housing Act Programs, which includes Public Housing and the Housing Choice Voucher program.

G. AVERAGING INCOME

When annual income cannot be anticipated for a full twelve months, the PHA will average known sources of income that vary to compute an annual income.

If there are bonuses or overtime, which the employer cannot anticipate for the next twelve months, bonuses and overtime received the previous year will be used (If not used in the prior year.). Income from the previous year may be analyzed to determine the amount to anticipate when third party or check-stub verification is not available.

If by averaging an estimate can be made for those families whose income fluctuates from month to month, this estimate will be used so the tenant rent will not change from month to month. The method used depends on the regularity, source and type of income.

H. MINIMUM INCOME

There is no minimum income requirement.

Families reporting zero income will be required to complete an interim recertification every 90 days and an income checklist at each interim recertification until the household ceases to report zero income.

The PHA will also require the family to provide written explanation of the sources of funds which are being used to maintain any credit account payments.

They must provide a written statement regarding their means of basic subsistence, such as food, utilities, transportation, etc.

If the family's expenses exceed their known income, the PHA will make inquiry of the head of household as to the nature of the family's accessible resources.

The PHA will request credit checks for all adult members of families that report zero income.

Where credit reports show credit accounts open and payments current, the PHA will take action to investigate the possibility of fraud or program abuse.

I. INCOME OF PERSON PERMANENTLY CONFINED TO NURSING HOME

If a family member is permanently confined to a hospital or nursing home and there is a remaining family member, the PHA will exclude the income of the person permanently confined to the nursing home and give the family no deductions for medical expenses for the confined family member The remaining family member's voucher size eligibility will be reassessed at the next annual recertification.

J. REGULAR CONTRIBUTIONS AND GIFTS [24 CFR 5.609(b)(7)]

Regular contributions and gifts are counted as income for calculation of the Total Tenant Payment. Loans that occur regularly for six months will be considered contributions.

Any contribution or gift received every three months or more frequently will be considered a "regular" contribution or gift, unless the amount is less than $400 per year. This includes rent and utility payments made on behalf of the family and other cash or non-cash contributions provided

on a regular basis. It does not include casual contributions or sporadic gifts. (See "Verification", for further definition.)

If the family's expenses exceed its known income, the PHA will inquire of the family regarding contributions and gifts.

K. ALIMONY AND CHILD SUPPORT [24 CFR 5.609(b)(7)]

Regular alimony and child support payments are counted as income for calculation of the Total Tenant Payment.

If the amount of child support or alimony received is less than the amount awarded by the court, the PHA will use the amount awarded by the court unless the family can verify that they are not receiving the full amount and verification of item(s) below are provided.

The PHA will accept verification that the family is receiving an amount less than the award if:

- The PHA receives verification from the agency responsible for enforcement or collection.

  or

- The family furnishes documentation of child support or alimony collection action filed through a child support enforcement/collection agency, or has filed an enforcement or collection action through an attorney.

It is the family's responsibility to supply a certified copy of the divorce decree.

L. LUMP-SUM RECEIPTS [24 CFR 5.609(c)(3)]

Lump-sum additions to family assets, inheritances, deferred employment income, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or property losses, are not included in income but may be included in assets.

Lump-sum payments caused by delays in processing periodic payments such as unemployment or welfare assistance are counted as income. Lump sum payments from Social Security or SSI are excluded from income, but any amount remaining will be considered an asset. Deferred periodic payments which have accumulated due to a dispute will be treated the same as periodic payments which are deferred due to delays in processing.

In order to determine the amount of retroactive tenant rent that the family owes as a result of the lump sum receipt, the PHA uses a calculation method which calculates retroactively.

Retroactive Calculation Methodology

The PHA will go back to the date the lump-sum payment was received, or to the date of admission, whichever is closer.

The PHA will determine the amount of income for each certification period, including the income derived from a lump sum, and recalculate the tenant rent for each certification period to determine the amount due the PHA.

The amount owed "retroactive" is due and payable to the PHA.

The amount owed by the family is a collectible debt even if the family becomes unassisted.

Attorney Fees

The family's attorney fees may be deducted from lump-sum payments when computing annual income if the attorney's efforts have recovered a lump-sum compensation, and the recovery paid to the family does not include an additional amount in full satisfaction of the attorney fees.

M. CONTRIBUTIONS TO RETIREMENT FUNDS - ASSETS [24 CFR 5.609(b) (3) and 24 CFR 5.603(b)]

Contributions to company retirement/pension funds are handled as follows:

- While an individual is employed, count as assets only amounts the family can withdraw without retiring or terminating employment.
- After retirement or termination of employment, count any amount the employee elects to receive as a lump sum.

N. ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE [24 CFR 5.603(b)]

The PHA must count assets disposed of for less than fair market value during the two years preceding initial certification or reexamination. The PHA will count the difference between the market value and the actual payment received in calculating total assets.

Assets disposed of as a result of foreclosure or bankruptcy are not considered to be assets disposed of for less than fair market value. Assets disposed of as a result of a divorce or separation are not considered to be assets disposed of for less than fair market value.

The PHA's minimum threshold for counting assets disposed of for less than fair market value is $5000. If the total value of assets disposed of within a two-year period is less than $5000, they will not be considered an asset.

O. Student Income [24 CFR 5.609B (9)]

The student must meet all program eligibility and screening criteria.

Any financial assistance received in excess of amounts received for tuition shall be considered income, except amounts received by a person over the age of 23 with dependent children.. Financial assistance does not include loan proceeds.

In cases where the student is not considered an "independent student," both the student's and parents' income are considered for eligibility purposes.

Independent status must be verified by:

- Obtaining address information sufficient to determine that the student has maintained a separate household for at least one year
- Parents' income tax returns for the past year to determine whether a parent or guardian has claimed the student as a dependent, and
- Written confirmation of the level of support provided by the parents to the student, including no financial assistance. The financial support is considered in determining the income eligibility of the student household. .

P. CHILD CARE EXPENSES [24 CFR 5.611, 24 CFR 5.609(c)]

Non-reimbursable childcare expenses for children under thirteen years of age shall be deducted from annual income if they enable a family member to actively seek employment, to be employed, or to further his or her education to comply with Federal Law.

For disabled family members who are children thirteen years of age and older, childcare expenses, which enable a family member to actively seek employment, to be employed, or to further his or her education shall be considered deductible disability expenses.

In the case of a child attending private school, only before or after-hours care can be counted as childcare expenses.

Childcare expenses must be reasonable. Reasonable is determined by what the average allowance expense rates are in the PHA's jurisdiction.

Allowing deductions for childcare expenses is based on the following guidelines:

- Childcare to work**:** The maximum childcare expense allowed must be less than the amount earned by the person enabled to work. The "person enabled to work" will be

the adult member of the household who earns the least amount of income from working**.**

- Childcare for school**:** The number of hours claimed for childcare may not exceed the number of hours the family member is attending school (including one hour travel time to and from school).

- Amount of Expense: The PHA will survey the local care providers in the community and other various surveys to determine what is reasonable. The PHA will use the collected data as a guideline. If the hourly rate materially exceeds the guideline, the PHA may calculate the allowance using the guideline.

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.

SHRA will require the family to provide verification of childcare expenses. Such verification may include but is not limited to:

1. Cancelled checks and/or money order receipts
2. Written verification or receipts from the person or agency providing the childcare service

Q. MEDICAL EXPENSES [24 CFR 5.611(a)(3)(i)]

To qualify for a deduction, medical expenses must meet two essential criteria:

- Must be anticipated, regular, ongoing expenses that a family expects to pay in the 12 months following examination or reexamination; and,

- Must be unreimbursed and not covered by an outside source such as insurance.

The medical expense deduction is limited to families whose head, spouse, co-head, or sole member is at least 62 years of age or is a person with disabilities (elderly or disabled families). If a family qualifies for medical expense deductions than the expenses of all family members are considered.

Medical expenses are expenses anticipated to be incurred during the 12 months following certification or reexamination which are not covered by an outside source such as insurance. The medical allowance is not intended to give a family an allowance equal to last year's expenses, but to anticipate regular ongoing and anticipated expenses during the coming year.

Medical Expenses may include:

- Services of doctors and health care professionals;
- Services of health care facilities;
- Medical insurance premiums;
- Prescription/non-prescription medicines (prescribed by a physician and legible receipts submitted);
- Transportation to treatment (cab fare, bus fare, mileage);
- Dental expenses, eyeglasses, hearing aids, batteries;
- Live-in or periodic medical assistance; and
- Monthly payment on accumulated medical bills (regular monthly payments on a bill that was previously incurred). The allowance may include only the amount expected to be paid in the coming 12 months.

When it is unclear in the HUD rules as to whether or not to allow an item as a medical expense, IRS Publication 502 will be used as a guide. Even if an expense is allowable, in order to be deductible it must be deemed an ongoing expense.

SHRA will require the family to provide verification of expenses. Verification may include but is not limited to print outs and statements from a doctor certifying the anticipation of the medication and/or treatment costs for the next twelve months.

Special Calculation for Households Eligible for Disability Assistance and Medical Expenses [HCV Guidebook 5-32]

If an elderly family or disabled family has both medical expenses and disability assistance expenses, a special calculation is required to insure the family's three-percent share of these expenses is applied only one time. Because the allowance for disability assistance expenses is limited by the amount earned by the person free for work, the disability allowance must be calculated before the medical allowance is calculated.

When the family has disability assistance expenses greater than or equal to three percent of annual income, an allowance for disability assistance expenses is computed as described above. In such an instance, the allowance for medical expenses will be equal to the family's total medical expenses.

When a family has disability assistance expenses that are less than three percent (3%) of annual income, the family will receive no allowance for disability assistance expense. However, the allowance for medical expenses will be equal to the amount by which the sum of both disability and medical expenses exceeds three percent of annual income.

If the disability assistance expense exceeds the amount earned by the person who was freed for work, the allowance for disability assistance will be capped at the amount earned by that individual. When the household is also eligible for a medical expense allowance, the three percent (3%) may have been exhausted in the first calculation it then will not be applied to medical expenses.

R. PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES [24 CFR 5.520]

Proration of assistance must be offered to any "mixed" applicant or participant family. A "mixed" family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible members.

"Mixed" families that were participants on June 19, 1995, and do not qualify for continued assistance must be offered prorated assistance. (See "Recertifications", Chapter 12.) Applicant mixed families are entitled to prorated assistance. Families that become mixed after June 19, 1995, by addition of an ineligible member are entitled to prorated assistance.

Prorated Assistance Calculation

Prorated assistance is calculated by determining the amount of assistance payable if all family members were eligible and multiplying by the percent of the family members who actually are eligible. Calculations for each housing program are performed on the HUD 50058 form.

S. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS

See “Recertifications, Chapter 12 of this Administrative Plan.

T. UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS [24 CFR 982.517]

The Agency must review its schedule of utility allowance each year, and must revise its allowances for any category if there is a change of ten 10% or more. The same utility allowance schedule is used for all tenant-based programs.

The utility allowance is intended to cover the cost of utilities not included in the rent. The allowance is based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. Allowances are not based on an individual family's actual energy consumption.

The PHA's utility allowance schedule, and the utility allowance for an individual family, must include the utilities and services that are necessary in the locality to provide housing that complies with the housing quality standards.

The PHA may not provide any allowance for non-essential utility costs, such as costs of cable or satellite television.

The PHA must classify utilities in the utility allowance schedule according to the following general categories: space heating, cooking, water heating, water, sewer, trash collection; refrigerator (for tenant supplied refrigerator), range (cost of tenant-supplied range); and other specified services.

An allowance for tenant-paid air conditioning will be provided in cases where the majority of housing units in the market have central air conditioning or are wired for tenant installed air conditioners.

The PHA will review the utility allowance schedule annually. If the review finds a utility rate has changed by ten percent (10%) or more since the last revision of the utility allowance schedule, the schedule will be revised to reflect the new rate. Revised utility allowances will be applied in a participant family's rent calculation at their next reexamination.

The approved utility allowance schedule is given to families along with their voucher. The utility allowance is based on the actual unit size selected.

Where families provide their own range and refrigerator, the PHA will establish an allowance adequate for the family to purchase or rent a range or refrigerator, even if the family already owns either appliance.

When the calculation on the HUD 50058 results in a utility reimbursement payment due the family, the PHA will provide a utility reimbursement payment for the family each month. The check will be made out directly to the tenant.

If the tenant and owner agree to any changes in the lease, such changes must be in writing. In order to change the utility or appliance responsibility, a 60-day written notice must be submitted to the PHA and has to be approved prior to taking effect. Once approved, a new HAP contract must be issued.

Chapter 7

VERIFICATION

[24 CFR Parts 5, 903, 906 982.516, 982.551 and Notice PIH 2004-18]

INTRODUCTION

HUD regulations require that the factors of eligibility and Total Tenant Payment and Family Share be verified by the PHA. PHA staff will obtain written verification from independent sources whenever possible and will document tenant files whenever third party verifications are not available and why third party verification was impossible to obtain.

Applicants and program participants must provide true and complete information to the PHA whenever information is requested. The PHA's verification requirements are designed to maintain program integrity. This chapter explains the PHA's procedures and standards for verification of preferences, income, assets, allowable deductions, family status, and changes in family composition. The PHA will obtain proper authorization from the family before requesting information from independent sources.

A. METHODS OF VERIFICATION AND TIME ALLOWED

The PHA will verify information through the five methods of verification acceptable to HUD in the following order:

- Up Front Verification (when available)
- Third-Party Written
- Third Party Oral
- Review of Tenant Supplied Documents
- Tenant Self-Certification

The PHA will allow ten (10) days for return of third-party verifications and allow ten days to obtain other types of verifications before going to the next method. The PHA will document the file as to the reason third-party written or oral verification was not used. For applicants, verifications may not be more than sixty days old at the time of the initial voucher issuance. Documents must not be more than thirty calendar days old at time of receipt.

The PHA will not delay the processing of an application or recertification beyond a reasonable and appropriate time period because a third party information provider does not return the verification in a timely manner.

Upfront Income Verification

Upfront Income Verification (UIV) is the highest level of third party verification.
The PHA uses a HUD required automated income verification system to verify tenant supplied earned income. If UIV information differs from tenant supplied information by greater than $200 per month or UIV information does not exist, the PHA must request another form of verification.

Third-Party Written Verification

Third-party verification is used to verify information directly with the source. Third-party written verification forms will be sent and returned via first class mail, e-mail or fax. The family will be required to sign an authorization for the information source to release the specified information.

Verifications received electronically directly from the source are considered third party written verifications.

The PHA will accept verifications delivered by the family as third-party (if they can be verified by other means) from agencies, including but not limited to:

- Social Security Administration
- Veterans Administration
- Welfare Assistance
- Unemployment Compensation Board
- City or County Courts
- Pharmacy (in regard to prescription drugs)
- A Local, State or Federal Court
- The Work Number
- State Wage/ Income Collection Agency
- TANF

Third-Party Oral Verification

When third-party oral verification is used, staff will be required to complete a Certification of Document Viewed or Person Contacted Form, noting with whom they spoke, the date of the conversation, and the facts provided. If provided by telephone, the PHA must originate the call.

Review of Tenant Supplied Documents

In the event that third-party written or oral verification is unavailable, or the information has not been verified by the third-party within the timeline, the PHA will utilize documents provided by the family as the primary source if the documents provide complete information.

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

In absence of third-party written or oral verification, the PHA will accept the following documents from the family provided that the document is such that tampering would be easily noted:

- Printed wage stubs
- Computer printouts from the employer
- Other documents noted in this chapter as acceptable verification

The PHA may accept faxed documents and photocopies

If third-party verification is received after documents have been accepted as provisional verification, and there is a discrepancy, the PHA will utilize the third party verification.

Tenant Self-Certification

When verification cannot be made by third-party verification or review of documents, families will be required to submit a self-certification.

Self-certification means a statement signed under penalty of perjury which must be witnessed by a staff person. In cases where self-certification is engaged, an affidavit will be provided to the tenant and signed in the presence of the staff person.

B. RELEASE OF INFORMATION [24 CFR 982.516 AND 982.551, 24 CFR 5.230]

All adult family members will be required to sign the HUD 9886 Release of Information/Privacy Act form.

In addition, adult family members will be required to sign specific authorization forms when information is needed that is not covered by the HUD form 9886, Authorization for Release of Information/Privacy Act Notice.

Each member requested to consent to the release of specific information will be provided with a copy of the appropriate forms for their review and signature.

Family refusal to cooperate with the HUD prescribed verification system will result in denial of admission or termination of assistance, it is a family obligation to supply any information and to sign consent forms requested by the PHA or HUD.

C. COMPUTER MATCHING

The PHA may employ computer matching with various local, State and Federal agencies.

D. ITEMS TO BE VERIFIED

- All income.
- Full-time student status of all students who are eighteen year of age or older.
- Current assets including assets disposed of for less than fair market value in the preceding two years.
- Child care expense where it allows an adult family member to be employed or actively seeking employment to further his/her education.
- Total medical expenses of all family members in households whose head or spouse is elderly or disabled.
- Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus for a disabled member of the family, which allow an *adult* family member to be employed.
- Disability for determination of preferences, allowances or deductions.
- U.S. citizenship/eligible immigrant status
- Social security numbers for all family members.
- "Preference" status.
- Familial or Marital status.
- Verification of Reduction in Benefits for Noncompliance:

The PHA will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance *before* denying the family's request for rent reduction.

- Legal Identity

  The following items are considered acceptable forms of legal identity:

  a. A valid state or federally issued identification or driver license displaying a photo of the individual, for persons at least 18 years or older.

  b. Birth certificates for minors.

  c. Documents including a photo issued by the INS.

- Family Composition

E. VERIFICATION OF INCOME

This section defines the methods the PHA will use to verify various types of income.

Employment Income

PHA verification forms request the employer to specify the following:

- Dates of employment
- Amount and frequency of pay
- Date of the last pay increase
- Likelihood of change of employment status and effective date of any known salary increase during the next 12 months
- Year to date earnings
- Estimated income from overtime, tips, bonus pay expected during next 12 months

Acceptable methods of verification include, in this order:

- Employment verification form completed by the employer.
- Check stubs or earning statements, which indicate the employee's gross pay, frequency of pay or year to date earnings.

- W-2 forms and income tax return forms.
- Income tax returns signed by the family may be used for verifying self-employment income, or income from tips and other gratuities.
- Credit Checks

Applicants and program participants may be required to sign an authorization for release of information from the Internal Revenue Service for further verification of income.

In cases where there are questions about the validity of information provided by the family, the PHA will require the most recent Federal income tax statements.

Where doubt regarding income exists, a referral to IRS for confirmation will be made.

Social Security, Pensions, Supplementary Security Income (SSI), Disability Income

Acceptable methods of verification include, in this order:

- Benefit verification form completed by agency providing the benefits.
- Award or benefit notification letters prepared and signed by the providing agency.
- Computer report electronically obtained or in hard copy.
- Bank statements for direct deposit

Unemployment Compensation

Acceptable methods of verification include, in this order:

- PHA verification form completed by the unemployment compensation agency.
- Computer report electronically obtained or in hard copy, from unemployment office stating payment dates and amounts.
- Payment stubs.

Welfare Payments or General Assistance

Acceptable methods of verification include, in this order:

- PHA verification form completed by payment provider.
- Written statement from payment provider indicating the amount of grant/payment, start date of payments, and anticipated changes in payment in the next twelve months.

- Computer-generated *Notice of Action*.
- Computer-generated list of recipients from Welfare Department.

Alimony or Child Support Payments

Acceptable methods of verification include, in this order:

- PHA verification form completed by payment provider.
- Copy of latest check and/or payment stubs from Court Trustee. PHA must record the date, amount, and number of the check.
- Oral verification from the District Attorney Child Support Hotline.
- Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules.
- 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.
- A written accounting or other statement from a local child support agency.

If payments are irregular, the family must provide:

- PHA verification form completed by parent provider.
- A welfare notice of action showing amounts received by the welfare agency for child support.
- A written statement from an attorney certifying that a collection or enforcement action has been filed.

Net Income from a Business

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

Acceptable methods of verification include IRS Form 1040, including:

- Schedule C (Small Business)
- Schedule E (Rental Property Income)
- Schedule F (Farm Income)

If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules.

- Audited or un-audited financial statements of the business.
- Credit report or loan application.
- Documents such as manifests, appointment books, cashbooks, bank statements, and receipts will be used as a guide for the prior six months (or lesser period if not in business for six months) to project income for the next twelve months. The family will be advised to maintain these documents in the future if they are not available.
- Family's self-certification as to net income realized from the business during previous years.

Child Care Business

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

If the applicant/participant is operating a "cash and carry" operation (which may or may not be licensed), the PHA will require that the applicant/participant complete a form for each customer which indicates: name of person(s) whose child (children) is/are being cared for, phone number, number of hours child is being cared for, method of payment (check/cash), amount paid, and signature of person providing care.

If the family has filed a tax return, the family will be required to provide it.

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

Recurring Gifts

- The family must furnish a self-certification, which contains the following information:
- The person who provides the gifts
- The value of the gifts
- The regularity (dates) of the gifts
- The purpose of the gifts

Zero Income Status

Families claiming to have no income will be required to execute verification forms to determine that forms of income such as unemployment benefits, TANF, SSI, etc. are not being received by the household. There will be a review of income every 90 days. Recertifications will be processed for any change in income.

After 120 days of zero reported income, if there is no change in income, the PHA will run a credit report.

Full-time Student Status

Only the first $480 of the earned income of full-time dependent students will be counted toward family income. This $480 is disregarded for dependents, netting zero.

Verification of full-time student status includes written verification from the registrar's office or other school official, indicating enrollment for sufficient number of credits to be considered a full-time student by the educational institution.

Any financial assistance received in excess of amounts received for tuition shall be considered income, except amounts received by a person over the age of 23 with dependent children. Financial assistance does not include loan proceeds.

F. INCOME FROM ASSETS

Acceptable methods of verification include, in this order:

1. Savings Account Interest Income and Dividends

    - PHA verification form to be completed by relevant financial institution.
    - Account statements, passbooks, and/or certificates of deposit.
    - Broker's statements showing value of stocks or bonds and the earnings credited the family. Earnings can be obtained from current newspaper quotations or broker's oral verification.
    - IRS Form 1099 from the financial institution provided that the PHA must adjust the information to project earnings expected for the next twelve months.

2. Interest Income from Mortgages or Similar Arrangements

    - Amortization schedule showing interest for the twelve months following the effective date of the certification or recertification.

- A letter from an accountant, attorney, real estate broker, the buyer, or a financial institution stating interest due for next twelve months. (A copy of the check paid by the buyer to the family is not sufficient unless a breakdown of interest and principal is shown.)

- If the family has filed a tax return they will be required to provide it.

3. Net Rental Income from Property Owned by Family

- IRS Form 1040 with Schedule E (Rental Income).

- Documentation of allowable operating expenses of the property: tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.

- Copies of latest rent receipts, leases, or other documentation of rent amounts.

G. VERIFICATION OF ASSETS

Family Assets

The PHA will require the information necessary to determine the current cash value of the family's assets, (the net amount the family would receive if the asset were converted to cash).

Acceptable verification may include any of the following:

- Verification forms, letters, or documents from a financial institution or broker.

- Passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker.

- Quotes from a stock broker or realty agent as to net amount family would receive if they liquidated securities or real estate.

- Real estate taxes statements if the approximate current market value can be deduced from assessment.

- Financial statements for business assets.

- Copies of closing documents showing the selling price and the distribution of the sales proceeds.

- Appraisals of personal property held as an investment.

- Family's self-certification describing assets or cash held at the family's home or in safe deposit boxes.

Assets Disposed of for Less than Fair Market Value (FMV) During Two Years Preceding Effective Date of Certification or Recertification

For all certifications and recertifications, the PHA will obtain the family's certification as to whether any member has disposed of assets for less than fair market value within the past two years of the effective date of the certification or recertification. The PHA must count assets disposed of for less than fair market value during the two years preceding initial certification or reexamination. The PHA will count the difference between the market value and the actual payment received in calculating total assets. The PHA's minimum threshold for counting assets disposed of for less than fair market value is $5000. If the total value of assets disposed of within a two-year period is less than $5000, they will not be considered an asset.

If the family certifies that they have disposed of assets for less than fair market value, verification self-certification is required that shows: (a) all assets disposed of for less than FMV, (b) the date they were disposed of, (c) the amount the family received, and (d) the market value of the assets at the time of disposition. Third party verification will be obtained wherever possible.

Assets disposed of as a result of foreclosure or bankruptcies are not considered to be assets disposed of for less than fair market value. Assets disposed of as a result of a divorce or separations are not considered to be assets disposed of for less than fair market value.

H. VERIFICATION OF ALLOWABLE DEDUCTIONS FROM INCOME

Child Care Expenses

Families must provide certification as to whether any of those payments have been or will be paid or reimbursed by outside sources.

Written verification from the person who receives the payments is required. If the child care provider is an individual, s/he must provide a statement of the amount they are charging the family for their services.

Verifications must specify the child care provider's name, address, telephone number, social security number, the names of the children cared for, the number of hours the child care occurs, the rate of pay, and the typical yearly amount paid, including school and vacation periods.

Acceptable Forms of childcare expense verification include a Childcare Provider Verification form in addition to one or more of the following:

- Cancelled Checks
- Money Order Receipts
- Receipts from a state licensed childcare provider or center

Medical Expenses

Families, whose head or co-head is elderly or disabled are eligible to claim medical expenses will be required to submit a certification as to whether or not any expense payments have been, or will be, reimbursed by an outside source. One or more of the methods listed below will verify all expense claims:

- Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, of: (a) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and (b) extent to which those expenses will be reimbursed by insurance or a government agency.

- Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family.

- Written confirmation from the Social Security Administration of Medicare premiums to be paid by the family over the next twelve months. A computer printout will be accepted.

- For attendant care, a knowledgeable professional's certification that the assistance of an attendant is necessary as a medical expense and a projection of the number of hours the care is needed for calculation purposes. The PHA may request the attendant's written confirmation of hours of care provided and amount and frequency of payments received from the family or agency (or copies of canceled checks the family used to make those payments) or stubs from the agency providing the services.

- Receipts, canceled checks, or pay stubs that verify medical costs and insurance expenses likely to be incurred in the next twelve months.

- Copies of payment agreements or most recent invoice that verify payments made on outstanding medical bills that will continue over all or part of the next twelve months.

- Receipts or other record of medical expenses incurred during the past twelve months that can be used to anticipate future medical expenses. PHA may use this approach for "general medical expenses" such as non-prescription drugs and regular visits to doctors or dentists, but not for one time, nonrecurring expenses from the previous year.

- The PHA will use mileage at the IRS rate, or cab, bus fare, or other public transportation cost for verification of the cost of transportation directly related to medical treatment.

Assistance to Persons with Disabilities

In All Cases:

- Written certification from a reliable, knowledgeable professional that the person with disabilities requires the services of an attendant and/or the use of auxiliary apparatus to permit him/her to be employed or to function sufficiently independently to enable another family member to be employed.

- Family's certification as to whether they receive reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.

Attendant Care:

- Certification of family and attendant and/or copies of canceled checks family used to make payments.

- Attendant's written certification of amount received from the family, frequency of receipt, and hours of care provided.

Auxiliary Apparatus:

- Receipts for purchases or proof of monthly payments and maintenance expenses of or auxiliary apparatus.

- In the case where the person with disabilities is employed, a statement from the employer that the auxiliary apparatus is necessary for employment.

I. VERIFYING NON-FINANCIAL FACTORS

Verification of Legal Identity

In order to prevent program abuse, the PHA will require applicants to furnish verification of legal identity for all family members.

The documents listed below will be considered acceptable verification of legal identity for adults. If a document submitted by a family is illegible or otherwise questionable, more than one of these documents may be required.

- Current Driver's license or State Identification Card

- Certificate of Birth, naturalization papers

- Church issued baptismal certificate

- U.S. military discharge (DD 214),

- U.S. Passport
- Department of Human Assistance Identification Card
- Company/Agency Identification Card

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

- Certificate of Birth or Naturalization
- Adoption papers
- Custody agreement
- Department of Human Assistance ID
- School ID cards
- Passport
- Current State Identification Card or Drivers License

Familial Relationships

Self-certification will normally be considered sufficient verification of family relationships. In cases where reasonable doubt exists, the family may be asked to provide verification.

The following verifications will be accepted:

1. Verification of relationship:
    - Birth Certificates
    - Baptismal certificates
2. Verification of guardianship:
    - Court-ordered assignment
    - Affidavit of parent
    - Verification from social services agency
    - School records

3. Verification of Marital Status

   - Certificate of Marriage
   - Divorce Decree
   - Court Records

Verification of Permanent Absence of Family Member

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

- Husband or wife institutes divorce action, and proof of another home address.
- Husband or wife institutes legal separation, and proof of another home address.
- Order of protection/restraining order obtained by one family member against another.
- Proof of another home address, such as utility bills, canceled checks for rent, driver's license, or lease or rental agreement.
- Statements from other agencies such as social services or a written statement from the owner or manager that the adult family member is no longer living at that location.
- If the adult family member is incarcerated, a document from the Court or correctional facility should be obtained stating how long they will be incarcerated.
- If no other proof can be provided, the PHA will accept a self-certification from the head of household or the spouse or co-head, if the head is the absent member.

Verification of Change in Family Composition

The PHA may verify changes in family composition (either reported or unreported) through letters, telephone calls, utility records, inspections, owners, neighbors, credit data, school or DMV records, IRS tax returns and other sources.

Verification of Disability

Verification of disability may be receipt of SSI or SSA disability payments under Section 223 of the Social Security Act or 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7) or verified by appropriate diagnostician such as physician, psychiatrist, psychologist, therapist, rehabilitation specialist, or licensed social worker, using the HUD language as the verification format. This threshold is not used for determination of reasonable accommodation, (refer to Chapter 1).

Verification of Citizenship/Eligible Immigrant Status

Ineligible family members have either been determined ineligible or elect not to contest their status. To be eligible for assistance, individuals must be U.S. citizens or eligible immigrants. Individuals who are neither may elect not to contend their status. Eligible immigrants must fall into one of the categories specified by the regulations and must have their status verified by Immigration and Naturalization Service (INS). Each family member must declare his or her status once. Assistance cannot be delayed, denied, or terminated while verification of status is pending except that assistance to applicants may be delayed while the PHA hearing is pending.

The PHA will not require citizens to provide documentation of citizenship.

Citizens or Nationals of the United States are required to sign a declaration under penalty of perjury.

Eligible Immigrants who were Participants and 62 or over on June 19, 1995, are required to sign a declaration of eligible immigration status and provide proof of age.

Non-citizens with eligible immigration status must sign a declaration of status and verification consent form and provide their original immigration documents which are copied front and back and returned to the family. The PHA verifies the status through the INS SAVE system. If this primary verification fails to verify status, the PHA must request within ten days that the INS conduct a manual search.

Ineligible family members who do not claim to be citizens or eligible immigrants must be listed on a statement of ineligible family members signed by the head of household or spouse.

Non-citizen students on student visas are ineligible members even though they are in the country lawfully. They must provide their student visa but their status will not be verified and they do not sign a declaration but are listed on the statement of ineligible members.

Failure to Provide

If an applicant or participant family member fails to sign required declarations and consent forms or provide documents, as required they must be listed as an ineligible member. If the entire family fails to provide and sign as required, the family may be denied or terminated for failure to provide required information.

Time of Verification

For applicants, verification of U.S. citizenship/eligible immigrant status occurs at the same time as verification of other factors of eligibility at the time of initial application**.**

For family members added after other members have been verified, the verification occurs before the new family member may move in.

Once verification has been completed for any covered program, it need not be repeated except that, in the case of port-in families, if the initial PHA does not supply the documents, the PHA must conduct the determination.

Extensions of Time to Provide Documents

The PHA will grant an extension of thirty days for families to submit evidence of eligible immigrant status.

Acceptable Documents of Eligible Immigration

The regulations stipulate that only the following documents are acceptable unless changes are published in the Federal Register.

- Resident Alien Card (I-551)
- Alien Registration Receipt Card (I-151)
- Arrival-Departure Record (I-94)
- Temporary Resident Card (I-688)
- Employment Authorization Card (I-688B)
- Receipt issued by the Bureau of Citizenship and Immigration Service, (formerly INS) for issuance of replacement of any of the above documents that shows individual's eligibility has been verified

A birth certificate is not acceptable verification of status. All documents in connection with U.S. citizenship/eligible immigrant status must be kept five years.

Verification of Social Security Numbers [24 CFR 5.216]

Social security numbers must be provided as a condition of eligibility for all family members. Verification of social security numbers will be done through a social security card issued by the Social Security Administration. If a family member cannot produce a social security card, only an identification card issued by a State, Federal or local Agency showing his or her social security number may be used for verification. The family is also required to certify in writing that the document(s) submitted in lieu of the social security card information provided is/are complete and accurate.

New family members will be required to have a social security card or the substitute documentation described above together with their certification that the substitute information provided is complete and accurate. This information is to be provided at the time the change in family composition is reported to the PHA.

If an applicant or participant is able to disclose the social security number but cannot meet the documentation requirements, the applicant or participant must sign a certification to that effect provided by the PHA. The applicant/participant or family member will have an additional sixty days to provide proof of the social security number. If they fail to provide this documentation, the individual's assistance will be terminated.

In the case of an individual at least sixty-two years of age, the PHA may grant extensions in 60-day increments for a total of 120 days. If, at the end of this time, the elderly individual has not provided documentation, the individual's assistance will be terminated and the family subsidy will be pro-rated.

Chapter 8

VOUCHER ISSUANCE AND BRIEFINGS
[24 CFR 982.301, 982.302]

INTRODUCTION

The PHA's goals and objectives are designed to assure that families selected to participate are equipped with the tools necessary to locate an appropriate housing unit. Families are provided sufficient knowledge and information regarding the program and how to achieve maximum benefit while complying with program requirements. When eligibility has been determined, the PHA will conduct a mandatory briefing to ensure that families are provided clear information on how the program works. The briefing will provide a broad description of owner and family responsibilities, PHA procedures, and how to lease a unit. The family will also receive a briefing packet that provides more detailed information about the program including the benefits of moving outside areas of poverty and minority concentration. This chapter describes how briefings will be conducted, the information that will be provided to families, and the policies for how changes in the family composition will be handled.

A. FUNDING AVAILABILITY

When funding is available, the PHA will issue vouchers to applicants whose eligibility has been determined. The number of vouchers issued must ensure that the PHA stays as close as possible to 100 percent lease-up. The PHA performs a monthly calculation to determine whether applications can be processed, the number of vouchers that can be issued, and to what extent the PHA can over-issue (issue more vouchers than the budget allows to achieve lease-up).

The PHA may over-issue vouchers only to the extent necessary to meet leasing goals. All vouchers that are over-issued may be honored. If the PHA finds it is over-leased, it must adjust future issuance of vouchers in order not to exceed the ACC budget limitations over the fiscal year.

B. BRIEFING TYPES AND REQUIRED ATTENDANCE [24 CFR 982.301]

Initial Applicant Briefing

A full HUD-required briefing will be conducted for applicant families who are determined to be eligible for assistance. The briefings will be conducted in groups. Families who attend group briefings and still have the need for individual assistance will be referred to designated staff.

The purpose of the briefing is to explain how the program works and to explain the documents in the voucher holder's packet to families so that they are fully informed about the program. This

will enable families to utilize the program to their advantage, and it will prepare them to discuss the benefits of the program with potential owners and property managers.

The PHA will not issue a voucher to a family unless the head of household has attended a briefing and signed the voucher. Applicants who provide prior notice of inability to attend a briefing will automatically be scheduled for the next briefing. Applicants who fail to attend two scheduled briefings, without prior notification and approval of the PHA, may be denied admission based on failure to supply information needed for certification. The PHA will conduct individual briefings for families with disabilities at their home, upon request by the family, if required for reasonable accommodation.

Briefing Packet [24 CFR 982.301(b)]

The documents and information provided in the briefing packet for the voucher program will comply with all HUD requirements. The family is provided with the following information and materials:

- The term of the voucher, and the PHA policy for requesting extensions or suspensions of the voucher (referred to as tolling).
- A description of the method used to calculate the housing assistance payment for a family, including how the 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. How the PHA determines the maximum allowable rent for an assisted unit. Where the family may lease a unit. For 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 For Tenancy Approval (RFTA)**,** 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 and how the voucher size relates to the unit size selected.
- The HUD brochure on how to select a unit and the HUD brochure "A Good Place to Live" on how to select a unit that complies with HQS.
- The HUD pamphlet on lead-based paint entitled *Protect Your Family From Lead in Your Home.* Information on Federal, State and local equal opportunity laws and a copy of the housing discrimination complaint form. The PHA will also include the pamphlet "Fair Housing: It's Your Right" and other information about fair housing

laws and guidelines and the phone numbers of the local fair housing agency and the HUD enforcement office.

- A list of owners or other parties willing to lease to assisted families or help in the search of known units available for the voucher issued. The list includes owners or other parties who are willing to lease units or help families find units outside areas of poverty or minority concentration.
- If the family includes a person with disabilities, notice that the PHA will provide a list of available accessible units known to the PHA.
- The family obligations under the program.
- The grounds on which the PHA may terminate assistance for a participant family because of family action or failure to act.
- Notification of their rights under Violence Against Women Act (VAWA), which includes the existence of the "Certification of Domestic Violence, Dating Violence, or Stalking" form, HUD-50066, and the right to confidentiality and limits thereof.
- 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.
- Information packet including an explanation of how portability works, including a list of neighboring housing agencies with the name, address and telephone number of a portability contact person at each for use by families who move under portability. (required for PHAs in MSAs)
- A map showing areas representing various income levels of the jurisdiction and surrounding areas for the purpose of expanding housing opportunities for families. (required for PHAs in MSAs)
- A list of properties or property management organizations that own or operate housing units outside areas of poverty or minority concentration (required for PHAs in MSAs).
- The family's rights as a tenant, and a program participant.
- Requirements for reporting changes between annual recertifications.

If the family includes a person with disabilities, the PHA will ensure compliance with CFR 8.6 to ensure effective communication.

Move Briefing

A move briefing may be held for participants who will be reissued a voucher to move**.** This briefing includes incoming and outgoing portable participants. The PHA will require a recertification within 120 days of a move. The PHA will perform a recertification before approving a move if the recertification is scheduled within 150 days of the request to move.

Owner Briefing

Briefings are held for owners monthly. The purpose of the briefing is to assure successful owner participation in the program. The briefing covers the responsibilities and roles of the owner, the family, and the PHA.

C. ENCOURAGING PARTICIPATION IN AREAS WITHOUT LOW- INCOME OR MINORITY CONCENTRATION

At the briefing, families are encouraged to search for housing in non-impacted areas and the PHA will provide assistance to families who wish to do so.

The PHA has areas of poverty and minority concentration clearly delineated in order to provide families with information and encouragement in seeking housing opportunities outside highly concentrated areas.

The PHA has maps that showing areas outside of poverty and minority concentration and has assembled information regarding the characteristics of these areas (such as job opportunities, schools, transportation, and other services) to use in briefings to inform voucher holders of the full range of areas to search for housing.

The PHA will analyze when voucher holders are experiencing difficulties locating or obtaining housing units outside areas of concentration.

The assistance provided to such families includes:

- Providing families with a search record form to gather and record information;
- Direct contact with owners;
- Providing information about services in various non-impacted areas;
- Formal or informal discussions with owner groups;
- Formal or informal discussions with social service agencies;
- Meeting with rental referral companies or agencies;

- Meeting with fair housing groups or agencies.

D. ASSISTANCE TO FAMILIES WHO CLAIM DISCRIMINATION

The PHA will give participants a copy of HUD Form 903 to file a complaint.

E. SECURITY DEPOSIT REQUIREMENTS [24 CFR 982.313]

The owner is not required to, but may collect a security deposit from the tenant.

Security deposits charged by owners may not exceed two times the rent for an unfurnished apartment or three times the rent for a furnished apartment.

For lease-in-place families, responsibility for first and last month's rent is not considered a security deposit issue. In these cases, the owner should settle the issue with the tenant prior to the beginning of assistance.

F. VOUCHER ISSUANCE [24 CFR 982.204(d), 982.54(d)(2)]

During the briefing session, each household will be issued a voucher that authorizes the family to search for a suitable unit. The voucher is evidence that the PHA has determined the family eligible for the program and plans to subsidize the family if the family selects a unit that can be approved under program requirements. The voucher specifies the unit size for which the family is qualified for and briefly describes how the program works and explains the family obligations under the program. Admission to the program occurs when the lease and contract become effective.

After the issuance of the voucher, the subsidy standard will not be increased for additions to the family except as described in Chapter 5, under the “Exceptions to Subsidy Standards” section of this Administrative Plan.

Term of Voucher [24 CFR 982.303, 982.54(d)(11)]

Vouchers will be issued for a term of 60 days. The family must submit a Request for Tenancy Approval and Lease Approval within this period.

The effective day of the voucher will be the date the family is scheduled for the briefing. The family will be scheduled for a briefing as soon as:

- They give notice of their intent to move to the PHA,

- The recertification has been completed; and,
- All outstanding debts have been paid to the PHA.

Voucher Extensions

The PHA may approve a 30-day extension to the voucher term. All requests for an extension must be received in writing, prior to the expiration of the voucher. Any additional extension requires a Supervisor's approval. The PHA may request a copy of the family search record in order to grant any additional extension.

To make the program accessible to a family member who is a person with disabilities additional extension options may be considered.

Tolling / Suspension of Search Time

The voucher term will be suspended (the clock on the family's voucher is stopped) from the date a Request for Tenancy Approval is received until the PHA approves or denies the request.

If the tenant voids the RFTA, no tolling time will be allowed.

Assistance to Voucher Holders

Families who require additional assistance during their search may call the PHA Office to request assistance. Voucher holders will be notified at their briefing session that the PHA periodically updates the listing of available units and how the updated list may be obtained.

The PHA will assist families with negotiations with owners and provide other assistance related to the families' search for housing.

G. VOUCHER ISSUANCE DETERMINATION FOR SPLIT HOUSEHOLDS [24 CFR 982.315]

In those instances when a family assisted under the Section 8 program or an applicant becomes divided into two otherwise eligible families due to divorce, legal separation, or the division of the family, and the new families cannot agree as to which new family unit should continue to receive the assistance; lacking a determination by a court, the supervisor shall consider the following factors to determine which of the families will continue to be assisted:

- Which of the two new family units has custody of dependent children
- Which family member was the head of household when the voucher was initially issued (listed on the initial application).

- The composition of the new family units, and which unit contains elderly or disabled members.
- Whether domestic violence was involved in the breakup
- Which family members remain in the unit
- Recommendations of social service professionals

Documentation of these factors will be the responsibility of the requesting parties.

If documentation is not provided, the PHA will terminate assistance on the basis of failure to provide information necessary for a recertification.

Chapter 9

REQUEST FOR TENANCY APPROVAL AND CONTRACT EXECUTION
[24 CFR 982.302]

INTRODUCTION

The PHA's program operations are designed to utilize available resources in a manner that is efficient and provides eligible families with timely assistance based on the number of units that have been budgeted. The PHA's objectives include maximizing HUD funds by providing assistance to as many eligible families and for as many eligible units as the budget will allow.

After families are issued a voucher, they may search for a unit anywhere within the jurisdiction of the PHA, or outside of the PHA's jurisdiction if they qualify for portability. The family must find an eligible unit under the program rules, with an owner/owner who is willing to enter into a Housing Assistance Payments Contract with the PHA. This chapter defines the types of eligible housing, the PHA's policies that pertain to initial inspections, lease requirements, owner disapproval, and the processing of Requests for Tenancy Approval (RFTA)s.

A. REQUEST FOR TENANCY APPROVAL [24 CFR 982.302, 982.305(b); 982.508]

The Request for Tenancy Approval (RFTA) and a copy of the proposed lease, including the HUD prescribed tenancy addendum, must be submitted by the family during the term of the voucher. The family must submit the RFTA in the form and manner required by the PHA.

The RFTA must be signed by both the owner and voucher holder.

The PHA will not permit the family to submit more than one RFTA at a time.

The PHA will review the Request for Tenancy Approval documents to determine whether or not it is approvable. The request will be approved if:

- The unit is an eligible type of housing;
- The rent to owner is reasonable;
- The security deposit is approvable in accordance with any limitations in this plan;
- The proposed lease complies with HUD and PHA requirements (See "Lease Review", Section C of this Chapter);
- The owner is approved, and there are no conflicts of interest (See "Owner Disapproval", Chapter 16 of this Administrative Plan); and

- At the time the PHA approves a tenancy for initial occupancy of a dwelling unit by a family with tenant-based assistance under the program, and where the gross rent of unit exceeds the applicable payment standard for the family, the family share must not exceed 40 percent (40%) of the family's adjusted monthly income.

Disapproval of RFTA by PHA

If the PHA determines that the request cannot be approved for any reason, the owner and the family will be notified in writing. When a RFTA is not approved and the voucher has not expired, the PHA will furnish another RFTA form to the family along with the notice of disapproval so that the family can continue to search for eligible housing.

Disapproval of RFTA by Owner or Participant

If a RFTA is approvable but the participant or prospective owner elects to void/disapprove the RFTA, then the voiding party is responsible for the notification of all involved parties. The PHA will also send a void confirmation letter to the tenant/landlord.

B. ELIGIBLE TYPES OF HOUSING [24 CFR 982.353]

The PHA will approve any of the following types of housing:

- All structure types can be utilized.
- Manufactured homes where the tenant leases the mobile home and the pad.
- Manufactured homes where the tenant owns the mobile home and leases the pad.
- Group homes
- Congregate facilities (only the shelter rent is assisted)
- Single room occupancy
- Units owned (but not subsidized) by the PHA (following HUD-prescribed requirements).

A family can own a rental unit but cannot reside in it while being assisted, except in the case when the tenant owns the mobile home and leases the pad. A family may lease in and have an interest in a cooperative housing development.

The PHA may not permit a voucher holder to lease a unit, which is receiving HUD project-based Housing Choice Voucher assistance or any duplicative rental subsidies.

C. LEASE AND TENANCY [24 CFR 982.308]

The tenant must have legal capacity to enter a lease under State and local law If the owner uses a standard lease form for the rental unassisted tenants in the County of Sacramento, the same lease must be used for HCV program units (with the addition of the HUD Tenancy addendum and the PHA's Lease Supplemental Agreement).

The Lease Supplemental Agreement, together with the HUD-prescribed tenancy addendum, will be part of the PHA-approved lease form provided by the Owner, if any, and collectively will be the Lease between Owner and Tenant. In the event of a conflict between the terms and conditions set out in the documents comprising the Lease, the Lease Supplemental Agreement shall supersede any conflicting provisions.

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 lease and/or Lease Supplemental Agreement must specify:

- The names of the owner and tenant family members;
- The address of the unit rented.
- The term of the lease.
- The amount of the monthly rent to owner;
- The utilities and appliances to be supplied by the owner;
- The utilities and appliances to be supplied by the family.

The HUD prescribed tenancy addendum must be included in the lease word-for-word before the lease is executed. The PHA may review the lease to determine if the lease complies with State and local law, and may decline to approve the tenancy if the PHA determines that the lease does not comply with State or local law.

Effective September 15, 2000, the owner's lease must include the Lead Warning Statement and disclosure information required by 24 CFR 35.92(b).

Actions Before Lease Term

The following must always be completed prior to the beginning the initial term of the lease for a unit:

- The PHA has inspected the unit and has determined that the unit satisfies HQS;
- The owner and the tenant have executed the lease, including the HUD-prescribed tenancy addendum;

- The tenant must be in possession of the unit and the tenant may not have more than one active HAP contract except as covered in Chapter 13, under the Procedure for Moves section of this Administrative Plan.
- The PHA must have approved leasing of the unit in accordance with program requirements;
- When the gross rent exceeds the applicable payment standard for the family, the PHA must determine that the family share (total family contribution) will not be more than forty percent (40%) of the family's monthly adjusted income.

D. SEPARATE AGREEMENTS

Illegal Side Agreements (Side Payments)

Families and owners will be advised that it is a violation of the terms of the HAP contract to enter into illegal side payment agreements. Illegal side payments may be described as but, but are not limited to any payments charged by the owner or accepted from the tenant, in excess of the rent approved on the HAP contract. The family is not liable under the lease for unpaid charges for items covered by separate illegal side agreements and nonpayment of these agreements cannot be cause for eviction.

Separate Agreements Approval by PHA

Owners and families may execute separate agreements for services, appliances (other than range and refrigerator) and other items that are not included in the lease if the agreement is in writing and approved by the PHA.

Any appliances, services or other items, which are routinely provided to unassisted families as part of the lease (such as air conditioning, dishwasher or garage) or are permanently installed in the unit, cannot be put under separate agreement. For there to be a separate agreement, the family must have the option of not utilizing the service, appliance or other item.

If the family and owner have come to a written agreement on the amount of allowable charges for a specific item, so long as those charges are reasonable and not a substitute for higher rent, they will be allowed.

All agreements for special items or services must be attached to the lease approved by the PHA. If agreements are entered into at a later date, they must be approved by the PHA and attached to the lease.

E. RENT LIMITATIONS [24 CFR 982.507]

The PHA will make a determination as to the reasonableness of the proposed rent in relation to comparable units available for lease on the private unassisted market, and the rent charged by the owner for a comparable unassisted unit in the building or premises.

By accepting each monthly housing assistance payment from the PHA, the owner certifies that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises. The owner is required to provide the PHA with information requested on rents charged by the owner on the premises or elsewhere.

At all times during the tenancy, the rent to owner may not be more than the most current reasonable rent as determined and approved by the PHA.

F. DISAPPROVAL OF PROPOSED RENT [24 CFR 982.502]

In any of the programs, if the proposed gross rent is not reasonable, at the family's request; the PHA will negotiate with the owner to reduce the rent to a reasonable rent. If, in the voucher program, the rent is not affordable because the family share would be more than forty percent of the family's monthly adjusted income, the PHA may negotiate with the owner to reduce the rent to an affordable rent for the family.

If the rent can be approved after negotiations with the owner, the PHA will continue processing for tenancy approval and lease.

If the owner does not agree on the rent to owner, the PHA will disapprove the RFTA.. (See "Disapproval of RFTA", Section A, of this chapter.)

G. INFORMATION TO OWNERS [24 CFR 982.307(b), 982.54(d)(7)]

In accordance with HUD requirements , the PHA will furnish prospective owners with the family's current address as shown in the PHA's records and, if known to the PHA, the name and address of the owner at the family's current and prior address.

The PHA will make an exception to this requirement if the family's whereabouts must be protected due to domestic abuse or witness protection.

The PHA will inform owners that it is the responsibility of the owner to determine the suitability of prospective tenants. Owners will be encouraged to screen applicants for rent payment history, payment of utility bills, eviction history, respecting the rights of other residents, damage to units,

drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others, and compliance with other essential conditions of tenancy.

A statement of the PHA's policy on release of information to prospective owners will be included in the briefing packet, which is provided to the family.

Only the designated staff may provide this information. The PHA's policy on providing information to owners is included in the briefing packet and will apply uniformly to all families and owners.

H. CHANGE IN TOTAL TENANT PAYMENT (TTP) PRIOR TO HAP EFFECTIVE DATE

When the family reports changes in factors that will affect the total family share prior to the effective date of the HAP contract the information will be verified and the total family share will be recalculated. (See Chapter 12, Part B, Interim Changes.)

I. CONTRACT EXECUTION PROCESS [24 CFR 982.305(c)]

The PHA makes every effort to execute the HAP contract before the commencement of the lease term. The HAP contract may not be executed more than 60 days after commencement of the lease term and no payments will be made until the contract is executed.

The owner must provide:

- a current residential address (not a Post Office box).
- a home telephone number and business number, if applicable.
- an employer identification number or social security number.
- proof of ownership of the property, such as grant deed, certified settlement statement, or letter from title company with date recorded, new owner name & property address.
- a copy of the management agreement, if agent is acting on behalf of owner.

Unless the lease was effective prior to June 17, 1998, a family may not lease property owned by a parent, child, grandparent, grandchild, sister or brother of any family member. The PHA may waive this restriction as a reasonable accommodation for a family member who is a person with a disability.

J. CHANGE IN UTILITY/ APPLIANCE RESPONSIBILITY (24 CFR 982.308)

If the tenant and owner agree to any changes in the lease, such changes must be in writing. In order to change the utility or appliance responsibility, a 60-day written notice must be submitted to the PHA and has to be approved prior to taking effect. Once approved, a new HAP contract must be issued.

Tenant-based assistance 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.

Chapter 10

HOUSING QUALITY STANDARDS AND INSPECTIONS
[24 CFR 982.401]

INTRODUCTION

Housing Quality Standards (HQS) are the HUD minimum quality standards for tenant-based programs. The Housing Authority requires additional housing standards, which are identified later in this chapter. Housing inspections conducted by the PHA will check for any items in violations of either set of standards. HQS inspections are required both at initial occupancy and during the term of the lease. HQS applies to the building and premises, as well as the unit. Newly leased units must pass the HQS inspection before the beginning date of the assisted lease and HAP contract.

The PHA will inspect each unit under contract at least annually. The PHA will also perform quality control inspections on the number of units required for file sampling by SEMAP annually to maintain the PHA's required standards and to assure consistency in the PHA's program. This chapter describes the PHA's procedures for performing HQS and other types of inspections, and PHA standards for the timeliness of repairs. It also explains the responsibilities of the owner and family, and the consequences of non-compliance with HQS requirements for both families and owners. The use of the term "HQS" in this Administrative Plan refers to the combination of both HUD and PHA requirements.

A. GUIDELINES/TYPES OF INSPECTIONS [24 CFR 982.401(a), 982.405]

Effort will be made at all times to encourage owners to provide housing above HQS minimum standards. The PHA will not promote any additional acceptability criteria which are likely to adversely affect the health or safety of participant families, or severely restrict housing choice.

All utilities must be in service prior to the inspection. If the utilities are not in service at the time of inspection, the inspector will notify the tenant or owner (whomever is responsible for the utilities according to the RFTA) to have the utilities turned on.

If the tenant is responsible for supplying the stove and/or the refrigerator, the PHA will allow the stove and refrigerator to be placed in the unit after the unit has passed all other HQS. The family must then certify after move-in that the appliances are in the unit and working. The PHA will not conduct a re-inspection.

There are four types of inspections:

1. Initial/Move-in: Will be conducted prior to the initial term of the lease.

2. Annual: Will be conducted within twelve months of the last annual inspection.

3. Special: Will be conducted as needed to determine if the unit meets HQS.

4. Quality Control: Will be to ensure that inspections conducted by the PHA are accurate and complete.

B. INITIAL HQS INSPECTION [24 CFR 982.401(a), 982.305(b)(2)]

Timely Initial HQS Inspection

When a complete Request for Tenancy Approval (RFTA) is received, the PHA will contact the landlord to schedule an inspection appointment within 15 days. The 15 day period is suspended during any period the unit is not available for inspection.

The PHA will make every reasonable effort to conduct the initial HQS inspections for the family and owner in a manner that is time-efficient and indicative of good customer service. The PHA will review the average time required for a family and owner to have a unit inspected from the time the RFTA is submitted by the family and owner to the PHA.

The Initial Inspection will be conducted to:

- Determine if the unit and property meet the HQS defined in this Plan.
- Document the information to be used for determination of rent-reasonableness.

If the unit fails the initial Housing Quality Standards inspection, the owner will be given up to 10 days to complete repairs and contact the PHA to schedule a re-inspection appointment.

The owner will be allowed one re-inspection for repair work to be completed. A second re-inspection may be authorized only with Supervisor approval.

If the time period given by the PHA to correct the repairs has lapsed, or the maximum number of failed re-inspections has occurred, the RFTA will be voided. A new voucher will be issued to the family with any eligible tolling time and the family must submit the new RFTA before their voucher expiration date.

A passed initial inspection is good for up to 30 days.

If the effective date of the lease and contract is between 30 and 90 days after the unit passed HQS inspection, another inspection is not necessary as long as the owner certifies in writing that:

1) The unit has not been occupied since the date the unit passed the HQS inspection; and

2) The unit remains in the same rent-ready condition as when it passed HQS inspection.

If the date the unit passed HQS inspection is more than 90 days from the effective date of the lease and contract, the unit must be reinspected before the lease and contract may begin.

C. ANNUAL HQS INSPECTIONS [24 CFR 982.405(a)]

The PHA inspects each assisted unit annually at least fifteen days before the last annual inspection as required by SEMAP.

If an additional room has been granted as a reasonable accommodation, at the annual inspection, the PHA will verify that the additional bedroom is being used as approved. If the additional bedroom is verified as not being used as intended, the voucher size may be reduced.

"Reasonable Hours to Conduct an Inspection" are defined as the hours between 8:00 a.m. and 5:00 p.m.

Inspections will be conducted only on business days unless authorized by the Assistant Director.

Inspection: The family and owner are notified of the date and time of the inspection appointment by mail or phone. If the family is unable to be present, they must reschedule the appointment so that the inspection is completed within seven days of the date originally scheduled for the inspection.

If the family misses two inspection appointments, the PHA will consider the family to have violated a family obligation and their assistance may be terminated.

The family must allow the PHA to inspect the unit at reasonable times with reasonable notice. [24 CFR 982.551(d)]

The owner must correct HQS deficiencies that cause a unit to fail, unless the tenant is responsible for the repairs.

For tenant-caused damages, the tenant must correct the repairs within the specified timeline (See Time Standards for Repairs below). If the tenant fails to complete repairs timely, the PHA will consider the family to have violated a family obligation and their assistance may be terminated.

Re-inspection(s)

The family and owner are provided a notice of the inspection appointment by phone or mail. If the family is not at home for the re-inspection appointment, a notice will be left at the unit and another appointment is automatically scheduled. The appointment letter contains a warning of abatement (in the case of owner responsibility), and a notice of the owner's responsibility to notify the family in case of owner-caused abatement. Program Eligibility may also be jeopardized for missed inspections which the tenant is responsible for.

The family is notified that it is a family obligation to allow the PHA to inspect the unit.

Time Standards for Repairs

Emergency items must be corrected within twenty-four hours of notification.

Repairs for non-emergency items must be made within thirty days of the inspection fail date. An extension beyond the thirty-day period may be approved by a Principal Analyst or a Supervisor upon written request from the owner, with verifiable documentation.

D. SPECIAL/COMPLAINT INSPECTIONS [24 CFR 982.405(c)]

Special inspections may be scheduled between anniversary dates. The PHA will notify the family and the owner of the special inspection date and time in writing or by phone.

If, at any time the family or owner notifies the PHA that the unit does not meet Housing Quality Standards, the PHA may conduct an inspection. Before conducting a special inspection for a tenant or owner complaint, the PHA may request verification that the owner or tenant has been notified of the deficiency and has not completed repair within a reasonable time. Reasonable time for non-emergency items is 30 days.

The PHA will consider complaints and any other information brought to the attention of the PHA, including information from third parties such as neighbors or public officials.

The PHA will inspect only the items which were reported, but if the inspector notices additional deficiencies that would cause the unit to fail HQS, the responsible party will be required to make the necessary repairs.

If the annual inspection due date is within ninety days of a scheduled special inspection, the special inspection will be categorized as annual and all annual procedures will be followed.

A move-out inspection will be performed for Moderate Rehabilitation units only, at the owner's request.

E. QUALITY CONTROL INSPECTIONS [24 CFR 982.405(b)]

Quality control inspections will be conducted by the supervisor or other designated staff, and will be based upon the SEMAP defined minimum file sample size.

The purpose of quality control inspections is to ascertain that each inspector is conducting accurate and complete inspections, and to ensure that there is consistency among inspectors in the application of the HQS.

The sampling of files will include recently completed inspections (within the prior 3 months), a cross-section of neighborhoods, and a cross-section of inspectors.

F. SINGLE CYLINDER DEAD BOLT LOCKS

The PHA requires that the owner must install an operable single cylinder dead bolt lock on each main swinging entry door of a dwelling unit. The dead bolt lock must be installed in conformance with manufacturer's specifications. These doors include exterior doors which allow access to the unit. The following swinging doors must have a single cylinder dead bolt lock:

- The front door
- The back door
- The door from the garage to the house
- Any door that allows direct access to the unit

Security doors and screen doors are not main entrance doors. Single cylinder locks installed on security doors do not satisfy the requirement.

G. EMERGENCY REPAIR ITEMS [24 CFR 982.404(a)]

The following items are considered to be emergency repairs and must be corrected by the owner or tenant (whoever is responsible) within twenty-four hours of notice by the PHA:

- Lack of security for the unit
- Severe structural damage (i.e. collapsed ceilings, walls, or floors)
- Major plumbing leaks (i.e. those causing flooding or significant hazards)
- Natural gas leak or fumes
- Electrical problem which could result in shock or fire (i.e. exposed stripped wires)
- No running water
- Shattered glass where someone could be injured
- Lack of a functioning toilet in the unit
- Lack of one working smoke detector per floor

In those cases where there is leaking gas or potential of fire or other threat to public safety, and the responsible party cannot be reached or it is impossible for the responsible party to make the repairs, the proper authorities will be notified by the PHA.

If the emergency repair item(s) are not corrected in the time period required by the PHA, and the owner is responsible, the housing assistance payment will be abated and the HAP contract will be terminated.

If the emergency repair item(s) are not corrected in the time period required by the PHA, and it is an HQS breach that is a family obligation, the PHA will terminate the assistance to the family.

Smoke Detectors [24 CFR 982.401 (n)]

Inoperable smoke detectors are a serious health threat and are treated by the PHA as an emergency (24-hour) fail item.

If the smoke detector is not operating properly the PHA will contact the owner by phone and request the owner to repair the smoke detector within twenty-four hours. The PHA will re-inspect the unit the following business day.

If the PHA determines that the family has disconnected the smoke detector (by removing batteries or other means), the family will be required to repair the smoke detector within twenty-four hours and the PHA will re-inspect the unit the following business day. The PHA will also issue a warning to the tenant for HQS non-compliance.

If the dwelling unit is occupied by any hearing-impaired person, smoke detectors must have an alarm system, designed for hearing-impaired person as specified in NFPA 72 (or successor standards.)

H. CONSEQUENCES IF OWNER IS RESPONSIBLE (NON-EMERGENCY ITEMS) [24 CFR 982.404, 982.453]

When it has been determined that a unit on the program fails to meet Housing Quality Standards, the owner is responsible for completing the necessary repair(s) in the time period specified by the PHA. The PHA must take prompt action to enforce owner obligations. PHA remedies for such breech of the Housing Quality Standards may include abatement of the HAP or termination of the HAP contract.

Abatement

Should circumstances arise which warrant abatement, a notice of abatement of the housing assistance payment will be sent to the owner, and the abatement will be effective the first of the month following the specified correction period. The housing assistance payment will be abated for no more than a period of thirty (30) days at which time the contract will be terminated if the required repairs are not made and verified by the PHA.

When repairs can be verified by other means, i.e. verbal or written documentation from utility companies (gas, water, electric), code enforcement or city/county inspector, signed work orders, receipts, invoices showing work has been completed, etc., a physical re-inspection will not be required.

If re-inspection is necessary, the PHA will inspect abated units within seven calendar days of the owner's notification that the work has been completed.

If the owner makes repairs during the abatement period, payment will resume on the day the unit passes inspection.

No retroactive payments will be made to the owner for the period of time the rent was abated and the unit did not comply with HQS. The notice of abatement states that the tenant is not responsible for the PHA's portion of rent that is abated.

Extensions on Abatements

A PHA supervisor may grant an extension in lieu of abatement in the following cases:

- There is an unavoidable delay in completing repairs due to difficulties in obtaining parts or contracting for services.
- The repairs must be delayed due to climate conditions.

The extension will be made for a period of time not to exceed thirty days. At the end of that time, if the work is not completed, the PHA will begin the abatement.

Termination of Contract

If the owner is responsible for repairs, and fails to correct all the deficiencies cited prior to the end of the abatement period, the HAP Contract will be terminated. A notice of termination will be mailed to owner and tenant, if tenant is still in unit.

I. DETERMINATION OF RESPONSIBILITY [24 CFR 982.404, 982.54(d)(14)]

Certain HQS deficiencies are considered the responsibility of the family:

- Tenant-paid utilities not in service
- Failure to provide or maintain tenant-supplied appliances
- Damage to the unit or premises caused by a household member or guest beyond normal wear and tear ("Normal wear and tear" is defined as items which could not be charged against the tenant's security deposit under State law or court practice).

The owner is responsible for all other HQS violations.

The owner is responsible for vermin infestation, even if caused by the family's living habits. If such infestation is serious and repeated, it may be considered a lease violation and the owner may evict for serious or repeated violation of the lease. The PHA may terminate the family's assistance on that basis.

The inspector will make a determination of owner or family responsibility during the inspection.

If the family is responsible, but the owner carries out the repairs, the owner may bill the family for the cost of the repairs and the family's file will be noted.

J. CONSEQUENCES IF FAMILY IS RESPONSIBLE [24 CFR 982.404(b)]

If non-emergency violations of HQS are determined to be the responsibility of the family, the PHA will require the family to make any repair(s) or corrections within thirty days. The family will be required to make repairs or corrections to tenant-responsible emergency violations within 24 hours. If the repair(s) or correction(s) are not made in this time period, the PHA will terminate assistance to the family, after providing an opportunity for an informal hearing. The owner's rent will not be abated for items which are the family's responsibility.

If the tenant is responsible and corrections are not made, the HAP contract will terminate when assistance is terminated.

Chapter 11

OWNER RENTS, RENT REASONABLENESS, AND PAYMENT STANDARDS
[24 CFR 982.502, 982.503, 982.504, 982.505, 982.507]

INTRODUCTION

The PHA will determine rent reasonableness in accordance with 24 CFR 982.507(a). It is the PHA's responsibility to ensure that the rents charged by owners are reasonable based upon unassisted comparables in the rental market, using the criteria specified in 24 CFR 982.507(b).

This chapter explains the PHA's procedures for determination of rent-reasonableness, payments to owners, adjustments to the payment standards, and rent adjustments.

A. RENT TO OWNER IN THE HOUSING CHOICE VOUCHER PROGRAM [(24 CFR 982.508)]

All HAP contracts will begin the later of: the date the unit passes inspection, the date the family moves in, or the date the voucher is issued. Exceptions may be granted by Program Manager approval. The tenant will be responsible for any rent prior to start date. The owner will be responsible for collecting any rent owed prior to start date. The rent to owner is limited by rent reasonableness. The PHA must demonstrate that the rent to owner is reasonable in comparison to rent for other comparable unassisted units.

Another limitation on rent to owner is the maximum rent standard at initial occupancy (24 CFR 982.508). At the time a family initially receives tenant-based assistance for occupancy of a dwelling unit, whether it is a new admission or a move to a different unit, if the gross rent for the unit exceeds the applicable payment standard for the family, the family share may not exceed 40 percent (40%) of the family's monthly adjusted income.

During the initial term of the lease, the owner may not raise the contract rent to the participant family.

B. MAKING PAYMENTS TO OWNERS [24 CFR 982.451]

Once the HAP contract is executed, the PHA begins processing payments to the owner. A HAP Register will be used as a basis for monitoring the accuracy and timeliness of payments. Changes are made to the HAP Register for the following month. Checks are disbursed by the Finance Division to the owner each month. Checks may not be picked up by owner at the PHA. Exceptions may be made with the approval of a Supervisor in cases of hardship.

Checks that are not received will not be replaced until a request has been received from the payee and a stop payment has been placed on the check. A request for stop payment will be processed no earlier than ten days after the check issuance date.

Excess Payments

The total of rent paid by the tenant plus the PHA housing assistance payment to the owner may not be more than the contract rent. The owner must immediately return any excess payment to the PHA.

Owners who do not return excess payments will be subject to penalties as outlined in the "Owner or Family Debts to the PHA", Chapter 17 of this Administrative Plan.

Late Payments to Owners

It is a local business practice in Sacramento for property managers and owners to charge tenants a reasonable late fee for rents not received by the owner or property manager by the due date. Therefore, in keeping with generally accepted practices in the local housing market, the PHA must make housing assistance payments to the owner promptly and in accordance with the HAP contract.

The PHA may pay a maximum $35.00 late fee to the owner for housing assistance payments that are not mailed to the owner by the fifth day of the month, if requested by the owner and due to no fault of the owner, excluding the first two calendar months of the HAP contract term.

Late fees will not be paid when any portion of the housing assistance payment has been issued timely.

Proof of "Mailed to" date will be the date of the check on the HAP register.

The PHA will not be obligated to pay any late payment penalty if HUD determines that late payment is due to factors beyond the PHA's control, such as a delay in the receipt of program funds from HUD. The PHA will not use any program funds for the payment of late fee penalties to the owner.

C. RENT REASONABLENESS DETERMINATIONS [24 CFR 982.507]

The PHA will determine and document on a case-by-case basis that the approved rent is reasonable in comparison to rent for other comparable unassisted units in the market. This applies to all programs.

The PHA will not approve a lease until the PHA determines that the initial rent to owner is a reasonable rent. The PHA must reassess rent reasonability before any increase in the rent to owner. The PHA must also reassess rent reasonability if there is a five percent decrease in the published FMR in effect sixty days before the contract anniversary (for the unit size rented by the family) as compared with the FMR in effect one year before the contract anniversary.

The PHA must reassess rent reasonableness if directed by HUD and based on a need identified by the PHA's auditing system. The PHA may elect to reassess rent reasonableness at any other time. At all times during the assisted tenancy, the rent to owner may not exceed the reasonable rent as most recently determined or reassessed by the PHA

The owner will be advised that by accepting each monthly housing assistance payment s/he will be certifying that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises.

If requested, the owner must give the PHA information on rents charged by the owner for other units in the premises or elsewhere. The PHA may request information on the owner's units elsewhere if:

- the PHA has cause to believe the owner charges higher rents to program participants, or
- needed for rent reasonableness on comparable units.

The data for other unassisted units may be gathered from newspapers, realtors, professional associations, inquiries of owners, market surveys, and other available sources.

The market areas for rent reasonableness are zip codes/subdivisions/census tracts/neighborhoods within the PHA's jurisdiction.

The following items may be used for rent reasonableness documentation:

- Size (number of Bedrooms/square footage)
- Location
- Quality
- Amenities (bathrooms, dishwasher, air conditioning, etc.)
- Housing Services
- Age of unit
- Unit Type
- Maintenance
- Utilities

Rent Reasonableness Methodology

The PHA uses an "appraisal" method and tests the subject unit against selected units with similar characteristics. Adjustments are made for differences between the subject unit and comparable units on the market.

The PHA maintains an automated database, which includes data on unassisted units for use by staff in making rent reasonableness determinations. The data is updated on an ongoing basis and purged when it is more than eighteen (18) months old.

D. PAYMENT STANDARDS FOR THE VOUCHER PROGRAM [24 CFR 982.503]

The Payment Standard is used to calculate the housing assistance payment for a family. In accordance with HUD regulation, and at the PHA's discretion, the Voucher Payment Standard amount is set by the PHA between ninety percent and 110 percent of the HUD published FMR. This is considered the basic range. The PHA reviews the appropriateness of the Payment Standard annually when the FMR is published. In determining whether a change is needed, the PHA will ensure that the Payment Standard is always within the range of ninety percent to 110 percent of the new FMR, unless an exception payment standard has been approved by HUD.

The PHA will establish a single voucher payment standard amount for each FMR area in the PHA jurisdiction. The PHA will establish payment standard amounts for each "unit size". The PHA may have a higher payment standard within the PHA's jurisdiction if needed to expand housing opportunities outside areas of minority or poverty concentration, as long as the payment standard is within the 90-110% of FMR range.

The PHA may approve a higher payment standard within the basic range, if required as a reasonable accommodation for a family that includes a person with disabilities. However, the payment standard cannot be approved over 110% of the Fair Market Rent.

E. ADJUSTMENTS TO PAYMENT STANDARDS [24 CFR 982.503]

Payment Standards may be adjusted, within HUD regulatory limitations, to increase Housing Assistance Payments in order to keep families' rents affordable. The PHA will not raise Payment Standards solely to make "high end" units available to Voucher holders. The PHA may use some or all of the measures below in making its determination whether an adjustment should be made to the Payment Standards.

Assisted Families' Rent Burdens

The PHA may review its voucher payment standard amounts annually to determine whether more than forty percent (40%) of families in a particular unit size are paying more than thirty percent (30%) of their annual adjusted income for rent.

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.

PHA Decision Point

The PHA will review the average percent of income of families on the program. If more than twenty-five percent of families are paying more than thirty percent of monthly adjusted income, the PHA will determine whether there is a difference by voucher size, whether families are renting units larger than their voucher size, and whether families are renting units which exceed HUD's HQS and any additional standards added by the PHA in the Administrative Plan.

If families are paying more than thirty percent of their income for rent due to the selection of larger bedroom size units or luxury units, the PHA may decline to increase the payment standard. If these are not the primary factors for families paying higher rents, the PHA will continue increasing the payment standard.

Time to Locate Housing

The PHA may consider the average time period for families to lease-up under the Voucher program. If more than fifty percent of Voucher holders are unable to locate suitable housing within the term of the voucher and the PHA determines that this is due to thirty percent of rents in the jurisdiction being unaffordable for families even with the presence of a voucher the Payment Standard may be adjusted.

Lowering of the Payment Standard

Lowering of the FMR may require an adjustment of the Payment Standard. Additionally, statistical analysis may reveal that the Payment Standard should be lowered. In any case, the Payment Standard will not be set below ninety percent of the FMR without authorization from HUD.

Financial Feasibility

Before increasing the Payment Standard, the PHA may review the budget to determine the impact projected subsidy increases would have on funding available for the program and number of families served.

For this purpose, the PHA will compare the number of families who could be served under a higher Payment Standard with the number assisted under current payment standards.

File Documentation

The PHA will retain a file for at least three years to document the analysis and findings to justify whether or not the Payment Standard was changed.

F. EXCEPTION PAYMENT STANDARDS

If the dwelling unit is located in an exception area, the PHA must use the appropriate payment standard amount established by the PHA for the exception area in accordance with regulation at 24 CFR 982.503(c).

If needed to prevent financial hardship for families, and increase housing choice opportunities, the PHA should request approval from the local HUD office to establish payment standards of up to 120% of the FMR.

G. OWNER PAYMENT [24CFR 982.308(g)]

The owner is required to notify the tenant and PHA, in writing, at least sixty days before any change in the amount of proposed contract rent. Any requested change in rent to owner will be subject to rent reasonableness requirements and available PHA funding.

Contract Rent Increases [24.CFR 982.519]

Requests for rent increases will not be approved:

1. If the unit is in an initial lease term.
2. If the tenant and PHA have not received proper notice.
3. If the unit is in a failed condition.

If approved, any increase will be effective on the first of the month following the 60-day notice. Upon approval of a rental increase, the new contract rent amount will remain effective for a period of 12 months. Owners may request rent increases no more than once every 12 months.

Chapter 12

RECERTIFICATIONS
[24 CFR 982.516]

INTRODUCTION

In accordance with HUD requirements, the PHA will reexamine the income and household composition of all families at least annually. Families will be provided accurate annual and interim rent adjustments. Recertifications and interim examinations will be processed in a manner that ensures families are given reasonable notice of rent increases. All annual activities will be coordinated in accordance with HUD regulations. It is a HUD requirement that families report all changes in household composition. Between regular annual recertifications, HUD requires that families report all changes in household composition, but the PHA decides what other changes must be reported and the procedures for reporting them. This chapter defines the PHA's policy for conducting annual recertifications and coordinating annual activities. It also explains the interim reporting requirements for families, and the standards for timely reporting.

The terms *annual recertification* and *annual reexamination* are synonymous.

A. ANNUAL RECERTIFICATION [24 CFR 982.516]

The PHA will recertify each family's continuing eligibility at least annually.

Recertification Notice to the Family

The PHA will maintain a recertification tracking system and the household will be notified by mail at least ninety days in advance of the anniversary date, however, documents may be due prior to the anniversary date. The PHA may require that a family attend a recertification appointment. If requested as an accommodation by a person with a disability, the PHA will provide the notice in an accessible format. The PHA will also mail the notice to a third party, if requested as reasonable accommodation for a person with disabilities.

Completion of Annual Recertification

The PHA will have all recertifications for families completed within 12 months of the last annual recertification. This includes notifying the family of any increases in tenant rent at least thirty days before the effective date of change.

Failure to Respond to Notification to Recertify

The written notification must state the due date the completed recertification documents are required. The family may call to request an extended due date in case of emergency (as defined in the Glossary).

If the family does not respond by the due date, recertification documents will be sent a second time or the family may be scheduled for a second appointment. At this point the PHA may opt to complete the recertification by appointment.

If the family responds to a second notice or appointment, a formal warning will be issued.

If the family fails to respond to the second notice the PHA will mail the family a notice of proposed termination of eligibility, and an informal hearing request form.

Exceptions to these policies may be made by supervisory or designated staff if the family is able to document an emergency situation that prevented them from recertification or attending the appointment or if requested as a reasonable accommodation for a person with a disability.

Verification of Information

All information affecting the family's continued eligibility for the program, and the family's Total Tenant Payment (TTP) will be verified in accordance with the verification procedures and guidelines described in this Policy. Verifications used for recertification must be less than 120 days old. All verifications will be placed in the file, which has been established for the family.

When the information has been verified, it will be analyzed to determine:

- The continued eligibility of the participant as a *family* or as the *remaining member* of a family;
- The unit size required by the family; and
- The amount of rent the family should pay.

Tenant Rent Increases

If tenant rent increases, a notice of the change will be mailed to the family at least 30 days prior to the effective date of change.

If less than thirty days are remaining before the scheduled effective date of the annual recertification, the tenant rent increase will be effective on the first of the month following at least a thirty-day notice.

If there has been a misrepresentation or a material omission by the family, or if the family causes a delay in the recertification processing, there will be a retroactive increase in rent to the scheduled effective date of the annual recertification.

Tenant Rent Decreases

If tenant rent decreases, it will be effective on the anniversary date.

If the family causes a delay so that the processing of the recertification is not complete by the anniversary date, rent change will be effective on the first day of the month following completion of the recertification processing by the PHA.

If the participant experiences a decrease in income and the participant reports the change after reporting the annual reexamination but prior to the effective date of the annual recertification, the change will be treated as an early annual reexamination. The change will be effective the first of the following month that the family reported the change. The next annual reexamination date (anniversary date) will be one year from the effective date of the early annual reexamination.

B. REPORTING INTERIM CHANGES [24 CFR 982.516]

Program participants must report all changes in household composition to the PHA within thirty (30) days of the change. This includes additions due to birth, adoption and court-awarded custody. The family must obtain PHA approval prior to all other additions to the household.

If any new family member is added, family income must include any income of the new family member. The PHA will conduct a recertification to determine such additional income and will make the appropriate adjustments in the housing assistance payment and family unit size.

The U.S. citizenship/eligible immigrant status of additional family members must be declared and verified as required prior to moving in to the unit.

Increases in Income

The PHA will conduct interim recertifications when families have an increase in income above $200 per month.

Families must report any increase in income and assets to the PHA within thirty (30) days of the change.

Decreases in Income

Participants may report a decrease in income and other changes that would reduce the amount of tenant rent, such as an increase in allowances or deductions. The PHA must calculate the change if a decrease in income is reported.

The PHA will process the rent adjustment unless the PHA confirms that the decrease in income will last less than thirty days.

PHA Errors

If the PHA makes a calculation error, an interim recertification will be conducted, if necessary to correct the error, but the family will not be charged retroactively. Families will be given decreases, when applicable, retroactive to when the decrease for the change would have been effective if calculated correctly.

C. OTHER INTERIM REPORTING ISSUES [24 CFR 5.615]

The PHA counts imputed welfare income (defined below) for families whose welfare assistance is reduced specifically because of:

- Welfare fraud; or
- Failure to participate in an economic self-sufficiency program; or
- Noncompliance with a work activities requirement.

However, the PHA will count actual welfare income if the welfare assistance reduction is a result of:

- The expiration of a lifetime time limit on receiving benefits; or
- A situation where the family has complied with welfare program requirements but cannot or has not obtained employment, such as:
- The family has complied with welfare program requirements, but the duration time limit; such as a cap on the length of time a family can receive benefits, and causes the family to lose their welfare benefits.

Definition of "Imputed Welfare Income"

Imputed Welfare income is the amount of annual income projected but, not actually received by a family as a result of a specified welfare benefit reduction.

The amount of imputed welfare income is determined by the PHA, based on written information supplied to the PHA by the welfare agency, including:

- The amount of the benefit reduction
- The term of the benefit reduction
- The reason for the reduction
- Subsequent changes in the term or amount of the benefit reduction

The family's annual income will include the imputed welfare income, as determined at the family's annual or interim recertification, during the term of the welfare benefits reduction (as specified by the welfare agency). The amount of imputed welfare income will be offset by the amount of additional income the family receives that commences after the sanction was imposed. When additional income from other sources is at least equal to the imputed welfare income, the imputed welfare income will be reduced to zero.

If the family was not an assisted participant when the welfare sanction began, imputed welfare income will not be included in annual income.

If the family claims the amount of imputed welfare income has been calculated incorrectly, designated staff will review the calculation for accuracy. If the imputed welfare income amount is correct, the PHA will provide a written notice to the family that includes:

- A brief explanation of how the amount of imputed welfare income was determined;
- A statement that the family may request an informal hearing if they do not agree with the PHA determination.

Family Dispute of Amount of Imputed Welfare Income

If the family disputes the amount of imputed income and the PHA denies the family's request to modify the amount, the PHA will provide the tenant with a notice of denial, which will include:

- An explanation for the PHA's determination of the amount of imputed welfare income
- A statement that the tenant may request an informal hearing.

A statement that the grievance information received from the welfare agency cannot be disputed at the informal hearing, and the issue to be examined at the informal hearing will be the PHA's determination of the amount of imputed welfare income, not the welfare agency's determination to sanction the welfare benefits.

Verification of Welfare Before Denying a Request to Reduce Rent

The PHA will obtain written verification from the welfare agency stating that the family's benefits have been reduced due to fraud or noncompliance with welfare agency economic self-sufficiency or work activities requirements before denying the family's request for rent reduction.

The PHA will rely on the welfare agency's written notice to the PHA regarding welfare sanctions.

D. NOTIFICATION OF RESULTS OF RECERTIFICATION:

The HUD Form 50058 will be completed and transmitted as required by HUD.

The Notice of Rent Change is mailed to the owner and the tenant. Staff is not required to sign these notices by the PHA. If the family disagrees with the rent adjustment, they may request an informal hearing (see Chapter 18, Section D for hearing request procedures).

E. TIMELY REPORTING OF CHANGES IN FAMILY COMPOSITION

Changes in family composition require an interim recertification and may result in a change to the tenant rent. The bedroom size may be changed at the next annual recertification.

Standard for Timely Reporting of Changes

The PHA requires that the family report in writing any change to family composition to the PHA within thirty days of when the change occurs.

If the change is not reported within the required time period, or if the family fails to provide documentation or signatures, it will be considered untimely reporting.

Procedures When the Change is Reported in a Timely Manner

The PHA will notify the family and the owner of any change in the Housing Assistance Payment to be effective according to the following guidelines:

- Increases in the Tenant Rent are effective on the first of the month following at least thirty days' notice.
- Decreases in the Tenant Rent are effective the first of the month, following the month in which the PHA is provided adequate written documentation. However, no rent reductions will be processed until all the facts have been verified, even if a retroactive adjustment results.

Procedures When the Change is Not Reported by the Family in a Timely Manner

If the family does not report the change as described under Timely Reporting, the family will have caused an unreasonable delay in the interim recertification processing and the following guidelines will apply:

Increase in Tenant Rent will be effective retroactive to the date it would have been effective had it been reported on a timely basis. The family will be liable for any overpaid housing assistance and will be required to pay the debt in full within 60 days.

Decrease in Tenant Rent will be effective on the first of the month following completion of processing by the PHA and not retroactively.

Procedures When the Change is Not Processed by the PHA in a Timely Manner

"Processed in a timely manner" means that the change goes into effect on the date it should when the family reports the change in a timely manner. If the change cannot be made effective on that date, the change is not processed by the PHA in a timely manner.

In this case, an increase will be effective after the required thirty days' notice prior to the first of the month after completion of processing by the PHA.

If the change resulted in a decrease, the overpayment by the family will be calculated retroactively to the date it should have been effective, and the family will be credited for the amount.

F. CHANGES IN VOUCHER SIZE AS A RESULT OF FAMILY COMPOSITION CHANGES

(See "Subsidy Standards", Chapter 5 of this Administrative Plan)

G. CONTINUANCE OF ASSISTANCE FOR "MIXED" FAMILIES

Under the Non-citizens Rule, "mixed" families are families that include at least one citizen or eligible immigrant and any number of ineligible members.

The Non-citizens Rule was implemented on or after November 29, 1996, and mixed families may receive prorated assistance only.

H. MISREPRESENTATION OF FAMILY CIRCUMSTANCES

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

I. REPORTING OF CHANGES IN FAMILY COMPOSITION

All changes in family composition must be reported within thirty days of the occurrence.

Increases in Household Size

A participant may request to add a family member to their voucher. Additions are limited to one or more of the following:

- Mother
- Father
- Brother
- Sister
- Son
- Daughter
- Parent(s) of the head of household/spouse or partner

- Due to birth
- Spousal relationship
- Adoption or court-awarded custody

Increases other than by birth, adoption or court-awarded custody must have the prior approval of the owner and the PHA.

If the addition would result in overcrowding according to HQS maximum occupancy standards, the PHA will issue a larger voucher (if needed under the Subsidy Standards) for additions to the family in the following cases:

- Addition by spousal relationship
- Addition of a minor who is a member of the nuclear family who had been living elsewhere
- Addition of a PHA pre-approved live-in attendant
- Addition due to new birth, adoption or court-awarded custody

If a change due to birth, adoption, court-awarded custody, spousal relationship or need for a live-in attendant requires a larger size unit due to HQS guidelines, (as described in Chapter 5), the change in voucher shall be made effective immediately except in the case of live-in attendant or spousal relationships, which will be made effective after PHA approval.

Chapter 13

MOVES WITH CONTINUED ASSISTANCE/PORTABILITY

[24 CFR 982.314, 982.353, 982.355(a)]

INTRODUCTION

HUD regulations permit families to move with continued assistance to another unit within the PHA's jurisdiction, or to a unit outside of the PHA's jurisdiction under portability procedures. The regulations also allow the PHA the discretion to develop policies, which define any limitations or restrictions on moves. This chapter defines the procedures for moves, both within and outside of, the PHA's jurisdiction, and the policies for restriction and limitations on moves.

A. ALLOWABLE MOVES

A family may move to a new unit with continued assistance if:

- The assisted lease for the old unit has terminated because the PHA has terminated the HAP contract for owner breach, or the lease was terminated by mutual agreement of the owner and the family with PHA approval.
- The owner has given the family 90 days notice to vacate for moves without cause or has obtained a court judgment or other process allowing the owner to evict the family (Unless assistance to the family will be terminated, see “Denial or Termination of Assistance”, Chapter 15 of the Administrative Plan); or
- The family has given proper notice of lease termination (assuming that the family has met the requirements to terminate the lease on notice to owner).

B INTERPROGRAM TRANSFERS

HCV Program participants may, with approval of the PHA’s Director, be accepted into PHA owned properties if:

- Transfers meet all eligibility/suitability criteria
- Vacancies permit

C. RESTRICTIONS ON MOVES [24 CFR 982.314, 982.552(a)]

Families will not be permitted to move during the initial term of each lease.

Families will only be permitted to move once every 12 months, except by supervisor approval.

The PHA will deny permission to move if there is insufficient funding for continued assistance.

The PHA will deny permission to move if the family owes any PHA or SHRA money, or is not current with payments as specified in any PHA repayment agreement.

The supervisor may consider exceptions to these restrictions if there is an emergency justification for the move over which the participant has no control. Emergency is defined in the glossary of this Administrative Plan.

D. PROCEDURE FOR MOVES [24 CFR 982.314]

Issuance of Voucher

Subject to the restrictions on moves, the PHA will issue the authorization to move.

If the family does not locate a new unit, they may remain in the current unit so long as the owner permits. The HAP will terminate on the date identified in the Notice to Vacate unless a Notice to Rescind is delivered to the PHA.

Notice Requirements

The family must give the owner thirty days written notice of intent to vacate as specified by applicable law and must simultaneously give a copy to the PHA.

Time of Contract Change

A move within the same building or project, or between buildings owned by the same owner, will be processed like any other move except that there will be no overlapping assistance.

In a move, assistance stops at the old unit at the end of the month in which the tenant ceased to occupy, unless proper notice was given to end a lease midmonth. Assistance will start on the new unit on the effective date of the lease and contract. Assistance payments may overlap with Supervisor approval

E. PORTABILITY [24 CFR 982.353]

Portability applies to families moving out of or into the PHA's jurisdiction within the United States and its territories.

F. OUTGOING PORTABILITY [24 CFR 982.353, 982.355]

Within the limitations of the regulations and this policy, a participant family has the right to receive tenant-based voucher assistance to lease a unit outside the PHA's jurisdiction. The PHA will allow the family to exercise its right to portability anywhere in the United States where there is a PHA with a tenant-based program.

When a family requests to move outside of the PHA's jurisdiction, the family's written request must specify the area to which the family wants to move. This PHA will identify the receiving PHA and approve or deny the request, submitting a written response to the family. If there is more than one PHA in the area in which the family has selected a unit, the PHA will choose the receiving PHA.

Restrictions on Portability [24 CFR 982.353]

Applicants: If neither the head nor spouse had a domicile (legal residence) in the PHA's jurisdiction at the date of their initial application for assistance, the family will not be permitted to exercise portability upon initial issuance of a voucher, unless the PHA at its discretion approves such a move.

For a portable family that was not already receiving assistance in the PHA's tenant-based program, the receiving PHA must determine whether the family is eligible for admission under the receiving PHA's program.

Participants: The receiving PHA does not re-determine eligibility for a portable family that was already receiving assistance in the initial PHA Housing Choice Voucher Program.

For admission to the program a family must be income eligible in the area where the family initially leases a unit with assistance under the program.

After a participant has leased-up in the jurisdiction of the initial housing agency, they cannot exercise portability during the first term of assisted occupancy, except in the following circumstances.

- The family's move relates to an opportunity for education, job training or employment
- Other: Documented medical reason. Documented life-threatening emergencies

The PHA will not permit families to exercise portability:

- If the family is in violation of a family obligation.

G. INCOMING PORTABILITY [24 CFR 982.354, 982.355]

Absorption or Administration

The receiving PHA will accept a family with a valid voucher from another jurisdiction and administer or absorb the voucher. If administering, the family will be issued a "portable" voucher by the PHA. The term of the voucher will not expire before the expiration date of the initial PHA voucher. The family must submit a request for approval of tenancy for an eligible unit to the receiving PHA during the term of the receiving PHA voucher. The receiving PHA may grant extensions in accordance with this Administrative Plan. However, if the family decides not to lease-up in the receiving PHA's jurisdiction, they must contact the initial PHA to request an extension.

When the receiving PHA does not absorb the incoming voucher, it will administer the initial PHA's voucher and the receiving PHA's policies will prevail.

The receiving PHA will determine the family unit size for the portable participant family and will issue a “portable voucher” in accordance with the subsidy standards of the receiving PHA.

Income and Total Tenant Payment of Incoming Portables [CFR 982.355(d)]

All changes in income and family composition that occur prior to the execution of a Housing Assistance Payment contract will be referred back to the initial PHA for processing. SHRA will resume the portability intake process after the initial PHA has submitted an updated 50058 with supporting documentation as required

Reasonable Accommodation Requests and Incoming Portability:

A reasonable accommodation approved by an initial PHA does not transfer to SHRA with the family. Upon the request of the family, SHRA will verify the need for the reasonable accommodation and the request will be reviewed by the RA Committee.

Requests for Tenancy Approval

A briefing may be required for incoming portability families.

Incoming portable families are subject to the receiving PHA’s subsidy standards.

If the family leases up successfully, the PHA will notify the initial PHA within ten days, and the billing process will commence.

If the receiving PHA denies assistance to the family, the receiving PHA will notify the initial PHA within ten days and the family will be offered a review or hearing.

When the family submits a Request for Tenancy Approval, it will be processed using the receiving PHA's policies. If the family does not submit a Request for Tenancy Approval or does not execute a lease, the receiving PHA will notify the initial PHA if the family fails to submit a request for approval of tenancy for an eligible unit within the term of the voucher.

The receiving PHA will notify the family of its responsibility to contact the initial PHA if the family wishes to move outside the receiving PHA's jurisdiction under continued portability.

Regular Program Functions

The receiving PHA will perform all program functions applicable to the tenant-based assistance program, such as:

- Annual recertifications of family income and participant family composition;
- Annual inspection of the unit; and
- Interim recertifications when requested or deemed necessary by the PHA

Terminations

The receiving PHA will notify the initial PHA in writing of any termination of assistance within twenty-one days of the termination or the hearing decision being rendered. If an informal hearing is required and requested by the family, the hearing will be conducted by the receiving PHA. A copy of the hearing decision will be furnished to the initial PHA.

The initial PHA will be responsible for collecting amounts owed by the family for claims paid and for monitoring repayment. If the initial PHA notifies the receiving PHA that the family is in arrears or the family has refused to sign a payment agreement, the receiving PHA will terminate assistance to the family.

Required Documents

As receiving PHA, the PHA will require the documents listed on the HUD Portability Billing Form 52665 from the initial PHA.

Billing Procedures

The receiving PHA, will bill the initial PHA monthly for housing assistance payments if the family has not been absorbed. The billing cycle for other amounts, including administrative fees and special claims, will be monthly unless requested otherwise by the initial PHA.

The receiving PHA will bill 100% of the housing assistance payment, (100% of special claims) and 80% of the administrative fee (at the initial PHA's rate) for each "portability" voucher leased as of the first day of the month.

The receiving PHA will notify the initial PHA of changes in subsidy amounts and will expect the initial PHA to notify the receiving PHA of changes in the administrative fee amount to be billed.

Chapter 14

CONTRACT TERMINATIONS
[24 CFR 982.311, 982.314]

INTRODUCTION

The Housing Assistance Payments (HAP) contract is the contract between the owner and the PHA that defines the responsibilities of both parties. This chapter describes the circumstances under which the contract can be terminated by the PHA and the owner, and the policies and procedures for such terminations.

A. CONTRACT TERMINATION [24 CFR 982.311]

The term of the HAP contract is the same as the term of the lease. The contract between the owner and the PHA may be terminated by the PHA or by the owner.

No future subsidy payments on behalf of the family will be made by the PHA to the owner after the month in which the contract is terminated. The owner must reimburse the PHA for any subsidies paid by the PHA for any period after the contract termination date.

If the family continues to occupy the unit after the Housing Choice Voucher contract is terminated, the family is responsible for the total amount of rent due to the owner. The owner will have no right to claim compensation from the PHA for vacancy loss under the provisions of certificate HAP contracts effective before October 1st, 1996, with the exception of Moderate Rehabilitation (Mod Rehab) and Project-Based units which may claim compensation for vacancy loss.

After a contract termination, if the family meets the criteria for a move with continued assistance, the family may lease-up in another unit. The contract for the new unit may begin during the month in which the family moved from the previous unit.

B. TERMINATION BY THE FAMILY [24 CFR 982.314(c)(2)]

Family termination of the lease must be in accordance with the terms of the lease. Families are required to notify the PHA before they move out of a unit.

C. TERMINATION OF TENANCY BY THE OWNER: EVICTIONS [24 CFR 982.310, 982.455, 5.105]

The owner must provide the tenant a written notice specifying the grounds for termination of tenancy, at or before the commencement of the eviction action. The notice may be included in, or may be combined with, any owner eviction notice to the tenant. The owner eviction notice means a notice to vacate, or a complaint, or other initial pleading used under State or local law to commence an eviction action,

During the term of the lease, the owner may not terminate the tenancy except for the grounds stated in the HUD regulations and State or local law. The owner must provide the PHA with a copy of the eviction notice.

During the term of the lease the owner may evict for:

- Serious or repeated violations of the lease, including but not limited to failure to pay rent or other amounts due under the lease, or repeated violation of the terms and conditions of the lease.
- Violations of Federal, State or local law that imposes obligations on the tenant in connection with the occupancy or use of the premises.
- Criminal activity by the tenant, any member of the household, a guest or another person under the tenant's control that threatens the health, safety or right to peaceful enjoyment of the premises by the other residents, or persons residing in the immediate vicinity of the premises.
- Any drug-related criminal activity on or near the premises.
- Tenant history of disturbance of neighbors, destruction of property, or behavior resulting in damage to the premises.
- Other good cause (when in accordance with Federal, State, and local law).

The eviction notice must specify the cause for the eviction.

During the initial term of the lease, the owner may not terminate the tenancy for “other good cause” unless the owner is terminating the tenancy because of something the family did or failed to do. After the initial term of the lease, other good cause includes:

- Business or economic reason for regaining possession;
- Owner’s desire to repossess unit for personal use; or
- Tenant’s refusal to accept offer of a new lease.

Evidence of Criminal Activity

The owner may terminate tenancy and evict by judicial action a family for criminal activity by a family member if the owner determines they have engaged in the criminal activity:

- Regardless of arrest or conviction.
- Without satisfying the standard of proof used for a criminal conviction.

Exclusion of Culpable Household Member

The owner may require a tenant to exclude a household member in order for the family to continue to reside in the assisted unit.

Consideration of Rehabilitation

When determining whether to terminate the tenancy for illegal drug use or alcohol abuse, the owner may consider whether the family member:

- Is no longer participating in the drug and or alcohol abuse.
- Has successfully completed a supervised drug or alcohol rehab program.
- Has otherwise been successfully rehabilitated.

The owner may require the tenant to submit evidence of any of the three (above).

Actions of termination by the owner must be consistent with the fair housing and equal opportunities as stated in 24 CFR 5.105.

The owner must provide the tenant a written notice specifying the grounds for termination of tenancy, at or before the commencement of the eviction action. The notice may be included in, or may be combined with, any owner eviction notice to the tenant.

Housing assistance payments are paid to the owner under the terms of the HAP contract. If the owner has begun eviction and the family continues to reside in the unit, the 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, unless the family moves or other reasons for termination apply.

If the action is finalized in court, the owner must provide the PHA with the documentation, including notice of the lockout date.

If an eviction 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.

D. <u>TERMINATION OF THE CONTRACT BY PHA</u> [24 CFR 982.404(a), 982.453, 982.454, 982.552(a)(3)]

The term of the HAP contract terminates when the lease terminates, when the PHA terminates program assistance for the family, and/or when the owner has breached the HAP contract. (See "Owner Disapproval and Restriction", Chapter 16 of this Administrative Plan)

The PHA may also terminate the contract if:

- The PHA terminates assistance to the family.
- The family is required to move from a unit when the unit does not meet the HQS space standards because of an increase in family size or a change in family composition.
- Funding is no longer available under the ACC.
- Family vacates without notice

The contract will terminate if 180 days have passed since the last housing assistance payment to the owner.

Chapter 15

DENIAL OR TERMINATION OF ASSISTANCE

[24 CFR 5.902, 5.902, 5.903, 5.905, 982.4, 982.54, 982.552, 982.553]

INTRODUCTION

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

A. GROUNDS FOR DENIAL/TERMINATION [24 CFR 982.54, 982.552, 982.553]

If denial or termination is based upon behavior resulting from a disability, the PHA will delay the denial or termination in order to determine if there is an accommodation that would negate the behavior resulting from the disability.

Denial of assistance for an applicant may include (but is not limited to) any or all of the following:

- Denial for placement on the PHA waiting list
- Denying or withdrawing a voucher
- Refusing to enter into a HAP contract or approve a lease
- Refusing to process or provide assistance under portability procedures

Termination of assistance for a participant may include (but is not limited to) any or all of the following:

- Refusing to or failure to enter into a HAP contract or approve a lease
- Terminating housing assistance payments under an outstanding HAP contract

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

The PHA must terminate assistance for participants if the family is under contract and 180 days have elapsed since the PHA's last housing assistance payment was made. (See "Contract Terminations", Chapter 14 of this Administrative Plan.)

The PHA must permanently deny assistance to applicants, and terminate the assistance of persons convicted of manufacturing or producing methamphetamine on the premises of federally assisted housing.

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

The PHA must deny admission to the program for applicants, and terminate assistance for program participants if the PHA determines that it has reasonable cause to believe that a household member's illegal drug use or a pattern of illegal drug use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents. See Section B of this chapter for the PHA's established standards.

The PHA must deny admission to an applicant if the PHA determines that any member of the household is subject to a lifetime registration requirement under a State sex offender registration program. See Section B of this chapter for the PHA's established standards regarding criminal background investigation and determining whether a member of the household is subject to a lifetime registration requirement under a State sex offender registration program.

The PHA must terminate program assistance for a family evicted from housing assisted under the program for serious violation of the lease.

The PHA must deny admission to the program for an applicant or terminate program assistance for a participant if any member of the family fails to sign and submit consent forms for obtaining information in accordance with CFR Part 5, subparts B and F.

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

Grounds for Denial or Termination of Assistance [24 CFR 982.551, 982.552(c);982.553]

The PHA may deny program assistance for an applicant, or terminate program assistance for a participant, for any of the following reasons:

- If any family member violates any family obligation under the program as listed in 24 CFR 982.551.

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

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

- Physical abuse or violence may be cause for termination. HCV clients who are victims of certain types of violence may be protected under the Violence Against Women Act (VAWA) of 2005 from termination. Clients cannot be terminated from assistance solely because of domestic violence and/or abuse by a partner unless there

is other cause for termination (such as non-payment of rent). The abuser may be removed from the voucher while allowing the rest of the household to remain.

- If any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program.

- The family currently owes rent or other amounts to the PHA, SHRA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act or other SHRA programs.

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

- The family pays an amount for rent to the owner not approved by the Housing Authority.

- The family breaches an agreement with SHRA or another PHA to repay amounts owed.
- Any request to add a person to the household who is on either probation or parole will be denied.

- The family has engaged in or threatened abusive or violent behavior toward PHA personnel. Threatening, abusive or violent behavior towards PHA personnel, contractors, customers or the premises; includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language, written or oral, that is customarily used to insult or intimidate, may be cause for termination or denial. "Threatening" refers to oral or written threats or physical gestures that communicate the intent to abuse or commit violence.

- If any member of the family engages in, or has engaged in drug or alcohol abuse that interferes with the health, safety or peaceful enjoyment of other residents. (See Section B of this chapter.)

- If any member of the family commits drug-related criminal activity, or violent criminal activity. (See Section B of this chapter and 24 CFR 982.553)

- If the entire family is absent from the assisted unit for more than 30 consecutive days, the unit will be considered to be vacated and the assistance will be terminated.

Refer to "Eligibility for Admission", Chapter 2 of this Administrative Plan, for further information.

Notice of Termination of Assistance

In any case where the PHA decides to terminate assistance to the family, the PHA must give the family written notice which states:

- The reason(s) for the proposed termination.
- The family's right, if they disagree, to request an Informal Hearing to be held before termination of assistance.
- The date by which a request for an informal hearing must be received by the PHA.

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

The PHA will provide written notice of the contract termination to the owner so that it will coincide with the Termination of Assistance. The Notice to the owner will not include any details regarding the reason for termination of assistance.

Confidentiality of Criminal Records

The PHA will ensure that any criminal record received is maintained confidentially, not misused or improperly disseminated, and destroyed once the purpose for which it was requested is accomplished.

All criminal reports, while needed by staff for screening for criminal behavior, will be housed in a secured location with access restricted to individuals responsible for such screening.

Misuse of the above information by any employee will be grounds for termination of employment. Penalties for misuse are contained in Personnel Policies.

If the family is determined eligible for initial or continued assistance, the PHA's copy of the criminal report shall be shredded as soon as the information is no longer needed for eligibility or continued assistance determination.

If the family's assistance is denied or terminated, the criminal record information shall be shredded immediately upon completion of the review or hearing procedures and a final decision has been made.

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

B. SCREENING AND TERMINATION FOR DRUG ABUSE AND OTHER CRIMINAL ACTIVITY [24CFR 982.553]

Purpose

All federally assisted housing is intended to provide a place to live and raise families, not a place to commit crime, to use or sell drugs or terrorize neighbors. It is the intention of the PHA to fully endorse and implement a policy designed to:

- Help create and maintain a safe and drug-free community
- Keep our program participants free from threats to their personal and family safety

Administration

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

The privacy policy will be posted on the bulletin boards of the PHA's area management offices (including 701 12th street) and copies will be made readily available to applicants upon request. To the maximum extent possible, the PHA will encourage other community and governmental entities in the promotion and enforcement of this policy.

Screening of Applicants

Criminal Background screening will apply to any member of the household who is 18 years of age or older, or an emancipated minor.

Disclosure of Criminal Records to the Family

If the PHA takes any adverse action based on a criminal conviction record, the applicant or participant will be provided with a copy of the criminal record and an opportunity to dispute the record.

Applicants will be provided an opportunity to dispute the record at an informal review.

Standard for Violation

The PHA will consider the illegal use of a controlled substance or alcohol abuse to be a pattern if there is more than one arrest or conviction, during the previous 18 months.

"Engaged in or engaging in" violent criminal activity means any act within the past 5 years by an applicant or participant or household member which involved criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage, which resulted in the arrest and/or conviction of the applicant, participant, or household member.

In evaluating evidence of negative past behavior, the PHA will give fair consideration to the seriousness of the activity with respect to how it would affect other residents, and/or likelihood of favorable conduct in the future which could be supported by evidence of rehabilitation.

Applicants will be denied assistance if they have been convicted of violent criminal activity within the last 5 years prior to the date of the certification interview.

If an applicant is denied admission to the program for the reasons detailed in this section, the applicant retains the right to appeal. (See "Complaints and Appeals", Chapter 18 of this Administrative Plan)

Other Criminal Activity

The PHA will deny participation in the program to applicants where the PHA determines there is reasonable cause to believe that the person is/has illegally used a controlled substance or other criminal activity.

Sex Offenders

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

Drug-Related Criminal Activity or Violent Criminal Activity [24 CFR 982.553]

Denial: Persons evicted from federally assisted housing because of drug-related criminal activity are ineligible for admission to the Section 8 program for a 5 year period beginning on the date of such eviction.

However, the household may be admitted if, after considering the individual circumstances of the household, the PHA determines that:

- The evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program approved by the PHA.

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

Termination: Under the family obligations listed at 24 CFR 982.551, the members of the household must not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. HUD regulations at 24 CFR 982.553(b) requires the PHA to establish standards for termination of assistance when this family obligation is violated.

The PHA has established the following standards for termination of assistance for the family when a household member has violated the family obligation to refrain from participating in drug-related or violent criminal activity.

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

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

- In appropriate cases, the PHA may permit the family to continue receiving assistance provided that family members determined to have engaged in the proscribed activities will not reside in the unit. If the violating member is a minor, the PHA may consider individual circumstances with the advice of Juvenile Court officials. For an adult, the PHA will require the family to sign a written certification the family member is no longer in the home, and will request documentation verifying the offending family member's new residential address.

Terminating Assistance for Alcohol Abuse by Household Members Under the family obligations listed at 24 CFR 982.551, the members of the household must not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. Assistance will be terminated due to violation of a family obligation if the PHA determines that a member of the household has demonstrated a pattern of alcohol abuse that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. This includes cases where the PHA determines that there is a pattern of illegal use of controlled substances or a pattern of alcohol abuse.

C. FAMILY OBLIGATIONS [24 CFR 982.551]

The family must supply any information that the PHA or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status (as provided by 24 CFR 982.551). "Information" includes any requested certification, release or other documentation.

The family must disclose and verify Social Security Numbers (as provided by 24 CFR 5.216) and must sign and submit consent forms for obtaining information in accordance with 24 CFR 5.230.

All information supplied by the family must be true and complete.

The family is responsible for an HQS breach caused by the family as described in 982.404(b).

The family must allow the PHA to inspect the unit at reasonable times and after reasonable notice.

The family may not commit any serious or repeated violations of the lease.

The family must notify the owner and, at the same time, notify the PHA before the family moves out of the unit or terminates the lease-upon notice to the owner.

The family must promptly give the PHA a copy of any owner eviction notice.

The family must use the assisted unit for residence by the family. The unit must be the family's only residence.

The PHA must approve the composition of the assisted family residing in the unit. The family must notify the PHA of the birth, adoption or court-awarded custody of a child within thirty days. The family must request PHA's approval prior to adding any other person to the household, including a foster child or a live in aide. (Refer to Chapter 5)

The family must notify the PHA within thirty days if any family member no longer resides in the unit.

Members of the household may engage in legal profit-making activities in the unit, but only if such activities are incidental to primary use of the unit as a residence by members of the family.

The family must not sublease the unit.

The family must not assign the lease or transfer the unit.

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

The family must not own or have any interest in the unit.

The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program.

The household members and/or guests may not engage in drug-related criminal activity or violent criminal activity, nor may they engage in any criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.

The members of the household must not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.

An assisted family, or members of the family, may not receive assistance through the Housing Choice Voucher Program while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative (as determined by HUD or in accordance with HUD requirements) Federal, State or local housing assistance program.

Public Housing Authority Discretion [24 CFR 982.552(c)]

In deciding whether to deny or terminate assistance because of action or failure to act by members of the family, the PHA has discretion to consider all of the circumstances in each case, including the seriousness of the case. The PHA will use its discretion in reviewing the extent of participation or culpability of individual family members and the length of time since the violation occurred. The PHA may also review the family's more recent history and record of

compliance and the effects that denial or termination of assistance may have on other family members who were not involved in the action or failure to act.

The PHA may impose, as a condition of continued assistance for other family members, a requirement that family members who participated in, or were culpable for the action or failure to act, will not reside in the unit. The PHA may permit the other members of a family to continue in the program.

Enforcing Family Obligations

Explanations and Terms

The term "promptly" when used with the family obligations always means "within 30 days." Denial or termination of assistance is always optional except where this Administrative Plan or the 24CFR state otherwise.

HQS Breach

The assigned Inspector will determine if an HQS breach as identified in 24 CFR 982.404 (b) is the responsibility of the family. Families may be given extensions to cure HQS breaches by the Principal Analyst or Supervisor.

Lease Violations

The following criteria will be used to decide if a serious or repeated violation of the lease will result in termination of assistance:

- If the owner terminates tenancy for serious or repeated violations of the lease.
- If there are police reports, neighborhood complaints or other third party information, that has been verified by the PHA.
- Nonpayment of rent is considered a serious violation of the lease.

Family Member Moves Out

Families are required to notify the PHA if any family member leaves the assisted household. When the family notifies the PHA, they must furnish the following information:

- The date the family member moved out.
- The new address, if known, of the family member.
- A statement as to whether the family member is temporarily or permanently absent.

Limitation on Profit-Making Activity in Unit

If the PHA determines that the use of the unit as a business is not incidental to its use as a dwelling unit, it will be considered a program violation.

If the PHA determines the business is not legal, it will be considered a program violation.

Interest in Unit

The owner may not reside in the assisted unit regardless of whether (s)he is a member of the assisted family, unless the family owns the mobile home and rents the pad, excluding shared housing; unless the client is a participant in the Homeownership Program.

In determining fraud, the PHA will consider which family members were involved, the circumstances, and any hardship that might be caused to innocent members.

D. PROCEDURES FOR NON-CITIZENS [24 CFR 5.514, 5.516, 5.518]

Denial or Termination due to Ineligible Immigrant Status

Applicant or participant families in which all members are neither U.S. citizens nor eligible immigrants are not eligible for assistance and must have their assistance terminated. The PHA must offer the family an opportunity for a hearing. (See "Eligibility for Admission", Chapter 3, section on Citizenship/Eligible Immigration Status.)

Assistance may not be terminated while verification of the participant family's eligible immigration status is pending.

Procedure for Denial or Termination

If the family (or any member) claimed eligible immigrant status and the INS primary and secondary verifications failed to document the status, the family may make an appeal to the INS and request a hearing with the PHA either after the INS appeal or in lieu of the INS appeal.

After the PHA has made a determination of ineligibility, the family will be notified of the determination and the reasons and informed of the option for prorated assistance (if applicable).

E. AUTOMATIC TERMINATION OF HAP CONTRACT [24 CFR 982.455 (a)]

The HAP contract terminates automatically 180 calendar days after the last housing assistance payment to the owner.

F. ZERO HAP ASSISTANCE TENANCIES

The family may remain in the unit at $0 assistance for 180 days after the last HAP payment and then the assistance will be reviewed for continued assistance or termination. If, within the 180-day timeframe, the PHA receives notice that the family incurs a decrease in their income, which would cause the family to be eligible for a housing assistance payment, the PHA will complete a review of the family's income and resume assistance payments for the family if the review process verifies the family continues to be eligible for the program.

In order for a family to move to another unit during the 180 days of receiving zero assistance, the rent for the new unit would have to be high enough to necessitate a housing assistance payment

G. OPTION NOT TO TERMINATE FOR MISREPRESENTATION [24 CFR 982.551, 982.552(c)]

If the family has misrepresented any facts that caused the PHA to overpay assistance, the PHA may choose not to terminate.

H. MISREPRESENTATION IN COLLUSION WITH OWNER [24 CFR 982.551, 982.552 (c)]

If the family intentionally, willingly, and knowingly commits fraud or is involved in any other illegal scheme with the owner, the PHA will deny or terminate assistance.

I. MISSED APPOINTMENTS AND DEADLINES [24 CFR 982.551, 982.552 (c)]

It is a family obligation to supply information, documentation, and certification as needed for the PHA to fulfill its responsibilities. The PHA schedules appointments and sets deadlines in order to obtain the required information. The Obligations also require that the family allows the PHA to inspect the unit, and appointments are made for this purpose.

An applicant or participant who fails to keep an appointment, or to supply information required by a deadline without notifying the PHA, may be sent a Notice of Denial or Termination of Assistance for failure to provide required information, or for failure to allow the PHA to inspect the unit.

The family will be given information about the requirement to keep appointments and the number of times appointments will be rescheduled, as specified in this Plan.

Appointments will be scheduled and time requirements will be imposed for the following events and circumstances:

- Eligibility for Admissions
- Verification Procedures
- Certificate/Voucher Issuance and Briefings
- Housing Quality Standards and Inspections
- Recertifications
- Appeals

Acceptable reasons for missing appointments or failing to provide information by deadlines are for Good Cause, as defined in the Glossary.

Procedure when Information Not Provided or Appointments are Missed

For most purposes in this Plan, the family will be given two opportunities to address a breach before being issued a notice of termination or denial for breach of a family obligation. These opportunities may be Appointments, written requests for information or both.

After issuance of the termination notice, if the family offers to correct the breach within the time allowed to request a hearing, the termination may be rescinded only after the family cures the breach.

Chapter 16

OWNER DISAPPROVAL AND RESTRICTION
[24 CFR 982.54, 982.306, 982.453]

INTRODUCTION

It is the policy of the PHA to recruit owners to participate in the Voucher program. The PHA will provide owners with prompt and professional service in order to maintain an adequate supply of available housing throughout the jurisdiction of the PHA. The regulations define when the PHA must disallow an owner participation in the program, and they provide the PHA discretion to disapprove or otherwise restrict the participation of owners in certain categories. This Chapter describes the criteria for owner disapproval and the various penalties for owner violations.

A. DISAPPROVAL OF OWNER [24 CFR 982.306, 982.54(d)(8)]

The owner does not have a right to participate in the program. For purposes of this section, "owner" includes a principal or other interested party.

The PHA will disapprove the owner for the following reasons:

- HUD or other agency directly related has informed the PHA that the owner has been disbarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.

- HUD has informed the PHA that the Federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other Federal equal opportunity requirements and such action is pending.

- HUD has informed the PHA that a court or administrative agency has determined that the owner has violated the Fair Housing Act or other Federal equal opportunity requirements.

- Unless their lease was effective prior June 17, 1998, the owner may not be a parent, child, grandparent, grandchild, sister or brother of any family member. The PHA will waive this restriction as a reasonable accommodation for a family member who is a person with a disability.

- In cases where the owner and tenant bear the same last name, the PHA may, at its discretion, require the family and or owner to certify whether they are related to each other in any way.

- The owner has violated the terms of the housing assistance payments contract. This includes, but is not limited to, charging the tenant, or accepting from the tenant, payments in excess of the approved contract rent for rent of the contract unit (called "side payments").

- The owner has violated any obligation under the HAP contract for the dwelling unit, including the owner's obligations to maintain the unit to HQS, including any standards the PHA has adopted in this policy.

- The owner has committed fraud, bribery or any other corrupt act in connection with any Federal housing program.

- The owner has engaged in drug trafficking.

- The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based programs or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other Federal housing program.

- The owner has a history or practice of renting units that fail to meet State or local housing codes.

- The owner has not paid State or local real estate taxes, fines or assessments.

- The owner has failed to comply with regulations, the mortgage or note, or the regulatory agreement for projects with mortgages insured by HUD or loans made by HUD.

- The owner has engaged in or threatened abusive or violent behavior toward PHA personnel. "Abusive or violent behavior" includes verbal as well as physical epithets or other language, written or oral, that is customarily used to intimidate, may be cause for termination or denial. "Threatening" refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

Chapter 17

OWNER OR FAMILY DEBTS TO THE PHA [24 CFR 982.552]

INTRODUCTION

This chapter describes the PHA's policies for the recovery of monies that have been overpaid for families and to owners. It describes the methods that will be utilized for collection of monies and the guidelines for different types of debts. It is the PHA's policy to meet the informational needs of owners and families, and to communicate the program rules in order to avoid owner and family debts. Before a debt is assessed against a family or owner, the file must contain documentation to support the PHA's claim that the debt is owed. The file must further contain written documentation of the method of calculation, in a clear format for review by the owner, the family or other interested parties.

When families or owners owe money to the PHA, the PHA will make every effort to collect it. The PHA may use a variety of collection tools to recover debts including, but not limited to:

- Requests for lump sum payments
- Civil suits
- Abatements
- Reductions in HAP to owner
- Collection agencies
- Credit bureaus
- Income tax refund intercept
- U.S. Department of Housing and Urban Development (HUD)

A. REPAYMENT OF DEBT TO THE PHA

Family

When a family is determined to have incurred a debt to the PHA, the PHA will meet with the family to inform them of the money owed and the process used to determine the debt. The family will be given the opportunity to make full restitution at this time. The PHA will propose termination of eligibility, effective sixty days from the date of the notice. If the family fails to repay the money owed in full during the sixty days, a termination notice will be issued. If the

family repays all money owed before the date of termination, the PHA will rescind the termination.

A move will not be processed until the debt is paid in full, unless approved by the Assistant Director or designee.

Owner

If an owner has an overpayment on a HAP check and has other HAP contracts, the overpayment amount will be deducted from the next monthly HAP check. If an owner does not have any other active HAP contracts, the owner has ten (10) working days to:

- Issue a personal check for the amount of the overpayment payable to the PHA; or
- Return the un-cashed HAP check

The owner will be subject to collections if the overpayment has not been paid in full.

B. PROGRAM FRAUD [24 CFR 982.163, [24 CFR 982.453(b)]]

HUD's definition of program fraud and abuse is a single act or pattern of actions that:

- Constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead, and
- Results in payment of Section 8 program funds in violation of program requirements.

Repayment For Program Fraud – Families

The Housing Authority will:

- Seek immediate repayment of money owed by families due to program fraud;
- Review the case to determine future eligibility; and
- Refer the case to HUD Office of Inspector General (OIG) for collection or criminal prosecution, if appropriate.

Repayment for Program Fraud - Owners

If the PHA determines that the owner has retained housing assistance or claim payments the owner is not entitled to, the PHA may reclaim the amounts from future housing assistance or claim payments owed by the owner for any units under contract.

If future housing assistance or claim payments are insufficient to reclaim the amounts owed, the PHA may:

- Require the owner to pay the amount in full within thirty days.
- Pursue collections through a collection agency.
- Restrict the owner from future participation.

C. WRITING OFF DEBTS

Debts will not be written off.

Chapter 18

COMPLAINTS AND APPEALS

INTRODUCTION

The informal hearing requirements defined in HUD regulation are applicable to participating families who disagree with an action, decision, or inaction of the PHA. This chapter describes the policies, procedures and standards to be used when families disagree with a PHA decision. The procedures and requirements are explained for preference denial meetings, informal reviews and hearings. It is the policy of the PHA to ensure that all families have the benefit of all protections due to them under the law.

A. COMPLAINTS TO THE PHA

The PHA will respond promptly to complaints from families, owners, and members of the public. All complaints relating to the HCV program will be documented. Complaints will be referred to the Principal Analyst or Supervisor. The PHA may request that complaints be put in writing. Complaints received relating to non-HCV matters will be routed to the appropriate staff.

The PHA's hearing procedures will be distributed to families, in their briefing packets.

B. PREFERENCE DENIALS

When the PHA denies a preference to an applicant, the family will be notified in writing of the specific reason for the denial and will be offered the opportunity to request an informal review. The family will have ten days to request the informal review in writing.

The person who conducts the meeting will be an employee of the PHA who is at or above the level of Housing Specialist, but not the employee who made the decision**.**

C. INFORMAL REVIEW PROCEDURES FOR APPLICANTS [24 CFR 982.54(d)(12), 982.554]

Reviews are provided for applicants who are denied assistance before the effective date of the HAP contract. The exception is that when an applicant is denied assistance for citizenship or eligible immigrant status, the applicant is entitled to an informal hearing.

When the PHA determines that an applicant is ineligible for the program, the family must be notified of their ineligibility in writing. The notice must contain:

- The reason(s) they are ineligible;
- The procedure for requesting a review if the applicant does not agree with the decision, and;
- The time limit for requesting a review.

When denying admission for criminal activity as shown by a criminal record, the PHA will provide the subject of the record and the applicant with a copy of the criminal record upon which the decision to deny was based.

The PHA must provide applicants with the opportunity for an informal review of decisions denying:

- Qualification for preference
- Issuance of a voucher
- Participation in the program
- Assistance under portability procedures
- Non-Citizen Eligibility

Informal reviews are not required for established policies and procedures and PHA determinations such as:

- Discretionary administrative determinations by the PHA
- General policy issues or class grievances
- A determination of the family unit size under the PHA subsidy standards
- Refusal to extend or suspend a voucher
- A PHA determination not to grant a request for tenancy
- Determination that unit is not in compliance with HQS
- Determination that unit is not in accordance with occupancy standards due to family size or composition

Procedure for Informal Review

A request for an informal review must be received in writing no later than ten days from the date of the PHA's notification of denial. The informal review will be scheduled within thirty days from the date the request is received.

The informal review may not be conducted by the person who made or approved the decision under review, nor a subordinate of such person.

The applicant will be given the option of presenting oral or written objections to the decision. Both the PHA and the family may present evidence and witnesses. The family may use an attorney or other representative to assist them at their own expense.

The review may be conducted by mail and/or telephone if acceptable to both parties.

A notice of the review findings will be provided in writing to the applicant within fifteen days after the review. It shall include the decision of the review, and an explanation of the reasons for the decision.

All requests for a review, supporting documentation and a copy of the final decision will be retained in the family's file.

D. INFORMAL HEARING PROCEDURES [24 CFR 982.555(a-f), 982.54(d)(13)]

When the PHA makes a decision regarding the eligibility and/or the amount of assistance, applicants and participants must be notified in writing. The PHA will give the family prompt notice of such determinations, which will include:

- The proposed action or decision of the PHA;
- The family's right to an explanation of the basis for the PHA's decision.
- The procedures for requesting a hearing if the family disputes the action or decision;
- The time limit for requesting the hearing.
- To whom the hearing request should be addressed
- A copy of the PHA's hearing procedures

The PHA must provide participants with the opportunity for an informal hearing for decisions related to any of the following PHA determinations:

- Determination of the family's annual or adjusted income and the computation of the housing assistance payment
- Appropriate utility allowance used from schedule
- Family unit size determination under PHA subsidy standards
- Determination to terminate assistance for any reason.

- Determination to terminate a family's FSS contract, withhold supportive services, or propose forfeiture of the family's escrow account.

The PHA must always provide the opportunity for an informal hearing before termination of assistance.

Informal hearings are not required for established policies and procedures and PHA determinations such as:

- 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 lease
- A PHA determination that an assisted unit is not in compliance with HQS (PHA must provide hearing for family breach of HQS because that is a family obligation determination)
- A PHA determination that the unit is not in accordance with HQS because of the family size
- A PHA determination to exercise or not exercise any right or remedy against the owner under a HAP contract.

Procedure for Requesting an Informal Hearing for Participants

A request for an informal hearing must be received in writing no later than ten days from the date of the PHA's notification of denial. The informal hearing will be scheduled within thirty days from the date the request is received.

If the complainant does not request an informal hearing within ten days of the date of written notice, s/he waives his/her right to a hearing, and the PHA's proposed disposition of the grievance will become final.

This section in no way constitutes a waiver of the complainant's right to contest the Authority's disposition in an appropriate judicial proceeding.

Notification of Informal Hearing

It is the PHA's objective to resolve disputes at the lowest possible level, The PHA will ensure that applicants and participants will receive all of the protections and rights afforded by the law and the regulations.

When the PHA receives a request for an informal hearing, a hearing shall be scheduled within 30 days from the date the request is received. The notification of hearing will contain:

- The date and time of the hearing
- The location where the hearing will be held
- The family's right to bring evidence, witnesses, legal or other representation at the family's expense
- The right to view any documents or evidence in the possession of the PHA upon which the PHA based the proposed action and, at the family's expense, to obtain a copy of such documents prior to the hearing. Requests for such documents or evidence must be received no later than 5 days before the hearing date.
- A notice to the family that the PHA will request a copy of any documents or evidence the family will use at the hearing. Requests for such documents or evidence must be received no later than 5 days before the hearing date.

The PHA's Hearing Process

After a hearing date is scheduled, the family may request to reschedule only upon showing "good cause," which is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family.

Families have the right to:

- Present written or oral objections to the PHA's determination.
- Examine the documents in the file which are the basis for the PHA's action, and all documents submitted to the Hearing Officer;
- Copy any relevant documents at their expense;
- Present any information or witnesses pertinent to the issue of the hearing; except documents which the PHA has not been given at least a full business day to examine (to include making a copy at PHA expense), at PHA offices, prior to the hearing. Such documents should not be left in drop boxes and must clearly be marked as Hearing Documents. In accordance with 24 CFR 982.555, 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.
- Request that PHA staff be available or present at the hearing to answer questions pertinent to the case; and
- Be represented by legal counsel, advocate, or other designated representative at their own expense.

If the family requests copies of documents relevant to the hearing, the PHA will make the copies for the family and assess a reasonable fee. In no case will the family or their representative, including legal counsel, be allowed to remove the file from the PHA's office.

In addition to other rights contained in this Chapter, the PHA has a right to:

- Present evidence and any information pertinent to the issue of the hearing;
- Be notified if the family intends to be represented by legal counsel, advocate, or another party;
- Examine and copy any documents to be used by the family prior to the hearing;
- Have its attorney present; and
- Have staff persons and other witnesses familiar with the case present.

The informal hearing shall be conducted by the Hearing Officer appointed by the PHA who is neither the person who made or approved the decision, nor a subordinate of that person. The PHA appoints only qualified hearing officer(s).

The hearing shall concern only the issues for which the family has received the opportunity for hearing.

Evidence presented at the hearing may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings. Evidence not presented at the time of the hearing may not be accepted, unless such evidence was unavailable at the time of the hearing due to circumstances beyond the client's control. The decision to allow evidence not available at the time of the hearing will be decided at the hearing officer's discretion. The opposing party will always be given an opportunity to submit a written or oral response. No documents may be presented which have not been provided to the other party before the hearing if requested by the other party. "Documents" includes records and regulations.

The Hearing Officer(s) 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.

The hearing may be conducted by mail and/or telephone if acceptable to both parties.

If the family misses an appointment or deadline or is more than 15 minutes late for an appointment, they will be required to show "good cause" (as defined in the Glossary) for the action of the PHA shall take effect and another hearing will not be granted.

The Hearing Officer(s) will determine whether the action, inaction or decision of the PHA is legal in accordance with HUD regulations and this Administrative Plan based upon the evidence and testimony provided at the hearing. Factual determinations relating to the individual circumstances of the family will be based on a preponderance of the evidence presented at the hearing.

A notice of the hearing findings shall be provided in writing to the PHA and the family within 14 days and shall include:

- A clear summary of the decision and reasons for the decision;
- Notice that the Code of Civil Procedure, Sec 1094.6 governs the time within which judicial review must be sought.
- The date the decision goes into effect.
- If the PHA's decision is upheld by the Hearing Officer, a notice of termination of subsidy will be sent effective 30 days from the date of the notice.

The PHA is not bound by hearing decisions:

- Which concern matters in which the PHA is not required to provide an opportunity for a hearing;
- Which conflict with or contradict HUD regulations or requirements;
- Which conflict with or contradict Federal, State or local laws; or
- Which exceed the authority of the person conducting the hearing.

The PHA shall send a letter to the participant if it determines the PHA is not bound by the Hearing Officer(s)'s determination within ten days. The letter shall include the PHA's reasons for the decision.

All requests for a hearing, supporting documentation and a copy of the final decision will be retained in the family's file.

Expedited Hearing Procedures

The PHA may expedite a hearing at its sole discretion. All the rights and obligations of the family and the PHA stated in this Chapter shall apply except as follows:

- PHA shall provide a hearing within 30 days after receipt of family's request for a hearing; and
- The Hearing Officer shall provide both the family and the PHA a written decision within 14 days after the hearing.

Transcripts

Either party may arrange, in advance and at the expense of the party making the arrangement, for a transcript of the hearing. Any interested party may purchase a copy of such transcript.

Agreement

The parties may agree in writing to follow a different procedure in the resolution of a grievance.

E. HEARING AND APPEAL PROVISIONS FOR "RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS" [24 CFR Part 5, Subpart E]

Assistance to the family may not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of the decision on the INS appeal.

Assistance to a family may not be terminated or denied while the PHA hearing is pending but assistance to an applicant may be delayed pending the PHA hearing.

INS Determination of Ineligibility

If an applicant, participant or any family member declares him or herself to be an eligible immigrant and the status is not verified by the INS SAVE or manual verification search system, the PHA will notify the head of household. The notice will be in writing and will include:

1. The name(s) of the person for whom the eligible immigration status was not verified.
2. A statement that their financial assistance will be terminated, if they are a current participant.
3. A statement of the family's eligibility for proration of assistance if the application includes eligible and ineligible family members which is considered a mixed family.
4. A statement of the eligibility for proration and temporary deferral of assistance, if eligible.
5. The right to appeal to the INS within thirty days of the PHA's decision and the right to request an informal hearing within ten days of written notice. The family's right to request an informal hearing with the PHA is in lieu of or subsequent to the INS appeal.

If the family appeals to the INS, they must give the PHA a copy of the appeal and proof of mailing or the PHA may proceed to deny or terminate. The time period to request an appeal may be extended by the PHA for good cause.

After receipt of a request for an informal hearing, the hearing is conducted as described in this chapter for both applicants and participants. If the hearing officer(s) decides that the individual is not eligible, and there are no other eligible family members the PHA will:

- Deny the applicant family.
- Defer termination if the family is a participant and qualifies for deferral.

- Terminate the participant if the family does not qualify for deferral.

If there are eligible member(s) in the family, the PHA will offer to prorate assistance or give the family the option to remove the ineligible member(s).

All other complaints related to eligible citizen/immigrant status:

- If any family member fails to provide documentation or certification as required by the regulation, that member is treated as ineligible. If all family members fail to provide the required documentation, the family will be denied or terminated for failure to comply.

- Participants whose termination is carried out after temporary deferral may not request a hearing since they had an opportunity for a hearing prior to the termination.

- Participants whose assistance is prorated (either based on their statement that some members are ineligible or due to failure to verify eligible immigration status for some members after exercising their appeal and hearing rights described above) are entitled to a hearing based on the right to a hearing regarding determinations of tenant rent and Total Tenant Payment.

- Families denied or terminated for fraud in connection with the non-citizens rule are entitled to a review or hearing in the same way as terminations for any other type of fraud.

- The PHA will terminate assistance if it is determined a family has knowingly permitted an ineligible person to live in the assisted unit without authorization.

F. MITIGATING CIRCUMSTANCES FOR APPLICANTS/PARTICIPANTS WITH DISABILITIES [24 CFR 982.552(c)]

When applicants are denied placement on the waiting list, or the PHA is terminating assistance, the family will be informed that the presence of a disability may be considered as a mitigating circumstance during the informal review process. Disability status does not affect the Non-Citizenship statute.

Chapter 19

SPECIAL HOUSING TYPES [24 CFR 982.601]

INTRODUCTION

The PHA will permit the use of the following special housing types in its program:

- Single Room Occupancy Housing
- Group Homes
- Congregate Housing
- Shared Housing
- Cooperative Housing
- Manufactured Homes
- Homeownership
- Mod Rehabilitation Program

A. SINGLE ROOM OCCUPANCY [24 CFR 982.602]

HUD has determined that there is a demand for Single Room Occupancy (SRO) in this area. Therefore, a single person may reside in an SRO housing unit.

The PHA will use a separate lease and housing assistance payment contract for each assisted person residing in an SRO. [24 CFR 982.603]

SRO Rent and Housing Assistance Payment [24 CFR 982.604]

The PHA SRO payment standard is seventy-five percent (75%) of the zero bedroom payment standard schedule. For a person residing in an exception area the payment standard is seventy-five percent (75%) of the HUD-approved zero bedroom exception payment standard amount. While an assisted person resides in SRO housing, the SRO payment standard must be used to calculate the housing assistance payment.

Utility Allowance

The utility allowance for an assisted person residing in SRO housing is 75 percent (75%) of the zero bedroom utility allowance.

Housing Quality Standards

The PHA will ensure that all SRO units approved for the program are in compliance with all of the Housing Quality Standards for SROs as regulated in 24 CFR 982.605.

B. CONGREGATE HOUSING [24 CFR 982.606]

An elderly person or a person with disabilities may reside in a congregate housing unit.

The PHA may approve a family member or a live-in aide to reside with the elderly person or a person with disabilities.

The PHA will approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

Congregate Housing Lease and HAP Contract [24 CFR 982.607]

For congregate housing there will be a separate lease and HAP contract for each assisted family.

Unless there is a live-in aide, the payment standard for a family that resides in a congregate housing unit is the zero-bedroom payment standard on the PHA payment standard schedule.

However, if there are two or more rooms in the unit (not including kitchen or sanitary facilities), the payment standard for a family that resides in a congregate housing unit is the one bedroom payment standard amount.

If there is a live-in aide, the live-in aide will be counted in determining the family unit size.

Housing Quality Standards

The PHA will ensure that all congregate housing units approved for the program are in compliance with all of the Housing Quality Standards for congregate housing as regulated in 24 CFR 982.609.

C. GROUP HOMES [24 CFR 982.610, 982.612]

A group home must be licensed, certified, or otherwise approved in writing by the State, or the State's licensing department.

An elderly person or a person with disabilities may reside in a State-approved group home. If approved by the PHA, a live-in aide may reside in the unit with an elderly person or 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. Except for a live-in aide,

all residents of a group home must be elderly persons or persons with disabilities. The live-in aide must have the approval of the PHA prior to residing in the unit.

The PHA will not approve assistance for a person to live in a group home if file documentation indicates that the person is in need of continual medical or nursing care.

No more than twelve persons may reside in a group home. This limit covers all persons who reside in the unit, including assisted and unassisted residents and any live-in aide.

Group Home Lease and HAP Contract [24 CFR 982.611]

There will be a separate HAP contract and lease for each assisted person living in a group home. For a group home the term "pro-rata portion" means that which is derived by dividing the number of persons in the assisted household by the total number of residents (assisted and unassisted) residing in the group home. The number of persons in the assisted household equals one assisted person plus any PHA-approved live-in aide.

Group Home Rent and HAP Contract [24 CFR 982.613]

The rent to the owner for an assisted person may not exceed the pro-rata portion of the reasonable rent for the group home.

The reasonable rent for a group home is determined in accordance with 982.503. In determining reasonable rent the PHA will consider whether sanitary facilities, and facilities for food preparation and service, are common facilities or private.

Maximum Subsidy

Unless there is a live-in aide, the family unit size is one bedroom. If there is a live-in aide, the live-in aide will be counted in determining the family unit size.

The payment standard for a person who resides in a group home is the lower of the payment standard for the family unit size; or the pro-rata portion of the payment standard amount on the PHA payment standard schedule for the group home size.

Utility Allowance

The utility allowance for each assisted person residing in a group home is the pro-rata portion of the utility allowance for the group home unit size.

Housing Quality Standards

The PHA will ensure that all group home units approved for the program are in compliance with all of the Housing Quality Standards for group homes as regulated in 24 CFR 982.614.

D. SHARED HOUSING [24 CFR 982.615]

Occupancy

The PHA may allow an assisted family to reside in shared housing. In shared housing, an assisted family may share a unit with another resident or residents of a unit. The unit may be a house or an apartment.

The PHA may also approve a live-in aide to reside with a family in order to care for a person with a disability. 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. The live-in aide must have the approval of the PHA prior to residing in the unit.

Other persons who are assisted or not assisted under the tenant-based program may reside in a shared housing unit. The owner of a shared housing unit may reside in the unit.

A resident owner may enter into a HAP contract with the PHA. However, housing assistance may not be paid on behalf of an owner. The PHA will not approve assistance for a person or family that is related by blood or marriage to a resident owner.

There will be a separate housing assistance payment contract and lease for each assisted family residing in a shared housing unit.

Rent and HAP Contract

For shared housing, the term "pro-rata portion" means the ratio derived by dividing the number of bedrooms in the private space available for occupancy by a family by the total number of bedrooms in the unit. For example, for a family entitled to occupy three bedrooms in a five bedroom unit, the ratio would be 3/5.

The rent to owner for the family may not exceed the pro-rata portion of the reasonable rent for the shared housing dwelling unit. The reasonable rent must be in accordance with the guidelines set in the "Owner Rents, Rent Reasonableness, and Payment Standards", Chapter 11 of this Administrative Plan.

Maximum Subsidy

For a family that resides in a shared housing unit the payment standard is the lower of the payment standard amount on the PHA payment standard schedule for the family unit size or the pro-rata portion of the payment standard amount on the PHA payment standard for the shared housing unit size.

If the PHA approves a live-in aide, the live-in aide will be counted in determining the family unit size.

Utility Allowance

The utility allowance for an assisted family living in shared housing is the pro-rata portion of the utility allowance for the shared housing unit.

Housing Quality Standards

The PHA will ensure that all shared housing units approved for the program are in compliance with all of the Housing Quality Standards for shared housing as regulated in 24 CFR 982.618.

E. COOPERATIVE HOUSING [24 CFR 982.619]

The PHA will approve a family living in cooperative housing if it is determined that assistance under the program will help maintain affordability of the cooperative unit for low-income families The PHA will not approve assistance for a family in cooperative housing until the PHA has also determined that the cooperative has adopted requirements to maintain continued affordability for low-income families after transfer of a cooperative member's interest in a cooperative unit (such as a sale of the resident's share in a cooperative corporation).

The reasonable rent in cooperative housing is determined in accordance with "Owner Rents, Rent Reasonableness, and Payment Standards", Chapter 11 of this Administrative Plan. For cooperative housing, the rent to the owner is the monthly carrying charge under the occupancy agreement/lease between the member and the cooperative.

The carrying charge consists of the amount assessed to the member by the cooperative for occupancy of the housing. It includes the member's share of the cooperatives debt service, operating expenses, and necessary payments to cooperative reserve funds. However, the carrying charge does not include down payments or other payments to purchase the cooperative unit, or to amortize a loan to the family for this purpose. Gross rent is the carrying charge plus any utility.

For a cooperative, rent adjustments are applied to the carrying charge as determined in "Owner Rents, Rent Reasonableness, and Payment Standards", Chapter 11 of this Administrative Plan.

The lease and other appropriate documents will stipulate that the monthly carrying charge is subject to Housing Choice Voucher Program limitations on rent to the owner. The housing assistance payment will be determined in accordance with the guidelines in "Owner Rents, Rent Reasonableness, and Payment Standards", Chapter 11 of this Administrative Plan.

The PHA may approve a live-in aide to reside with the family to care for a person with disabilities. The PHA will approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. If the PHA approves a live-in aide, the live-in aide will be counted when determining the family unit size. The live-in aide must have the approval of the PHA prior to residing in the unit.

Housing Quality Standards

The PHA will ensure that all cooperative housing units approved for the program are in compliance with all of the Housing Quality Standards outlined in "Housing Quality Standards and Inspections", Chapter 10 of this Administrative Plan, and regulated by 24 CFR 982.401.

F. MANUFACTURED HOMES [24 CFR 982.620]

The PHA will permit a family to lease a manufactured home and space with assistance under the program. The PHA will provide assistance for a family that owns the manufactured home and leases only the space.

The PHA may approve a live-in aide to reside with a family to care for a person with disabilities. The PHA will approve a live-in aide if needed as a reasonable accommodation so that the program is accessible to and usable by persons with disabilities. If the PHA approves a live-in aide, the live-in aide must be counted when determining the family unit size.

Housing Quality Standards [24 CFR 982.621]

A manufactured home must meet all the HQS requirements outlined in the "Housing Quality Standards and Inspections", Chapter 10 of this Administrative Plan, and regulated by 24 CFR 982.401. In addition the manufactured home also must meet the following requirements:

A manufactured home must be placed on the site in a stable manner, and must be free from hazards such as sliding or wind damage.

A manufactured home must be securely anchored by a tie-down device that distributes and transfers the loads imposed by the unit to appropriate ground anchors to resist wind overturning and sliding.

Manufactured Home Space Rental [24 CFR 982.622]

Rent to an owner for a manufactured home space will also include payment for maintenance services that the owner must provide to the tenant under the lease for the space.

Rent to owner does not include the cost of utilities and trash collection for the manufactured home. However, the owner may charge the family a separate fee for the cost of utilities or trash collection provided by the owner.

Reasonable Rent

During the assisted tenancy, the rent to owner for the manufactured home space may not exceed a reasonable rent as determined by the PHA.

The PHA will not approve a lease for a manufactured home space until the PHA has determined that the initial rent to owner for the space is a reasonable rent. At least annually during the assisted tenancy, the PHA will re-determine that the rent is reasonable.

The PHA will determine whether the rent to the owner for a manufactured home space is a reasonable rent in comparison to rents for other comparable manufactured home spaces. The PHA will consider the size and location of the space and any services and maintenance provided by the owner in accordance with the lease.

By accepting each monthly housing assistance payment from the PHA, the owner of the manufactured home space certifies that the rent to owner for the space is not more than rent charged by the owner for unassisted rental of comparable spaces in the same manufactured home park or elsewhere. If requested by the PHA, the owner must provide the PHA information on rents for other manufactured home space.

Housing Assistance Payments for Manufactured Home Space [24 CFR 982.623]

The Fair Market Rent (FMR) for a manufactured home space will be determined by HUD.

HAP for the Voucher Tenancy

There is a separate FMR for a family renting a manufactured home space. The payment standard is used to calculate the monthly housing assistance payment for a family. The FMR for the rental of a manufactured home space is generally forty percent (40%) of the published FMR for a two-bedroom unit.

Subsidy Calculation for the Voucher Program

During the term of a voucher tenancy, the amount of the monthly housing assistance payment for a family will equal the lesser of:

- The payment standard minus the total tenant payment; or
- The rent paid for rental of the real property on which the manufactured home owned by the family is located (the space rent) minus the total tenant payment.

The space rent is the sum of the following as determined by the PHA:

- Rent to the owner for the manufactured home space;
- Owner maintenance and management charges for the space;
- The utility allowance for tenant-paid utilities.

Utility Allowance Schedule for Manufactured Home Space Rental [24 CFR 982.624]

For the first twelve months of the initial lease term only, the allowances will include a reasonable amount for utility hook-up charges payable by the family, if the family actually incurs the expenses because of a move.

Allowances for utility hook-up charges do not apply to a family that leases a manufactured home space in place.

Utility allowances for manufactured home space will not be applied to cover the costs of digging a well or installation of a septic system.

G. HOMEOWNERSHIP [24 CFR 982.625] to [24 CFR982.643]

Overview

The Section 8 Housing Choice Voucher program permits eligible participants in the Housing Choice Voucher program, including participants with portable vouchers, the option of purchasing a home with their voucher assistance rather than renting.

Eligible families will be current Housing Choice Voucher participants. Public Housing residents are also eligible as long as applicable transfer requirements between the Public Housing program and Housing Choice Voucher program are met and vouchers are available. The Housing Choice Voucher Homeownership Program can only be offered to those eligible for the voucher program.

In addition, families can have no outstanding debt to the PHA or other Public Housing Authority, and must have successfully completed a certified homebuyer training program provided by a recognized HUD homeowner-counseling agency.

Types of Assistance:

The PHA may provide only one of two forms of homeownership assistance, either:

1. Monthly homeownership assistance payments; or
2. A single down payment assistance grant

SHRA provides monthly homeownership assistance payments

A family may receive only one of two forms of homeownership assistance from the PHA. A family that includes a person who was an adult member of the family that previously received either of the two forms of homeownership assistance may not receive the other form of assistance from any PHA.

Limitation

The homeownership program is limited to 5% of the total Housing Choice Voucher program administered by the PHA in any fiscal year, provided that elderly or disabled families shall not be subject to the five percent annual limitation. In addition, no more than 20% of the total number of voucher units funded shall be allocated to the homeownership program at any one time. Elderly or disabled families shall not be included in the calculation of the 20% maximum.

Eligible Types of Homes

The family approved for homeownership assistance may purchase any of the following types of homes anywhere within Sacramento County;

1. A new or existing single-family or condominium home, including a home in a planned use development.
2. Cooperative
3. Loft or live/work unit
4. Manufactured home to be situated on a privately owned lot or on a leased pad in a mobile home park.

The home must already exist or be under construction at the time the family commits to purchasing the unit.

Portability [24 CFR 982.636]

The PHA will allow portability of homeownership assistance to another jurisdiction, provided the receiving jurisdiction is administering a voucher homeownership program and is accepting new families. Public Housing residents may also be eligible as long as applicable transfer requirements between the Public Housing program and the Housing Choice Voucher program are met and vouchers are available. A family's participation in the Housing Choice Voucher program will be subject to the Housing Choice Voucher Homeownership program and policies of the receiving jurisdiction.

The PHA will verify the form of homeownership assistance a family was receiving from the initial PHA. If the family includes an adult household member who previously benefited from a homeownership down-payment assistance grant, the family will not be eligible to receive homeownership assistance from SHRA.

Family Eligibility Requirements [24 CFR 982.627]

Participation in the Housing Choice Voucher Homeownership Program is voluntary. Each homeownership participant must meet the general requirement for admission to the Housing Choice Voucher Program as set forth in the Housing Choice Voucher Program Administrative Plan.

The Housing Choice Voucher Program family must also be eligible to participate in the PHA Homeownership Program, as follows:

1. Be a first-time Home Buyer;

2. Meet minimum income and employment duration requirements;

3. Have fully repaid any outstanding debt owned to the PHA;

4. Not defaulted on a mortgage securing debt to purchase a home under the homeownership option; and

5. Not have any member who has a present ownership interest in a residence at the commencement of homeownership assistance.

First-Time Homeowner

Each Housing Choice Voucher Family must be a first-time homeowner, meaning that no member of the household has had an ownership interest in any residence during the three years preceding commencement of homeownership.

A single parent or displaced homemaker who, while married, owned a home with a spouse (or resided in a home owned by a spouse) is considered a "first-time homeowner" for the purpose of the Housing Choice Voucher Homeownership Program. A member of a cooperative who has an existing right to purchase through the lease-purchase agreement also qualifies as a first-time homeowner.

A current participant of the homeownership program who exercises the portability option and purchases another with homeownership assistance is not required to meet the definition of a first-time homeowner.

Minimum Income Requirement

At the time the family begins receiving homeownership assistance, the head of household, spouse, and/or other adult household members who will own the home, must have gross annual income of at least equal to the Federal minimum hourly wage multiplied by 2,000 hours.

For the purposes of the Housing Choice Voucher Homeownership Program only, the PHA will disregard any "welfare assistance" income in determining whether the family meets the minimum income requirement. Welfare assistance includes Temporary Assistance for Needy Families (TANF), Supplemental Security Income (SSI),food stamps, General Assistance, or other welfare assistance specified by HUD. The disregard of welfare assistance income under this section affects the determination of minimum monthly income in determining initial qualification for the homeownership program.

In the case of an elderly or disabled family the PHA shall include welfare assistance for the adult family member who will own the home in determining if the family meets the minimum income requirement.

The determination of income-eligibility for admission to the Housing Choice Voucher program, calculation of the family's total tenant payment, or calculation of the amount of homeownership assistance payments is not affected by this income disregard.

Employment History

Each family must demonstrate that one or more adult members of the family who will own the home at commencement of homeownership assistance is employed full-time an average of 30 hours per week and has been continuously employed for one year prior to execution of the sales agreement. One thirty-day break in service during the twelve-month period shall be allowed. The employment history requirement does not apply to an elderly or disabled family.

Repayment of Any PHA Debts

Participants in the Housing Choice Voucher Program shall be ineligible for participation in the Housing Choice Voucher Homeownership Program in the event any debt or portion of debt remains owed to the PHA or any other Public Housing Authority.

Prior Mortgage Defaults

If the head of household, spouse, or other adult household member who will execute the contract of sale, mortgage, or other loan documents has previously defaulted on a mortgage obtained through the Housing Choice Voucher Homeownership Program, the family will be ineligible to participate in the homeownership program. Default shall be declared when an adult household member does not fulfill his/her mortgage obligations(s) in a timely manner and vacates the premises without making suitable arrangements with the lender(s) and the PHA.

Family Participation Requirements

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

1. Complete a homeownership counseling program approved by the PHA prior to issuance of a homeownership voucher.

2. Locate the home it proposes to purchase within a specified time frame;

3. Submit a sales agreement containing specific components to the PHA for approval;

4. Allow the PHA to inspect the proposed homeownership dwelling to assure that the dwelling meets Housing Quality Standards;

5. Obtain an independent inspection whereby the inspector is licensed and certified to evaluate major building systems and components;

6. Obtain PHA approval of the proposed mortgage;

7. Enter into a written agreement with the PHA to comply with all of its obligations under the Housing Choice Voucher Program, including the Homeownership Option;

8. Use a real estate professional.

Homeownership Counseling Program

A family's participation in the home ownership program is conditioned on the family attending and successfully completing a homeownership and housing counseling program approved by the PHA prior to commencement of homeownership assistance.

The homeownership and counseling program will cover home maintenance, budgeting and money management, credit counseling, negotiating purchase price, securing mortgage financing while avoiding predatory lenders, finding a home, fair housing issues, and the advantages of purchasing and locating homes in areas that do not have a high concentration of low-income families.

The PHA may require families to participate in a PHA-approved homeownership counseling program on an ongoing basis.

Locating and Purchasing a Home

A Homeownership Program Voucher will be issued when the family has met all eligibility requirements, including completing the approved homeownership counseling program and pre-approval of a mortgage loan from a lender. From the time the homeownership voucher is issued, the family will have six months to locate a home to purchase. A home shall be considered if the family submits a proposed sales agreement with the requisite components to the PHA. If a suitable home to purchase is not located within six months, the voucher shall expire. If the family had entered into a contract to purchase but the renovation or construction is not complete with the six month period, the voucher will be extended by the length of time necessary to compensate for any such construction delay that is beyond the control of the participant.

The family may convert their Homeownership voucher to a rental voucher at any time during the original six-month period provided the family had a rental voucher previously. If the family was a Public Housing resident the family will not receive a rental voucher but may choose to remain a resident of Public Housing.

Homeownership Voucher holders and Public Housing residents whose assistance expires must wait a year before reapplying for the Homeownership program.

Lease-Purchase

Families may enter into lease-purchase agreements while receiving Housing Choice Voucher assistance. All requirements of the Housing Choice Voucher Program apply to lease-purchase agreements, except that families are permitted to pay an extra amount out-of-pocket to the owner for purchase related expenses – a homeownership premium. Any homeownership premium, defined as an increment of value attributable to the value of the lease-purchase right or agreement, is excluded from PHA rent reasonableness and subsidy calculation, and must be absorbed by the family. When a lease-purchase participant family is ready to exercise their option, they must apply for the homeownership option. If determined eligible for homeownership assistance, the family may be admitted to the homeownership program and must meet all the requirement of these policies. Such families may be allowed to "fast track" ”their counseling requirement in light of their more abbreviated home search.

Sales Agreement

Prior to execution of the offer to purchase or sales agreement, the family must provide the financing terms to the PHA for approval. The sales agreement must provide for inspection by the PHA and the required independent inspection, and that the purchaser is not obligated to purchase unless such inspections are satisfactory to the PHA. The contract must provide for at least a one year home warranty. The contract must also provide that the purchaser is not obligated to pay for any necessary repairs without approval of the PHA and that the purchaser is not obligated to purchase if the mortgage finance terms are not approved by the PHA. It must also contain a seller certification that the seller is not disbarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.

Required Inspections

To assure that the home complies with the housing quality standards of the Housing Choice Voucher Program; homeownership assistance payments may not commence until the PHA first inspects the home. The PHA inspection shall be the initial response to receipt of a sales agreement.

An independent inspection of existing homes covering major building systems also must be completed by a professional selected by the family and approved by the PHA. The independent inspection report must be provided for the PHA. The PHA may disapprove the unit due to information contained in the report or for failure to meet housing quality standards.

Financing Requirements

The proposed financing terms must be submitted to and approved by the PHA prior to close of escrow. Balloon payments and loans with predatory practices will not be approved.

Requests to obtain financing for a Home Equity loan will not be approved by the PHA.

The PHA will only approve a request to refinance for the following reasons:

1. To allow the homeowner to take advantage of a lower interest rate.
2. To allow the homeowner to make necessary major repairs. The amount of cash out to make the repair shall not exceed 2% of the initial loan amount.

Compliance with Family Obligations

A family must agree in writing to comply with all family obligations under the Housing Choice Voucher program and PHA homeownership policies. The obligations include the following:

1. Any information the family supplies must be true and correct.

2. The family must disclose and verify social security numbers and employer identification numbers, sign and submit consent forms for obtaining information and supply any other information that the PHA or HUD determines to be necessary

3. Submit PHA required reports on the family's progress in finding and purchasing a home.

4. Attend and satisfactorily complete any PHA-required homeownership and housing counseling.

5. Select and pay for a pre-purchase inspection by an independent professional inspector.

6. Enter into a contract of sale with the seller of the unit and promptly provide a copy of the contract of sale to the PHA.

7. Obtain and maintain flood insurance for homes in special flood hazard areas.

8. Comply with the terms of any mortgage securing debt incurred to purchase the home.

9. Promptly notify the PHA in writing when:
    - the family moves away from the home for an extended period of time in accordance with PHA policies or;
    - before the family moves out.

10. Allow only PHA approved family members, live-in aide or foster child to live in the home.

11. Promptly notify the PHA in writing of the birth, adoption, or court awarded custody of a child, and request PHA written approval to add any other family member as an occupant of the home. Promptly notify the PHA in writing if any family member no longer lives in the home.

12. Supply any information as required by the PHA or HUD concerning any
    - mortgage or other debt and information on any satisfaction or payment of the mortgage debt;
    - any sale or other transfer of any interest in the home; or
    - the family's homeownership expenses.

13. Promptly notify the PHA in writing if the family defaults on a mortgage securing any debt incurred to purchase the home.

14. Will not commit fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program not engage in drug-related criminal activity or violent criminal activity.

15. Will not lease, sublet, transfer or convey the home except to grant a mortgage on the home for debt incurred to finance purchase of the home.

16. Will not receive homeownership assistance while receiving another housing subsidy for the same home or a different unit under any Federal, State or local housing assistance program.

17. Comply with any additional PHA requirements for family search and purchase of a home and continuation of homeownership assistance for the family.

Amount of Assistance

The amount of the monthly assistance payment will be based on three factors:

1. The voucher payment standard for which the family is eligible;
2. The monthly homeownership expense; and
3. The family's household income

The PHA will pay the lower of either the payment standard minus the family contribution (TFC) or the family's monthly homeownership expenses minus the TFC. The Housing Choice Voucher family will pay the difference.

Determining the Payment Standard

The voucher payment standard is the fixed amount the PHA annually establishes as the "fair market" rent for a unit of a particular size located within the PHA jurisdiction. In the homeownership program, the initial payment standard will be the lower of either:

- The payment standard for which the family is eligible based on family size; or
- The payment standard which is applicable to the size of the home the family decides to purchase.

The payment standard for subsequent years will be based on the higher of:

- The payment standard in effect at the commencement of the homeownership assistance; or
- The payment standard in effect at the most recent regular reexamination of the family's income and size.

The initial payment standard, for purposes of comparison, shall not be adjusted even if there is a subsequent decrease in family size. The PHA will request HUD approval of a higher payment standard where warranted as a reasonable accommodation for a family that includes a person with disabilities.

Determining Monthly Home Ownership Expense

Monthly homeownership expense includes all of the following:

- Principal and interest on the initial mortgage and any Mortgage Insurance Premium (MIP) incurred to finance the purchase and any refinancing of such debt;
- Real estate taxes and public assessments;
- Homeowner's insurance;
- Maintenance expenses per PHA allowance;
- Costs of major repairs and replacements per PHA allowance (replacement reserves);
- Utility allowance per PHA's schedule of utility allowances;
- Principal and interest on mortgage debt incurred to finance major repairs.
- Replacements or improvements for the home including changes needed to make the home accessible; and
- Homeowner association dues, fees or regular charges assessed, if any.

Homeownership expenses for a cooperative member may only include PHA approved amounts for 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 purchases of cooperative membership shares and refinancing of such debt, home insurance, the allowances for maintenance expenses, major repairs and replacements and utilities, and principal and interest on debt incurred to finance major repairs, replacements, or improvements, including changes needed to make the home accessible.

Determining the Family Contribution

The Total Family Contribution (TFC) is that portion of the homeownership expense that the family must pay. TFC is generally 30% of the family's adjusted income, plus any gap between the payment standard and the actual housing cost. All family income (including public assistance) will be counted to determine the family's adjusted monthly income for purposes of determining the amount of assistance.

Payment to the Family or Lender

The PHA will make the housing assistance payment directly to the lender. At the discretion of the Assistant Director other arrangements may be made on an emergency basis.

Buying Another Home with Housing Choice Voucher Homeownership Assistance

The family can move to another unit under the Housing Choice Voucher Homeownership program after five years provided there is no mortgage default, no late payments and no violations of the homeownership obligations during the previous year.

The Housing Authority may deny permission to move to a new unit with continued assistance if it is determined that the Housing Authority does not have sufficient funding to provide additional assistance.

The Housing Authority will not commence housing assistance payments for occupancy of the new unit so long as any family member owns any title or other interest in the prior unit.

All initial requirements for the Housing Choice Voucher Homeownership program must be met with the exception of the requirement that the family must be a first-time homeowner.

The housing authority may require that the family complete additional counseling before and after moving to a new unit under the homeownership program.

Time limits for participation in the homeownership program applies to the cumulative time the family may receive homeownership assistance.

Grounds for Termination of Homeownership Assistance

A family's homeownership assistance may be terminated if the family fails to comply with its obligations under the Housing Choice Voucher program, PHA homeownership policies, or if the family defaults on the mortgage. Additional grounds for termination are met when the family fails to:

- Attend and complete ongoing homeownership and housing counseling classes.
- Comply with the terms of any mortgage incurred to purchase and/or refinance the home.
- Provide the PHA with written notice of any sale or transfer of any interest in the home; any plan to move out of the home prior to the move; the family's household income and homeownership expenses on an annual basis; any notice of mortgage default received by the family; any other notices which may be required pursuant to the PHA homeownership policies. Except as otherwise provided in this section, the family may not convey or transfer the home to any entity or person other than a member of the assisted family while receiving homeownership assistance.

Homeownership assistance will only be provided while the family resides in the home. If the family moves out of the home, the PHA will not continue homeownership assistance commencing with the month after the family moves out. Neither the family nor the lender is obligated to reimburse the PHA for homeownership assistance paid for the month the family moves out.

A participant in the Housing Choice Voucher Homeownership Program shall be entitled to the same termination notice and informal hearing procedures as set forth in the Administrative Plan of the Housing Choice Voucher Program.

Recapture of Assistance

The PHA will not impose or enforce any requirement for recapture of voucher homeownership assistance on the sale or refinancing of a home purchased with assistance under the homeownership program.

Default and Continued Participation in the Housing Choice Voucher Program

If the family defaults on any mortgage, the PHA may permit the family to move with continued Housing Choice Voucher rental assistance, if the family demonstrates that it has conveyed title to

the home to HUD or its designee, as required by the lender, the PHA, or HUD; and moved from the home within the period established or approved by the lender, the PHA, or HUD.

Administrative Fee

For each month that homeownership assistance is paid by the PHA on behalf of the family, the PHA shall be paid the ongoing administrative fee described in 24 CFR 982.152(b).

Program Changes

The Assistant Director shall have the discretion to waive or modify any provision of the Housing Choice Voucher Homeownership Program or policies not governed by statute or regulation for good cause or to comply with changes in HUD regulations or directives.

Mortgage Defaults: the PHA may permit the family to move with continued homeownership assistance if the default is due to catastrophic medical reasons or to the impact of a federally declared disaster.

H. MODERATE REHABILITATION PROGRAM [24 CFR 882 Subpart D and E]

The Moderate Rehabilitation (Mod Rehab) Program was established through the Housing and Community Development Amendment of 1978 to bridge the gap between Section 8 Substantial Rehabilitation and Section 8 Rental Assistance and was intended to upgrade marginally deteriorated existing buildings for use as assisted rental housing. The program was repealed in 1991 and no new projects are authorized for development.

Family Outreach

The PHA uses separate wait lists for tenant based and project based housing.

Tenant Selection

All vacant units under the HAP contract must be rented to eligible families referred by the PHA. The owner must be willing to accept applicants from the wait list to fill vacant units when they meet the owner's selection criteria, in order for the unit to continue to be eligible under the HAP contract. Owners may reject referrals from the PHA for reasons related to suitability. The owner must provide the PHA the reason for rejection of the referrals made to Mod Rehab units in writing.

The PHA is responsible for obtaining income, asset and allowance information, conducting verifications and determining tenant eligibility and rent. Applicants taken off the wait list will be requested to complete a full application to determine final eligibility. Families who's Total Tenant Payment, computed in accordance with Federal regulations, exceed the current Gross Rent for the Mod Rehab for the Mod-Rehab unit will not be admitted.

If the PHA is unable to refer a sufficient number of interested applicants from the wait list within 30 days of the owner's notification of the vacancy, the owner may advertise or solicit applicants and refer the families to the PHA for application, verifications, and eligibility determination.

Determining Unit Size

The size of the families referred to the Mod-Rehab unit will be based on the number of bedrooms available in the unit pursuant to the Subsidy Standard schedule in this plan.

When a change in family composition requires a change in bedroom size, the PHA will determine whether the unit is overcrowded or under occupied, in which case the owner must offer the family a suitable alternative unit should one be available and the family will be required to move.

If the owner does not have a suitable available unit, the PHA must assist the Family in locating other standard housing in the locality within the Family's ability to pay and require the Family to move to such a unit as soon as possible. In no case will a Family be forced to move nor will housing assistance payments under the Contract be terminated unless the Family rejects without good reason the offer of a unit which the PHA judges to be acceptable.

Statement of Family Responsibilities, and Briefing

After the family has been determined eligible, the family will be issued a Statement of Family Responsibility for participation in the Mod-Rehab Program at a briefing. Families who fail to attend two scheduled briefings without prior notification and approval from the PHA may be denied admission based on failure to complete the certification process.

The PHA will conduct the briefing in group or individual sessions and will provide a full explanation of the following:

- Family obligations as stated in the Statement of Family Responsibility and the program regulations;
- That fact that the subsidy is tied to the unit and the family must occupy a unit rehabilitated under the program;
- The family's options under the program should the family be required to move due to an increase or decrease in family size;
- Information as to the Family Rent; and
- The schedule of Allowances for Utilities.

Lease Agreement

The owner and tenant must execute a lease agreement and provide an executed copy to the PHA.

Security Deposit Requirements

The maximum amount of security deposit that can be collected by the owner shall be the greater of one month's Total Tenant Payment or $50.00

Housing Quality Standards and Inspections

In addition to the inspections identified in this plan, the PHA will conduct a move-out or vacate inspection at the owner's request only if the owner intends to file a claim for damages and vacancy loss (see Vacancy Loss in the Glossary).

If the owner fails to comply with housing quality standards and other obligations under the contract, the PHA will abate the housing assistance payment for that unit until the owner is in compliance. If the owner fails to meet the compliance requirements within the timeframe specified under the abatement, the assistance for that unit will be terminated.

The termination of any effected unit does not automatically terminate the entire contract. However the contract is amended to reduce the number of eligible units to exclude those units for which the owner failed to bring into compliance with the HQS contract.

Upon amendment or termination of a contract, the family may elect to stay in the unit and pay market rent; however, their rental assistance will terminate since the units does not meet HQS and was removed as an assisted unit under the contract.

If the family was not at fault and they are eligible for continued assistance, the family may continue to receive housing assistance through the conversion of the Mod-Rehab unit to a Housing Choice Voucher. Once the termination notice has been issued, the unit will not be reinstated even if the owner proceeds to make the repairs.

The family will be issued a voucher, which must be used in a non-Mod-Rehab project. The unit continues to count as a Mod-Rehab unit and remains under the Mod-Rehab Annual Contributions Contract (ACC), which provides for such a conversion of unit(s); no amendment to the ACC is necessary to convert to a voucher.

Contract Rent Adjustments

Contact rent adjustments are based on the published Annual Adjustment Factor (AAF). The AAF is applied to the original base rent in affect at the time of the HAP contract execution. Rent changes will be applied annually at the anniversary date of the HAP contract.

Family Moves

The Mod-Rehab Program provides project based assistance, which is tied to the unit under contract. Therefore, if a family vacates the unit, no additional assistance will be available to the family unless the family transfers to another Mod-Rehab unit with the approval of the PHA and the property owner.

All termination of lease agreement for cause must be carried out through the judicial process under the State and local law. The owner cannot terminate or refuse to renew the lease except upon the following grounds:

- Serious or repeated violation of the terms and conditions of the lease;
- Violation of applicable Federal, State or local law; or
- Other good cause.

The owner must serve a written termination of tenancy to the family, which states the date the tenancy will terminate.

Vacancy Loss

Vacancies after initial occupancy: 1) If an Eligible Family vacates its unit (other than as a result of action by the owner which is in violations of the Lease or the Contract or any applicable law), the owner may receive the housing assistance payments due under the Contract for so much of the month in which the family vacates the unit as the unit remains vacant. Should the unit continue to remain, the owner may receive from the PHA a housing assistance payment in the amount of 80% of the Contract Rent for a vacancy period not exceeding an additional month. However, if the owner collects any of the family's share of the rent for this period, the payment must be reduced to an amount which, when added to the family's payment, does not exceed 80% of the Contract Rent. Any such excess must be reimbursed by the owner to the PHA. The owner will not be entitled to any payment under this paragraph (b)(1) of this section unless the owner:

- immediately upon learning of the vacancy, has notified the PHA of the vacancy or prospective vacancy; and
- has taken and continues to take all feasible actions specified in paragraphs 24 CFR 882.411(a) (2) and (3).

2) If the owner evicts an eligible family, the owner will not be entitled to any payment under paragraph (b)(1) of this section unless the PHA determines that the owner complied with all requirements of the Contract.

Prohibition of double compensation for vacancies: The owner will not be entitled to housing assistance payments with respect to vacant units under this section if the owner is entitled to payments from other sources (for example, payments for losses of rental income incurred for holding units vacant for relocates pursuant to Title I of the HCD Act of 1974 or payments for unpaid rent under §882.414.

Denial or Termination of Assistance

In accordance with 24 CFR 882.413 the PHA may terminate assistance to Mod-Rehab participants for the following reasons:

- Failure to comply with all provisions of the lease agreement;

- Failure to maintain tenant responsible utilities; and
- Failure to fulfill all of its obligations under the Statement of Family Responsibility, which include the following:

    1. Providing such family income information and records as may be required in the administration of the program;
    2. Permitting inspection of its dwelling unit at reasonable times after reasonable written notice;
    3. Giving at least 30 days notice in writing to the PHA of the family's intention to vacate the unit;
    4. Cooperating with the PHA in finding another unit when the family is no longer eligible for the contract unit it occupies because of a change in family size;
    5. Not assigning the lease or subleasing the premises;
    6. Not providing accommodations for boarders or lodgers; and
    7. Engaging in drug-related criminal activity or violent criminal activity, including criminal activity by any family member.

GLOSSARY

A. ACRONYMS USED IN SUBSIDIZED HOUSING

AAF	Annual Adjustment Factor. .
ACC	Annual Contributions Contract
BR	Bedroom
CDBG	Community Development Block Grant
CFR	Code of Federal Regulations.
CR	Contract Rent
FDIC	Federal Deposit Insurance Corporation
FHA	Federal Housing Administration
FICA	Federal Insurance Contributions Act - Social Security taxes
FMR	Fair Market Rent
FY	Fiscal Year
FYE	Fiscal Year End
GAO	Government Accounting Office
GR	Gross Rent
HAP	Housing Assistance Payment
HCDA	Housing and Community Development Act
HO	Home Ownership
HQS	Housing Quality Standards
HUD	Department of Housing and Urban Development
IRA	Individual Retirement Account
OIG	Office of Inspector General
PBA	Project-Based Assistance
PHA	Public Housing Authority
PS	Payment Standard

QC	Quality Control
RFTA	Request for Tenancy Approval
RFP	Request for Proposals
SHRA	Sacramento Housing and Redevelopment Agency
SRO	Single Room Occupancy
TR	Tenant Rent
TTP	Total Tenant Payment
UA	Utility Allowance
URP	Utility Reimbursement Payment

B. GLOSSARY OF TERMS IN SUBSIDIZED HOUSING

ABATEMENT. Permanent withholding of the HAP for the duration that the assisted unit is not in compliance with Housing Quality Standards after the initial thirty day repair timeframe.

ABSORPTION. In portability, the point at which a receiving PHA stops billing the initial PHA for assistance on behalf of a portability family. The receiving PHA uses funds available under the receiving PHA consolidated ACC.

ACC RESERVE ACCOUNT. Account established by HUD from amounts by which the maximum payment to the PHA under the consolidated ACC (during a PHA fiscal year) exceeds the amount actually approved and paid. This account is used as the source of additional payments for the program.

ADJUSTED INCOME. Annual income, less allowable HUD deductions.

ADMINISTRATIVE FEE. Fee paid by HUD to the PHA for administration of the program.

ADMINISTRATIVE FEE RESERVE. Account established by PHA from excess administrative fee income. The administrative fee reserve must be used for housing purposes.

ADMINISTRATIVE PLAN. The HUD required written policy of the PHA governing its administration of the Section 8 Certificate and Voucher program. The Administrative Plan and any revisions must be approved by the PHA's board and a copy submitted to HUD.

ADMISSION. The effective date of the first HAP contract for a family (first day of initial lease term) in a tenant-based program. This is the point when the family becomes a participant in the program.

ADULT. A Person aged 18 years or older.

ANNUAL CONTRIBUTIONS CONTRACT (ACC). A written contract between HUD and a

PHA. Under the contract HUD agrees to provide funding for operation of the program, and the PHA agrees to comply with HUD requirements for the program

ANNUAL INCOME. The anticipated total Annual Income of an eligible family from all sources for the 12-month period following the date of determination of income computed in accordance with the regulations.

ANNUAL ADJUSTED INCOME. The Annual Income (described above) less the HUD-approved allowances.

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

"AS-PAID" STATES. States where the welfare agency adjusts the shelter and utility component of the welfare grant in accordance with actual housing costs.

ASSETS. (See Net Family Assets.)

ASSISTED TENANT. A tenant who pays less than the market rent as defined in the regulations. Includes tenants receiving rent supplement, Rental Assistance Payments, or Section 8 assistance and all other 236 and 221 (d)(3) BMIR tenants, except those paying the 236 market rent or 120% of the BMIR rent, respectively.

BUDGET AUTHORITY. An amount authorized and appropriated by the Congress for payment to PHAs under the program. For each funding increment in a PHA program, budget authority is the maximum amount that may be paid by HUD to the PHA over the ACC term of the funding increment.

CERTIFICATE PROGRAM. Rental certificate program.

CHILDCARE EXPENSES. Amounts paid by the family for the care of minors under 13 years of age where such care is necessary to enable a family member to be employed or for a household member to further his/her education.

Code of Federal Regulations. Commonly referred to as "the regulations". The CFR is the compilation of Federal rules, which are first published in the Federal Register and define and implement a statute.

CO-HEAD. An individual in the household who is equally responsible for the lease with the Head of Household. (A family never has a Co-head and a Spouse and; a Co-head is never a Dependent).

CONGREGATE HOUSING. Housing for elderly persons or persons with disabilities that meets the HQS for congregate housing

COOPERATIVE. A dwelling unit owned and or shared by a group of individuals who have individual sleeping quarters and share common facilities such as kitchen, living room and some bathrooms.

CONTIGUOUS MSA. In portability, an MSA that shares a common boundary with the MSA in

which the jurisdiction of the initial PHA is located.

CONTINUOUSLY ASSISTED. An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the certificate or voucher program.

CONTRACT. (See Housing Assistance Payments Contract.)

CONTRACT AUTHORITY. The maximum annual payment by HUD to a PHA for a funding increment.

CONTRACT RENT. In the Section 8 Certificate Program, Contract Rent is the total rent paid to the owner, including the tenant payment and the HAP payment from the PHA.

COVERED FAMILY. A family which receives benefits from welfare or public assistance from a state or public agency which requires, as a condition of eligibility to receive assistance, the participation of a family member in an economic self-sufficiency program.

DEPENDENT. A member of the family household (excluding foster children) other than the family head or spouse, who is under 18 years of age or is a Disabled Person or Handicapped Person, or is a full-time student 18 years of age or over.

DISABILITY ASSISTANCE EXPENSE. Anticipated costs for care attendants and auxiliary apparatus for disabled family members, which enable a family member (including the disabled family member) to work.

DISABLED PERSON. A person who is any of the following:

(1) A person who has a disability as defined in section 223 of the Social Security Act. (42 U.S.C.423).

(2) A person who has a physical, mental, or emotional impairment that:

- (i) Is expected to be of long-continued and indefinite duration
- (ii) Substantially impedes his or her ability to live independently
- (iii) Is of such a nature that ability to live independently could be improved by more suitable housing conditions

(3) A person who has a developmental disability as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7)).

DISABLED FAMILY. A family where the head or spouse meets any of the above criteria for disabled person.

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

DOMICILE. The legal residence of the household head or spouse as determined in accordance

with State and local law.

DRUG-RELATED CRIMINAL ACTIVITY. The illegal manufacture, sale, distribution, use, or the possession with intent to manufacture, sell distribute or use, of a controlled substance (as defined in Section 102 of the Controlled Substance Act (21 U.S.C. 802).

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

ECONOMIC SELF-SUFFICIENCY PROGRAM. Is any program designed to encourage, assist, train or facilitate economic independence of assisted families or to provide work for such families. Such programs may include job training, employment counseling, work placement, basic skills training, education, English proficiency, workforce, financial or household management, apprenticeship, or any other program necessary to ready a participant to work (such as substance abuse or mental health treatment).

ELDERLY HOUSEHOLD. A family whose head or spouse or whose sole member is at least 62 years of age; may include two or more elderly persons living together or one or more such persons living with another person who is determined to be essential to his/her care and well being.

ELDERLY PERSON. A person who is at least 62 years old.

ELIGIBILITY INCOME. May 10, 1984, regulations deleted Eligibility Income, per se, because Annual Income is now for eligibility determination to compare to income limits.

ELIGIBLE FAMILY (Family)**.** A family is defined by the PHA in the administrative Plan, which is approved by HUD.

EMANCIPATED MINOR. A person under the age of 18 who is no longer subject to the laws governing parental responsibility. Emancipated minors are seen as legal adults under most circumstances.

EMERGENCY. As any documented and verifiable situation endangering the life or health and safety of the family.

EXCEPTION RENT. In the certificate program an initial rent (contract rent plus any utility allowance) in excess of the published FMR. In the certificate program the exception rent is approved by HUD, or the PHA under prescribed conditions, and is used in determining the initial contract rent. In the voucher program the PHA may adopt a payment standard up to the exception rent limit approved by HUD for the PHA certificate program.

EXCESS MEDICAL EXPENSES. Any medical expenses incurred by elderly or disabled families only in excess of 3% of Annual Income, which are not reimbursable from any other source.

EXTREMELY LOW-INCOME FAMILY. A family whose annual income does not exceed 30 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families.

FAIR MARKET RENT . The rent, including the cost of utilities (except telephone), as

established by HUD for units of varying sizes (by number of bedrooms), that must be paid in the housing market area to rent privately owned, existing, decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities

FAMILY. "Family" includes but is not limited:

(a) An Elderly Family or Single Person as defined in 24 CFR 5.403(b),

(b) The remaining member of a tenant family, and

(c) A Displaced Person.

(d) "Family" can be further defined by the PHA.

FAMILY OF VETERAN OR SERVICE PERSON. A family is a "family of veteran or service person" when:

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

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

FAMILY SELF-SUFFICIENCY PROGRAM (FSS PROGRAM). The program established by a PHA to promote self-sufficiency of assisted families, including the provision of supportive services.

FAMILY SHARE. The amount calculated by subtracting the housing assistance payment from the gross rent.

FAMILY UNIT SIZE. The size of the Certificate or Voucher issued to the family based on the PHA's subsidy standards.

FEDERAL PREFERENCE. A preference under Federal law for admission of applicant families.

FEDERAL PREFERENCE HOLDER. An applicant that qualifies for a Federal preference.

FOSTER CHILDCARE PAYMENT. Payment to eligible households by State, local, or private agencies appointed by the State, to administer payments for the care of foster children.

FULL-TIME STUDENT. A person who is 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.

FUNDING INCREMENT. Each commitment of budget authority by HUD to a PHA under the consolidated annual contributions contract for the PHA program.

GOOD CAUSE. (In respect to missed appointments) An unavoidable conflict in a meeting time with another agency, doctor or company which seriously affects the health, safety or welfare of the participant or his/her immediate family.

GOOD STANDING. A family which does not owe an outstanding debt to any PHA; is not delinquent on a repayment agreement; is not subject to adverse action; has not been evicted from Public Housing or been terminated from the HCV program within the last five (5) years.

GROSS RENT. The sum of the Contract Rent and the utility allowance. If there is no utility allowance, Contract Rent equals Gross Rent.

GROUP HOME. A dwelling unit that is licensed by a State as a group home for the exclusive residential use of two to twelve persons who are elderly or persons with disabilities (including any live-in aide).

HAP CONTRACT. (See Housing Assistance Payments contract.)

HEAD OF HOUSEHOLD. The head of household is the person who assumes legal and financial responsibility for the household and is listed on the application as head.

HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974. Act in which the U.S. Housing Act of 1937 (sometimes referred to as the Act) was recodified, and which added the Section 8 Programs.

HOUSING ASSISTANCE PAYMENT. The monthly assistance payment by a PHA. The total assistance payment consists of:

(1) A payment to the owner for rent to the owner under the family's lease.

(2) An additional payment to the family if the total assistance payment exceeds the rent to the owner. The additional payment is called a "utility reimbursement" payment.

HOUSING ASSISTANCE PAYMENTS CONTRACT. (HAP contract). A written contract between a PHA and an owner in the form prescribed by HUD headquarters, in which the PHA agrees to make housing assistance payments to the owner on behalf of an eligible family.

HOUSING AUTHORITY. A state, country, municipality or other governmental entity or public body authorized to administer the program. The term "PHA" includes an Indian Housing Authority (IHA). ("PHA" and "IHA" mean the same thing.)

HOUSING QUALITY STANDARDS (HQS). The HUD minimum quality standards for housing assisted under the tenant-based programs.

HUD REQUIREMENTS. HUD requirements for the Section 8 programs. HUD requirements are issued by HUD headquarters as regulations. Federal Register notices or other binding program directives.

IMPUTED ASSET. Asset disposed of for less than Fair Market Value during two years preceding

examination or reexamination.

IMPUTED INCOME. HUD passbook rate x total cash value of assets. Calculation used when assets exceed $5,000.

IMPUTED WELFARE INCOME. The amount of annual income, not actually received by a family, as a result of a specified benefit reduction

INITIAL PHA. In portability, the term refers to both:

(1) A PHA that originally selected a family that later decides to move out of the jurisdiction of the selecting PHA; and

(2) A PHA that absorbed a family that later decides to move out of the jurisdiction of the absorbing PHA.

INITIAL PAYMENT STANDARD. The payment standard at the beginning of the HAP contract term.

INITIAL RENT TO THE OWNER. The rent to the owner at the beginning of the HAP contract term.

INCOME. Income from all sources of each member of the household as determined in accordance with criteria established by HUD.

INCOME FOR ELIGIBILITY. Annual Income.

INDIAN HOUSING AUTHORITY (IHA). A housing agency established either:

(1) By exercise of the power of self-government of an Indian Tribe, independent of State law, or

(2) By operation of State law providing specifically for housing authorities for Indians.

INTEREST REDUCTION SUBSIDIES. The monthly payments or discounts made by HUD to reduce the debt service payments and, hence, rents required on Section 236 and 221 (d)(3) BMIR projects. Includes monthly interest reduction payments made to mortgagees of Section 236 projects and front-end loan discounts paid on BMIR projects.

JURISDICTION. The area in which the PHA has authority under State and local law to administer the program.

OWNER. This term means either the owner of the property or his/her representative or the managing agent or his/her representative, as shall be designated by the owner.

LEASE.

(1) A written agreement between an owner and a tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP contract between the owner and the PHA

(2) In cooperative housing, a written agreement between a cooperative and a member of the

cooperative. The agreement establishes the conditions for occupancy of the member's family with housing assistance payments to the cooperative under a HAP contract between the cooperative and the PHA.

LEASE ADDENDUM. In the lease between the tenant and the owner, the lease language required by HUD.

LIVE-IN AIDE. A person who resides with an elderly person or disabled person and who:

(1) Is determined to be essential to the care and well being of the person.

(2) Is not obligated for the support of the person.

(3) Would not be living in the unit except to provide necessary supportive services.

LOCAL PREFERENCE. A preference used by the PHA to select among applicant families without regard to their Federal preference status.

LOW-INCOME FAMILY. A family whose annual income does not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. For admission to the certificate program, HUD may establish income limits higher or lower than 80 percent of the median income for the area on the basis of its finding that such variations are necessary because of the prevailing levels of construction costs or unusually high or low family incomes.

MANUFACTURED HOME. A manufactured structure that is built on a permanent chassis, is designed for use as a principal place of residence, and meets the HQS. A special housing type. See 24 CFR 982.620 and 982.621.

MANUFACTURED HOME SPACE. In manufactured home space rental: A space leased by an owner to a family. A manufactured home owned and occupied by the family is located on the space. See 24 CFR 982.622 to 982.624

MARKET RENT. The prevailing comparable rent being charged in the rental area. Factors considered are unit type, size, age, location, amenities and provided services.

MEDICAL EXPENSES. Those total medical expenses, including medical insurance premiums, that are anticipated during the period for which Annual Income is computed, and that are not covered by insurance. A deduction for Disabled and/or Elderly Households only. These allowances are given when calculating adjusted income for medical expenses in excess of 3% of Annual Income.

MINOR. A member of the family household (excluding foster children) other than the family head or spouse who is under 18 years of age.

MIXED FAMILY. A family with citizens and eligible immigration status and without citizens and eligible immigration status as defined in 24 CFR 5.504(b)(3)

MONTHLY ADJUSTED INCOME. 1/12 of the Annual Adjusted Income..

NATIONAL. A person who owes permanent allegiance to the United States, for example, as a

result of birth in a United States territory or possession.

NET FAMILY ASSETS. Value of equity in savings, checking, IRA and Keogh accounts, real property, stocks, bonds, and other forms of capital investment. The value of necessary items of personal property such as furniture and automobiles is excluded from the definition.

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

OCCUPANCY STANDARDS. Now referred to as Subsidy Standards. Standards established by a PHA to determine the appropriate number of bedrooms for families of different sizes and compositions.

OWNER. Any persons or entity having the legal right to lease or sublease a unit to a participant.

PARTICIPANT. A family that has been admitted to the PHA's certificate program or voucher program. The family becomes a participant on the effective date of the first HAP contract executed by the PHA for the family (First day of initial lease term).

PAYMENT STANDARD. In a voucher or over-FMR tenancy, the maximum subsidy payment for a family (before deducting the family contribution). For a voucher tenancy, the PHA sets a payment standard in the range from 80 to 100 percent of the current FMR/exception rent limit. For an over-FMR tenancy, the payment standard equals the current FMR/exception rent limit.

PERSONS WITH DISABILITIES. Individuals with any condition or characteristic that renders a person an individual with a handicap as defined in 24 CFR 8.2.

PORTABILITY. Renting a dwelling unit with Section 8 tenant-based assistance outside the jurisdiction of the initial PHA

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

PREVIOUSLY UNEMPLOYED. This includes a person with disabilities who has earned in the previous 12 months no more than the equivalent earnings for working 10 hours per week for 50 weeks at the minimum wage. Minimum wage is the prevailing minimum wage in the State or locality.

PRIVATE SPACE. In shared housing: The portion of a contract unit that is for the exclusive use of an assisted family.

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

PUBLIC HOUSING AUTHORITY. A state, county, municipality, or other governmental entity or public body authorized to administer the programs.

REASONABLE RENT. A rent to the owner that is not more than rent charged:

(1) For comparable units in the private unassisted market; and

(2) For comparable unassisted units in the premises.

RECEIVING PHA. In portability: A PHA that receives a family selected for participation in the tenant-based program of another PHA. The receiving PHA issues a certificate or voucher and provides program assistance to the family.

RECERTIFICATION. Sometimes called reexamination. The process of securing documentation of total family income used to determine the rent the tenant will pay for the next 12 months if there are no additional changes to be reported. There are annual and interim recertifications.

REMAINING MEMBER OF TENANT FAMILY. Person left in assisted housing after other family members have left and become unassisted.

RENT TO THE OWNER. The total monthly rent payable to the owner under the lease for the unit. Rent to the owner covers payment for any housing services, maintenance and utilities that the owner is required to provide and pay for.

SECRETARY. The Secretary of Housing and Urban Development.

SECURITY DEPOSIT. Any advance payment, other than an advance for the first month's rent or a deposit for a key or any special equipment

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

SINGLE PERSON. A person living alone or intending to live alone.

SPECIAL ADMISSION. Admission of an applicant that is not on the PHA waiting list or without considering the applicant’s waiting list position.

SPECIAL HOUSING TYPES. See Subpart M of 24 CFR 982, which states the special regulatory requirements for SRO housing, congregate housing, group homes, shared housing, cooperatives (including mutual housing), and manufactured homes (including manufactured home space rental).

SPOUSE. The husband or wife of the head of the household.

SUBSIDIZED PROJECT. A multi-family housing project (with the exception of a project owned by a cooperative housing mortgage corporation or association) which receives the benefit of subsidy in the form of:

1. Below-market interest rates pursuant to Section 221(d)(3) and (5) or interest reduction payments pursuant to Section 236 of the National Housing Act; or

2. Rent supplement payments under Section 101 of the Housing and Urban Development Act of 1965; or

3. Direct loans pursuant to Section 202 of the Housing Act of 1959; or

4. Payments under the Section 23 Housing Assistance Payments Program pursuant to Section 23 of the United States Housing Act of 1937 prior to amendment by the Housing and Community Development Act of 1974;

5. Payments under the Section 8 Housing Assistance Payments Program pursuant to Section 8 of the United States Housing Act after amendment by the Housing and Community Development Act unless the project is owned by a ;

6. A Public Housing Project.

SUBSIDY STANDARDS. Standards established by a PHA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

SUSPENSION/TOLLING. Stopping the clock on the term of a family's certificate or voucher, for such period as determined by the PHA, from the time when the family submits a request for PHA approval to lease a unit, until the time when the PHA approves or denies the request.

TENANT. The person or persons (other than a live in aide) who executes the lease as lessee of the dwelling unit.

TENANT RENT. The amount payable monthly by the family as PHA-approved rent to the owner

TOTAL TENANT PAYMENT (TTP). The highest of 30% of the monthly-adjusted income, 10% of total monthly income, the welfare rent or the minimum rent. .

UNIT. Residential space for the private use of a family.

UTILITIES. Utilities means water, electricity, gas, other heating, cooking fuels, trash collection and sewage services. Telephone, cable and internet services are not considered utilities.

UTILITY ALLOWANCE. An average estimated utility cost for the type, size and utility combination that the tenant would be responsible to pay.

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

VACANCY LOSS PAYMENTS:

MOD-REHAB PROGRAM [24 CFR 882.411]

See Chapter 19, MOD REHABILITATION PROGRAM, Vacancy Loss.

PROJECT-BASED PROGRAM [24 CFR 983.352]

See Addendum #2, PROJECT-BASED PROGRAM, Vacancy Loss.

VERY LOW-INCOME FAMILY. A Lower-Income Family whose Annual Income does not exceed 50% of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50% of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes. This is the income limit for the Certificate and Voucher Programs.

VETERAN. A person who has served in the active military or naval service of the United States at

any time and who shall have been discharged or released there from under conditions other than dishonorable.

VIOLENT CRIMINAL ACTIVITY. Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.

VOUCHER HOLDER. A family holding a voucher with unexpired search time.

WAITING LIST ADMISSION. An admission from the PHA waiting list.

WAITING LIST. A list of families organized according to HUD regulations and PHA policy that are waiting for subsidy to become available.

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

C. GLOSSARY OF TERMS USED IN THE NONCITIZENS RULE

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

CITIZEN. A citizen or national of the United States.

EVIDENCE. Evidence of citizenship or eligible immigration status means the documents, which must be submitted to evidence citizenship or eligible immigration status.

HEAD OF HOUSEHOLD. The adult member of the family who is the head of the household for purpose of determining income eligibility and rent.

HUD. Department of Housing and Urban Development.

INS. The U.S. Immigration and Naturalization Service.

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

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

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

RESPONSIBLE ENTITY. The person or entity responsible for administering the restrictions on providing assistance to non-citizens with ineligible immigration status (the PHA).

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

SPOUSE. Spouse refers to the marriage partner, either a husband or wife, who is someone you need to divorce in order to dissolve the relationship. It includes the partner in a common-law

marriage. It does not cover boyfriends, girlfriends, significant others, or "co-heads." "Co-head" is a term recognized by some HUD programs, but not by public and Indian housing programs.

ADDENDUM #1

PROGRAM INTEGRITY

INTRODUCTION

The PHA is committed to assuring that the proper level of benefits is paid to all participating families, and that housing resources reach only income-eligible families so that program integrity can be maintained. The PHA will take all steps necessary to prevent fraud, waste, and mismanagement so that program resources are utilized judiciously.

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

A. CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD

Under no circumstances will the PHA undertake an inquiry or an audit of a participating family arbitrarily. The PHA's expectation is that participating families will comply with HUD requirements, provisions of the voucher, and other program rules. The PHA staff will make every effort to educate all families in order to avoid unintentional violations. The PHA has a responsibility to HUD, to the community, and to eligible families in need of housing assistance, to monitor participants and owners for compliance and to investigate reports of possible abuse.

The PHA will initiate an investigation and any subsequent follow-up of a participating family only in the event that one or more of the following circumstances occur:

- Referrals, complaints, or tips from other agencies, companies or persons which are received by mail, by telephone, through SHRA’s website, or through e-mail which allege that a family is in non-compliance with, or otherwise violating the family obligations or any other program rules. A copy of the allegation will be retained in the family's file.

- Internal file review reveals (as a function of initial eligibility, recertification, interim recertification, or quality control review) information or facts which conflict with file data, the PHA's knowledge of the family, or is discrepant with statements made by the family.

- If the PHA receives independent verification or documentation which conflicts with representations in the family's file (such as public record information, credit bureau reports, or reports from other agencies).

B. STEPS THE PHA WILL TAKE TO PREVENT PROGRAM ABUSE AND FRAUD

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

The PHA will:

- Provide applicants and participants with information that explains the types of actions a family must take to avoid committing fraud and the penalties for program abuse;
- Conduct mandatory briefing sessions for all prospective program participants, either prior to or upon issuance of a voucher.
- Include a warning statement about the penalties for fraud on key PHA forms and form letters that request information from a family or owner;
- Post instructive signage in a common area to reinforce compliance with program rules and to warn about penalties for fraud and abuse.

C. STEPS THE PHA WILL TAKE TO DETECT PROGRAM ABUSE AND FRAUD

The PHA staff will maintain a high level of awareness to indicators of possible abuse and fraud by assisted families.

1. Quality Control File Reviews

HCV Program Supervisors will review caseworker files to ensure that:

- Verifications of all income have been submitted in accordance with guidelines. (Refer to Admin Plan, Chapter 7, Section A, Methods of Verification and Time Allowed).
- All allowable deductions are documented (Refer to Admin Plan, Chapter 7, Section H, Verifications of Allowable Deductions from Income).
- Adjusted income is calculated correctly.
- File documents are authentic.
- All forms are correctly dated and signed.

2. Enterprise Income Verification

The Enterprise Income Verification (EIV) HUD system will be used by authorized staff to validate tenant-reported income and to supplement tenant-provided documents. EIV is anticipated to reduce subsidy overpayments and improve program integrity.

3. **Observation of File Data Integrity**

The PHA Management and staff will maintain high awareness of circumstances which may indicate program abuse or fraud. The PHA will provide continuous training to staff regarding program rules and regulations.

4. **Fraud Hotline**

The PHA will maintain a public fraud hotline.

D. OVERPAYMENTS TO OWNERS

The PHA will make every effort to recover any overpayments made as a result of fraud or abuse. If the owner has been overpaid as a result of fraud, misrepresentation or violation of the contract, the PHA may terminate the contract and arrange for restitution to the PHA.

Future housing assistance payments may be applied to offset any funds owed to the PHA.

E. HOW THE PHA WILL INVESTIGATE ALLEGATIONS OF ABUSE AND FRAUD

If the PHA determines that an allegation or referral warrants follow-up, either the staff person who is responsible for the file, or a person designated by the Executive Director to monitor the program compliance will conduct the investigation. As appropriate, the PHA will secure the written authorization from the program participant for the release of information. The steps taken will depend upon the nature of the allegation and may include, but are not limited to, the following:

- Determine if there is financial activity that conflicts with the reported income of the family via Credit Bureau inquiries (with proper authorization by the participant or applicant);
- Contact employers or ex-employers to verify wages that may have been previously undisclosed or misreported;
- Interview neighbors and/or other witnesses who are believed to have knowledge of facts pertaining to the PHA's review. In such instances, the client’s privacy will be protected by the PHA;
- Contact investigators, caseworkers or representatives of other benefit agencies;

- Review public records kept in any jurisdictional courthouse such as real estate, marriage, divorce, uniform commercial code financing statements, voter registration, judgments, court or police records, state wage records, utility records and postal records; and,

- Interview Head of Household or family members.

- Investigate allegations against a participant/applicant or owner. This review will consist of an internal review of the file or information received to determine the nature of the allegation(s). A determination will be made whether or not the information reported has been previously disclosed to the PHA. The PHA will make a determination as to which is the most appropriate authority to perform any follow-up investigation. .

F. PLACEMENT OF DOCUMENTS, EVIDENCE AND STATEMENTS OBTAINED BY THE PHA

Documents and other evidence obtained by the PHA during the course of an investigation will be considered "work product" and will either be kept in the participant's file, or in a separate "work file". In either case, the participant's file or work file shall be kept in a secured area. Such cases under review will not be discussed among PHA staff unless they are involved in the process, or have information which may assist in the investigation.

G. CONCLUSION OF THE PHA'S INVESTIGATIVE REVIEW

At the conclusion of the investigative review, the reviewer will report the findings to the Supervisor. It will then be determined what action, if any, is appropriate.

H. EVALUATION OF THE FINDINGS

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

- The type of violation (procedural, non-compliance, fraud);

- The seriousness of the offense;

- Whether the violation was intentional or unintentional;

- What amount of money (if any) is owed by the family or owner;

- Whether or not the family and/or owner are eligible for continued program participation.

Procedures For Violations Which Have Been Documented

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

A warning notice may be mailed to the family if the family is found to be in violation of PHA procedure, policy and/or family obligation. This notice will include the following:

- A description of the alleged abuse or fraudulent activity;
- The corrective action to be taken by the family or PHA to remedy the situation;
- The date by which the violation must be corrected or the procedure complied with;
- The action, which will be taken by the PHA if the procedure or obligation is not complied with by the date, specified by the PHA; and
- The consequences of repeated (similar) violations.

I. FAMILY-CAUSED ERRORS AND PROGRAM ABUSE

An incorrect subsidy determination caused by a family may be the result of incorrect reporting of family composition, income, assets, or expenses.

An applicant or participant in the HCV program must not knowingly:

- Make a false statement to the PHA;
- Commit fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program;
- Pay to the owner excess amounts over the amount authorized by the PHA for rent, security deposit and additional services;
- Offer bribes or illegal gratuities to the PHA Board of Commissioners, employees, contractors, or other PHA representatives;
- Offer 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 a false name;
- Use falsified, forged or altered documents;
- Misreport family information or circumstances (e.g. income, family composition); or,

- Omit facts that were obviously known by a family member (e.g., not reporting employment income).

Family Reimbursement to PHA

In the case of the family-caused errors or program abuse, the family will be required to repay any excess subsidy received and/or be terminated. See Administrative Plan, Chapter 17, Debts to the PHA.

Penalties For Program Abuse

In the case of program abuse caused by a family, the PHA may impose any of the following remedies:

- Require the family to repay excess subsidy amounts paid by the PHA within 60 days;
- Require, as a condition of continuing assistance, that a culpable family member not reside in the unit;
- Deny or terminate the family's assistance; or
- Refer the family for State or Federal criminal prosecution.

Tenant Conference for Serious Violations and Misrepresentations

When the PHA has established that misrepresentation(s) have occurred, a mandatory tenant conference may be scheduled with the family representative and a PHA staff person who is knowledgeable about the circumstances of the case.

This mandatory tenant conference will take place prior to any proposed action by the PHA. The purpose of the mandatory tenant conference is to:

- Review the information obtained by the PHA with the participant;
- Provide the participant an opportunity to explain any document findings which conflict with representations in the family's file;
- Consider any new information, documents or mitigating circumstances presented by the family; and
- Assist the PHA in determining the course of action most appropriate for the case.

Notification to Participant of Proposed Action

The PHA will provide written notification to the family of the proposed action no later than thirty (30) days after the tenant conference.

J. CODE OF CONDUCT

The PHA strives to conduct business in accordance with core values and ethical standards. Professional conduct, ethical practices and adherence to all laws, regulations, and government codes are expected by all employees at all times.

The PHA will provide continuous training to staff regarding the PHA's personnel policies and standards.

Prohibited Activities

Any of the following will be considered evidence of program abuse by PHA staff:

- Fail to comply with any HCV program requirements for personal gain;
- Fail to comply with any HCV program requirements as a result of a conflict of interest relationship with any applicant, participant, or owner;
- Seek or accept anything of material value from applicants, participating families, vendors, owners, contractors, or other persons who provide services or materials to the PHA;
- Disclose confidential information to outside parties;
- Profit as a result of insider knowledge of PHA activities, policies, or practices;
- Inappropriate or misuse of HCV funds;
- Destroy, conceal, remove, or inappropriately use any records related to the HCV program;
- Embezzle and falsify accounts as defined in the California Penal Code; or
- Commit any other corrupt or criminal act in connection with any Federal housing program.

The Consequences of Rule Violations

Any violation of prohibited activities shall be addressed as specified in the PHA's personnel policies on Discipline, Dismissal, and Review.

ADDENDUM #2
PROJECT-BASED HOUSING CHOICE VOUCHER PROGRAM

CHAPTER 1

OVERVIEW OF PROJECT-BASED VOUCHER PROGRAM

INTRODUCTION

The US Department of Housing and Urban Development (HUD) published a final rule for Project Based Vouchers on October 13, 2005. This governs how the Housing Authority manages project-based vouchers from November 14, 2005 on. Prior to this final rule, Sacramento Housing and Redevelopment Agency already had 283 project-based vouchers at Phoenix Park and had issued a Request for Proposals, although the decision letter was sent to Saybrook Apartments after November, 2005. Management of Phoenix Park is still determined by the interim rule for project-based vouchers, published January 16, 2001 until/unless HUD approves waivers. It is this housing authority's intent to manage all project-based vouchers consistently. The Housing Authority will pursue waivers for Phoenix Park where there are differences between the interim rule and the final rule.

Based on the provisions of the final rule for Project-Based Vouchers (PBV), published in the Federal Register on October 13, 2005 and effective November 14, 2005, the Sacramento Housing and Redevelopment Agency (SHRA) will project base up to 15 percent of its Housing Choice Voucher funding. SHRA will not be required to reduce the number of PBV units under contract if the Budget Authority is subsequently reduced, but will look first to reducing the number of tenant-based vouchers. No additional funding is provided for this program for either Housing Assistance Payments (HAP) or Administrative costs.

Regulations governing tenant-based vouchers found at 24 CFR 982 also govern project-based vouchers, except where the differences are spelled out in the final rule as defined above, and in 24 CFR 983 and in SHRA's Administrative Plan and any subsequent legislation. The Administrative Plan seeks to clarify areas where the Housing Authority has discretion, but will not repeat all of the regulatory language contained in these documents.

SHRA is a joint powers authority, answering to the SHRA's Commission, the City Council and the County Board of Supervisors to oversee the City and County Redevelopment Agencies and the City and County Housing Authorities. Only the Sacramento County Housing Authority manages the Housing Choice Voucher Program.

The Housing Authority will project base units selected in new construction projects, rehabilitation projects, and or existing projects, as defined in a Request for Proposal (RFP). The Housing Authority will project base no more than 25 percent of the units in a building unless the project meets the following exceptions, and the exceptions were allowed under the specific RFP at the time of consideration. The exceptions to the 25 percent unit limitation are:

- Units in single family homes (four units or less)
- Units in a multifamily building that are made available for qualifying families. Qualifying families means elderly or disabled families or families receiving qualifying supportive services. Supportive services is described in Chapter 2 Section B(6) within this addendum.

SHRA is committed to providing PBV with supportive services to families in order to encourage independence and self-sufficiency. This may include families with multiple challenges (such as family members who are disabled and with minor children), or elderly or disabled families.

The Housing Authority will publish a Request for Proposals (RFP) seeking applications from housing owners for new construction, rehabilitation or existing housing to serve families. The RFP will detail the amount of funding available for which of the three types of housing units described above.

New Construction
Housing units that do not exist on the proposal selection date and are developed after the date of selection pursuant to an Agreement between the PHA and owner for use under the PBV program. New construction projects must be completed within a two-year period after approval of the proposal.

Rehabilitation
Housing units that exist on the proposal selection date, but do not substantially comply with Housing Quality Standards (HQS) on that date, and are developed, pursuant to an Agreement between the PHA and owner, for use under the PBV program and will take in excess of $5,000 per unit to make minimal improvement so that they can pass HQS.

Existing Housing
Housing units that already exist on the proposal selection date and that substantially comply with the HQS on that date or that the units can be made to pass inspection after an infusion of less than $5,000 per unit. (The units must fully comply with HQS before execution of the HAP contract.)

Chapter 2

PROPOSAL SELECTION PROCEDURES

A. PROPOSAL SELECTION PROCEDURES

The PHA will project-base rental units based on a competitive process.

Competitive Process

A Request for Proposals (RFP) will be published in the Sacramento Bee, a newspaper of general circulation, in order to provide broad public notice of the opportunity to apply for project-based vouchers. The RFP will list the submission deadline and the date and time for a bidder conference. It will include guidelines for the proposal and the evaluation criteria to be used. This RFP is established pursuant to Title 24 of the Code of Federal Regulations, part 983, Subpart B (Selection of PBV Owner Proposals). Procurement will be consistent with PHA's procurement policy and all relevant regulations.

B. PROPOSAL REQUIREMENTS

The goal of project-basing vouchers is to ensure long-term viability of affordable housing across a broad continuum of housing types within the County of Sacramento. The RFP will outline the type of project (i.e. existing, new construction or rehabilitation) to be funded. The Housing Authority is committed to providing housing:

- to serve low income families, especially those that are
  - Elderly
  - Disabled
  - Needing supportive services
- which deconcentrate poverty and expands housing and economic opportunities
- that meets the following goals of the agency:
  - boosts home ownership;
  - revitalizes areas through physical rehabilitation of housing and enrich the quality of life in rental housing by investing in resident services;
  - provides housing resident self sufficiency programs;
  - develops the work force;
  - creates jobs;
  - revitalizes commercial areas;
  - encourages business activities in low income areas; and
  - provides public amenities.

The proposal must be submitted by the property owner and will be evaluated based on its merit. The proposal shall include:

1) Description of How the Applicant Meets the Need for Affordable Housing as defined in the Consolidated Plan:

Affordable housing is needed especially to serve the following groups:

- Low-income families who are living in substandard housing,
- Low-income families who are paying more than 50% of their income for housing,
- Disabled families,
- Homeless families.

2) Description of How the Proposed Housing Deconcentrates Poverty and Expands Housing and Economic Opportunities:

In order to deconcentrate poverty, the housing development must be located in a low poverty census tract, defined as where less than 14.1% of the population has income less than the poverty level as measured by the 2000 Census. The average poverty rate for the County of Sacramento was 14.1% as of the 2000 Census.

If the census tract where the project-based vouchers are proposed is not in a low poverty census tract, a narrative must be provided showing that:

a) The project site is in a census tract that is a HUD designated Enterprise Zone, Economic Community, or Renewal Community, or
b) The project site is in a census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition, or
c) The project site is in a census tract which the proposed PBV development will be located is undergoing significant revitalization, or
d) State, local, or Federal dollars have been invested in the area that has assisted in the achievement of the statutory requirement of deconcentrating poverty and expanding housing and economic opportunities, or
e) New market rate units are being developed in the same census tract as the proposed project and it is likely that the market rate units will reduce the poverty rate for the census tract, or
f) The project site is in a census tract with greater than 20 percent poverty but in the last five years there has been an overall decline in the poverty rate; and/or
g) The project site is in a census tract with meaningful opportunities for education and economic development.

This criteria is met if one of the above is met.

3) The State of Housing to Be Funded

The state of housing:

- New construction, defined as housing units that do not exist at the time of proposal selection

- Housing to be rehabilitated, defined as existing housing units that do not comply with HQS on the date of proposal selection which will require more than $5,000 per unit to pass HQS inspection

- Existing housing, defined as housing units which already exist and substantially comply with HQS, or where it will cost less than $5,000 per unit to repair so that they will pass HQS inspection, at the time of proposal selection.

4) The Type of Housing to Be Funded

Single or multi-family units may be considered. For a complete listing of all ineligible units refer to 24CFR 983.53 and 983.54:

5) Number of Units to Be Funded

6) Supportive Services

The Proposal must contain a Memorandum of Agreement, or a letter of commitment, showing a relationship between the housing provider and the service providers (if they are different entities). This Agreement must list:

- What supportive services are to be provided. The proposal must describe at least three services that the owner will provide, directly or indirectly, that help the family move to economic self-sufficiency;
- Where the supportive services are to be provided. It is not necessary for the services to be provided at the project site or by the project;
- Steps the owner will take when a family is not participating in services;
- The type of documentation utilized concerning the family's compliance with their services contract. This documentation must be made available to SHRA for review. Failure of the family to comply may be good cause for SHRA to terminate the family from the PBV program; and
- Timeframe within which the owner will identify a replacement service provider.

Evaluation Criteria

The RFP will describe the process used to rank applications which may include but are not limited to:

- The location of the housing, whether it is in a redevelopment area or an area targeted for blight elimination;
- The size and configuration of the units to serve the unmet needs of targeted populations (i.e., whether serving elderly or disabled large family sizes);
- Long-term viability of the project;
- The proximity of the site to amenities;
- The size and existence of a community center on site;

- The existence of supportive services;
- Management experience;
- The number of accessible units for persons with disabilities; and
- Other sources of funding.

C. PROPOSAL REVIEW PROCESS

If there are no SHRA-owned or controlled applicants, a PBV Selection Panel appointed by SHRA will review, evaluate, rank, and select the proposals.

If one of the respondents presents an Identity of Interest with SHRA, the proposal in question will be forwarded to the HUD field office or HUD-approved independent entity for review. The HUD field office, or designee, will review the proposal to determine that the PHA-owned units were appropriately selected based on the selection procedure specified in the Administrative Plan.

The Selection Panel will review all proposals (HUD will also review any applications which present an Identity of Interest). Before selecting units, they will determine that each proposal is responsive to and in compliance with the information provided in the RFP.

The Panel will assure that the project meets PBV goals, civil rights requirements, HQS site standards, the project must be consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities, and the site and neighborhood standards.

For existing housing, the PHA must inspect all the units before the proposal selection date to determine whether the units substantially comply with HQS. The PHA may not execute the HAP contract until the units fully comply with HQS.

Proposals that meet the requirements will be evaluated and ranked by the Selection Panel. A Ranking List will be prepared according to points awarded to each proposal. Ranking scores become public information. SHRA may, at its discretion, select one or more of the proposals submitted, or none of the proposals submitted.

SHRA will provide written notice to the owner whose proposal is selected within 45 days of the decision.

SHRA will give prompt public notice once a proposal(s) has been selected. Public notice is publication of public notice in the Sacramento Bee, a local newspaper of general circulation. The notice will include information about how the public can inspect documentation regarding the basis for the selection of the proposal. SHRA will also provide this information directly to owners whose proposals were not selected.

Chapter 3

SITE AND NEIGHBORHOOD REVIEW

Site Selection Criteria

SHRA is working to ensure long-term viability of affordable housing across a broad continuum of housing types within the County of Sacramento. SHRA is targeting projects located in redevelopment areas that are affordable, have received long-term affordable housing financing, and are close to amenities including public transportation and shopping. Proposals providing units specifically to elderly or disabled households or households receiving supportive services, and providing on-site supportive services will be given preference over projects that do not have these characteristics.

In order for the site to be selected for participation in this program, SHRA must:

- determine that the site is consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities;
- determine that the site is eligible to receive project-based vouchers, as defined by 24 CFR 983 published on October 13, 2005 and any other regulations and Notices issued;
- complete a site inspection if the proposal covers existing or rehabilitated housing to ensure that it meets HQS for the site;
- determine that the site is suitable from the standpoint of facilitating and furthering full compliance with the Fair Housing Laws;
- determine that the site has adequate utilities and streets available to service the site;
- determine that the site meets neighborhood standards.

Environmental Review

In the case of existing housing under part 983, the entity responsible for Environmental Review under 24 CFR part 58 must determine whether or not a project selected for PBV assistance is categorically excluded from review under the National Environmental Policy Act and whether or not the assistance is subject to review. The PHA may not enter into an Agreement or HAP contract and may not commit or expend program or local funds for PBV activities until such determination is made.

PHA-Owned Units

If housing is selected for PBV where SHRA has an identity of interest, an independent entity approved by HUD must:

1) Determine initial rent to owner based on an appraisal by a licensed, state-certified appraiser;
2) Determine reasonable rent based on a comparability analysis for other than initial rents;

3) Furnish a copy of the rent determination for SHRA-owned units to SHRA and to the HUD field office; and
4) Complete all HQS inspections and provide a copy of the HQS inspections to the Housing Authority and to the HUD field office.

The Housing Authority may only compensate the independent entity from ongoing administrative fee income, not other program receipts. The PHA may not charge the family any fee for the appraisal or for other services provided by the independent entity.

Chapter 4

HAP AMENDMENTS, CONTRACT, AND CONTRACT TERMINATION

The PHA may not enter into an Agreement for A Housing Assistance Payment (AHAP) contract (for new construction and rehabilitation) or a HAP contract (for existing housing) until HUD has completed any required subsidy layering review.

The HAP contract must contain the owner's certification that the project has not received and will not receive any public assistance for acquisition, development or operation for housing,, either before or during the term of the HAP contract, other than assistance disclosed in the subsidy layering review.

A unit that is occupied on the date of selection by an ineligible family or a family who is uninterested in PBV assistance cannot be selected for PBV assistance. For families who will reside in excepted units, the family must be a *qualified* family.

The HAP contract must specify:

- The total number of contract units by number of bedrooms;
- Information needed to identify the site and the building or buildings where the contract units are located. The information must include 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;
- Information needed to identity the specific contract units in each building. The information must include the number of contract units in the building, the location of each contract unit, the number of bedrooms and bathrooms in each contract unit, and any accessibility-related features of the unit. A map to identify the location of accessible units should also be included;
- Services, maintenance, and equipment to be supplied by the owner without charges in addition to the rent to the owner;
- Utilities available to the contract units, including a specifications of utility services to be paid by the owner (without charges in addition to 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 (29 U.S.C. 794) 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 (as described in 983.56) which will be set-aside for occupancy by qualifying families (elderly or disabled families and families receiving supportive services); and
- The initial rent to the owner (for the first 12 months of the HAP contract term).

The Housing Authority will not execute a HAP contract until all the units fully comply with HQS.

Vacancy Loss (CFR 983.352)

Payment for Move Out Month

If an assisted family moves out of the unit without notice or is deceased, the owner may keep the Housing Assistance Payment (HAP) payable for the calendar month ("move-out month"). However, the owner may not keep the payment if the PHA determines that the vacancy is the owner's fault. The PHA shall not pay for an overlapping HAP.

Vacancy Loss

When a family vacates its unit, the owner is eligible for a vacancy loss payment if:

- The owner gives the PHA prompt written notice certifying that the family has vacated the unit and containing the date when the family moved out (to the best of the owner's knowledge and belief)
- 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
- 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 payment 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.

Vacancy loss begins the later of:

- the unit is rent ready, per the owner/manager,
- the day after the Housing Assistance Payment (HAP) was paid to the owner

- Vacancy loss is calculated based on 80% of the Contract Rent
- Any rental payment received by the owner from the tenant (including amounts available from the tenant's security deposit) will be deducted from Vacancy Loss amount.
- Vacancy loss allows a maximum of 60 days
- Vacancy loss calculation will be based on actual calendar days per month

Vacancy payments may cover only the period the unit remains vacant and is in rent-ready condition.

Accessible Units

Distribution of accessible dwelling units shall, to the maximum extent feasible and subject to reasonable health and safety requirements, be distributed throughout projects and sites and shall be available in a sufficient range of sizes and amenities so that persons with disabilities have choices of living arrangements comparable to that of other families eligible for assistance under the same program. At a minimum, projects must meet 24 CFR Part 8, subpart C.

Rents Limits

1) The initial rent for units is established at the beginning of the HAP term. The rents determined at AHAP are only an estimate.

2) Except for certain tax credit units and units with other subsidies, the rent must not exceed the lower of:
    a) 110% of the Fair Market Rent (FMR) or a HUD approved exception rent;
    b) The rent requested by the owner; or
    c) Reasonable rent;
        A. Factors are the same as the tenant based program
        B. Three comparables must be used, including when unassisted units in the project/premises are used
        C. Comparability analysis may be done by PHA staff, or other qualified person or entity as long as there is no direct or indirect interest in the property

3) For PHA owned units or units where the PHA has an identity of interest, HUD must approve an independent agency that will perform the comparability analysis. The independent agency must have a State Certified Appraiser perform the comparability analysis for the initial rents. The independent agency must provide HUD with a copy of all the determinations of the reasonable rent.

4) Projects that receive subsidies from other programs or tax credits are subject to the rent limits of those programs (see 983.304 for additional guidance). Tax credit units in qualified census tracts may receive the tax credit rents even if they are higher than 110 percent of the FMR or HUD approved exception rent, as long as the tax credit rent is rent reasonable.

5) All projects receiving tax credits or any other governmental housing assistance from Federal, State, or local agencies must have a subsidy layering review performed by HUD, Office or Public Housing or designee.

6) Rent to the owner must be re-determined at owner's request (on HAP anniversary date), or when there is a 5% decrease in the published FMR. There are no "special adjustments" to rent.

7) In addition to 6) above, reasonable rent must be determined whenever the HAP is amended to substitute a different contract unit in the same building, when there is a change in the allocation of responsibility for utilities between the owner and the tenant, or when there is any other change that may impact reasonable rent.

8) If the rent is reduced to a rate below the initial rent at the time of HAP execution, the owner may terminate the HAP. Should this occur, the families residing in the PBV units will be given tenant-based vouchers.

9) The determination of initial rent shall be based on the most recent FMR and utility allowance. However, the PHA may use the amounts in effect up to 30 days prior to HAP execution.

10) The rent to the owner may be subject to rent control or other limits under local, State, or Federal law.

11) Under the HAP contract, the monthly Housing Assistance Payment by the PHA to the owner is the rent to the owner minus the tenant rent (Total Tenant Payment minus any applicable utility allowance).

Term of HAP Contract

The PHA may enter into a HAP contract with an owner for an initial term of up to ten years for each contract unit. The length of the term of the HAP contract for any contract unit may not be less than one year or more than ten years.

Within one year before expiration, the PHA may agree to extend the term of the HAP 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. Any extension of the term is subject to the conditions prescribed by HUD at the time of the extension.

The HAP contract must provide that the term of the PHA's contractual commitment is subject to the availability of sufficient appropriated funding (budget authority) as determined by HUD or by the PHA in accordance with HUD instructions. For purposes of this section, "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 there is not sufficient funding for the Housing Authority to meet all of its contractual obligations, the Housing Authority will seek to decrease its commitment to tenant-based vouchers through attrition first. The cost of project-based vouchers must not exceed 15 % of the total funding level.

The owner may terminate the HAP contract, upon 60 days written notice to the PHA, if the amount of the rent to the owner for any contract unit, as adjusted in accordance with 24 CFR

983.302 is reduced below the amount of the initial rent to the owner (rent to the owner at the beginning of the HAP contract term). In this case, the assisted families residing in the contract units will be offered tenant-based voucher assistance.

Rent Increase

The owner may request a rent increase to be effective at any anniversary date of the HAP contract after submitting a 60-day written notice to the PHA and the tenant. The PHA shall determine reasonable rent in accordance with 24 CFR 983.303. The rent increase will apply to all units included in the HAP contract.

HAP Contract Amendments (Add or Substitute Contract Units)

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. Prior to such substitution, the PHA must inspect the proposed substitute unit and must determine the reasonable rent for such unit.

The HAP contract may be amended during the three-year period immediately following the execution date of the HAP contract to add additional PBV contract units in the same building subject to 25% unit limitation per building or whatever limit was included within the scope of the RFP. Funding can not exceed the 15% cap. An amendment to the HAP contract is subject to all PBV requirements (e.g., rents are reasonable), except that a new PBV RFP is not required. The anniversary and expiration dates of the HAP contract for the additional units must be the same as the anniversary and expiration dates of the HAP contract term for the PBV units originally placed under HAP contract. In all cases, only families who were residing in the units at the time of the initial selection of the project will have a right to an absolute preference on the waiting list and the family must be eligible to live in an assisted unit.

Utility Reimbursement Payment

When the Total Tenant Payment (TTP) is less than the utility allowance, the PHA will issue a Utility Reimbursement Payment (URP) to the tenant.

Contract Terminations

Chapter 14 “Contract Terminations” of the Administration Plan applies to project-based vouchers. The following exceptions apply:

- If contract requires a service provider and owner fails to provide one, contract will be terminated
- Contract remains in effect regardless of the tendency

Chapter 5

ELIGIBILITY FOR ADMISSION

All regulations regarding Eligibility for Admission (Chapter 2 of the Administration Plan) are the same for the tenant-based voucher program and the project-based voucher program, except:

- Families must be a qualified family for excepted units
- The income targeting requirements apply to the HCV program as a whole including PBV. However, the PHA does not need to apply the ratio exactly for tenant-based and project-based programs

Definitions

TENANT-BASED VOUCHER PROGRAM. Tenant-based assistance is attached to the family allowing the participant to relocate from one unit to another.

PROJECT-BASED VOUCHER PROGRAM. Project-based assistance is attached to the unit.

Chapter 6

APPLYING FOR ADMISSION

A. OPENING/CLOSING OF THE WAITLIST

A separate waiting list may be created and maintained for each site or a group of sites within the PBV program. Opening and closing the waiting list will be consistent with policies governing tenant-based vouchers (Chapter 3 of the Housing Choice Voucher Program Administrative Plan). If a new waiting list is created, all families on the tenant-based waiting list will be queried for the new waiting list first, before allowing the public access. The owner can refer families to the PHA waiting list when it is open.

B. FINAL DETERMINATION AND NOTIFICATION OF ELIGIBILITY

In the project-based voucher program, hard copies of vouchers are **not** issued. Families are briefed when they are determined to be eligible to participate in the program and are referred to the owner. The owner will select families based on the owner's screening process. The owner must provide written notice to all families referred by the PHA within seven (7) calendar days, listing the reason the family was not selected. The owner must send a copy of the notice to the Housing Authority. The PHA will not screen for behavior or suitability.

When a family is denied by the owner in a Project-Based program, the family is not eligible for an informal review.

As soon as the PHA is notified of an available unit, families will be selected from the waiting list by bedroom size and then by preference; then by date and time of application.

Chapter 7

ESTABLISHING PREFERENCES AND MAINTAINING THE WAITING LIST/TENANT SELECTION

Applicants who will occupy PBV units must be selected by the PHA from a waiting list that is maintained by the PHA. The PHA will place families referred by the PBV owner/manager on its PBV waiting list when the waiting list is open.

A. TYPES OF WAITING LISTS

The PHA will establish separate waiting lists for:

1) Tenant-Based Vouchers

Tenant-based assistance is attached to the family allowing the participant to relocate from one unit to another. Preferences are found in Chapter 4 of the Administration Plan:

2) Project-Based Vouchers

The owner must promptly notify the PHA of any vacancy or expected vacancy in a contract unit. After receiving the owner notice, the PHA will make every reasonable effort to promptly refer a sufficient number of families to the owner in order to fill such vacancies. Vacant units will be filled based on:

- Current HCV participants who have submitted applications to rent in the project-based unit. HCV participants will be considered according to the date and time their completed site-based application was received.
- Families on the waiting list, in order of preference, and then by date and time the pre-application was received where preferences are the same.

There may be site-based waiting lists for the project-based voucher program.

a. Non-Excepted Units

The Housing Authority will maintain one waiting list for project-based vouchers where supportive services are not provided. This list will be subject to the following weighted preferences:

- family who is eligible to be a qualified family and residing in unit at the time of conversion to project-based voucher will be given an absolute preference;
- residency (4 points);
- disability (2 points); and
- rent burden and/or homeless (1 point).

(Please see section B "Definition of Preferences" in the following section for more detail.)

For families with the same preferences, families will be pulled from the waiting list based on date and time of the pre-application.

b. Excepted Units with Supportive Services

Project-based assistance is attached to the unit. Families must be receiving housing and at least one supportive service. At the time of initial lease execution between the family and the owner, the family must sign a statement of family responsibility. The statement of family responsibility must contain all the family obligations, including the family's participation in a service program. Supportive services will be provided by the owner/manager or by their contractor. The project-based targeted needs wait list will be utilized to fill vacancies in a complex where supportive services are provided. Families with family members who meet all of the following preferences will be assisted first:

- Family who is eligible to be a qualified family and based on supportive services and who is residing in unit at the time of conversion to project-based voucher property will be given an absolute preference;
- Residency (4 points);
- Have a disabled family member (2 points); and
- Homeless (1 point).

c. Excepted Units for Elderly and/or Disabled

The PHA will maintain one waiting list for project-based vouchers for elderly and/or disabled applicants. This list will be subject to the following weighted preferences:

- family who is eligible to be a qualified family and residing in unit at the time of conversion to project-based voucher will be given an absolute preference;
- Elderly or disabled, depending on type of housing available (6 points)
- Residency (4 points)
- Rent burden and/or homeless (1 point)

B. DEFINITION OF PREFERENCES

1. *Residency* preference is given to applicants who live, work, or have been hired to work in Sacramento County, or any political subdivision thereof.
2. *Rent Burden* preference is given to applicants who pay more than 50% of their gross income for rent and utilities. The applicant family must provide copies of receipts, lease, their income and utility bills.

3. *Homeless* preference is to be given to applicants who meet HUD's definition of homeless which is listed in section 103 of the McKinney Act (42 USC 11302). It defines homeless persons as 1) an individual who lacks a fixed, regular, and adequate nighttime residence; and 2) an individual who has a primary nighttime residence that is (A) a supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill); (B) an institution that provides a temporary residence for individuals intended to be institutionalized; or, (C) a public or private place not designed for, a regular sleeping accommodation for human beings.

   The applicant can self-certify to the fact that they are homeless or an Agency can certify that the applicant family is homeless. Self –certification means a notarized statement signed under penalty of perjury in the presence of a witness. The HA will allow up to one week for a family to provide a self-certification or self-declaration if other forms of verification are impossible to obtain.

   4. *Disability* preference is given to applicants who have a disabled household member. A person with a disability is defined as "Any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such impairment; or is regarded as having such an impairment."

C. MULTIPLE WAITING LISTS

If an applicant is placed on a waiting list, they shall be given the option to apply for all other PHA-administered housing programs that also have an open waiting list. Applicants on the tenant-based wait list will be queried for interest on any newly established wait list.

If a family refuses the PHA's offer from one waiting list (i.e., PBV assistance), such refusal does not affect the family's position on another PHA waiting list for another type of assistance (i.e., tenant-based assistance).

The PHA may not take any of the following actions against an applicant who has applied for, received, or refused an offer of PBV assistance:

- Deny any admission preference for which the applicant is currently qualified
- Change the applicant's place on the waiting list based on date and time of application, or other factors affecting selection under the PHA selection policy
- Remove the applicant from the waiting list for tenant-based voucher assistance

If an applicant is pulled from two waiting lists at the same time, they can choose which option to pursue. Applications will be marked by program name to ensure families are directed to the appropriate program.

Screening

The PHA will not screen for behavior (except for criminal background checks). Screening for behavior will be the responsibility of the owner. If a PBV owner rejects a family for admission

to the owner's PBV units, such rejection by the owner does not affect the family's position on other waiting lists. (The owner must apply screening criteria in compliance with fair housing regulations).

If a family does not meet the property owner's screening criteria, they are not eligible for an informal review with the PHA. They must appeal the decision to the property owner.

Accessible Units

In selecting families to occupy PBV units with special accessibility features for persons with disabilities, the PHA must first refer families who require such accessibility features to the owner. The pre-application will allow families to state whether they need a unit with accessible features so that they can be matched with an appropriate unit. Families will be taken out of order to fill a vacant unit with accessible features in order to accommodate a person with disabilities. Families who do not need the accessible features of a specific unit will be skipped over to the next family on the waiting list that does need the accessible features.

Filling an accessible unit with a non-disabled person

When an accessible unit becomes vacant, the PHA will:

1. offer the unit to a current occupant with disabilities living in a Project-Based unit in the same development that requires the accessibility features of the vacant accessible unit and occupying a unit not having those accessibility features. Next, offer the unit to a family living in a Project-Based unit in other developments that requires the accessibility features of the vacant accessible unit and occupying a unit not having those accessibility features. The PHA will pay moving expenses to transfer a resident with a disability to an accessible unit as an accommodation for the resident's disability, unless the accommodation would impose an undue financial and administrative burden.

2. if there is no current resident who requires the accessibility features of the vacant, accessible unit, then the PHA will offer the vacant, accessible unit to an eligible, qualified applicant with disabilities on the waiting list who can benefit from the accessible features of the available, accessible unit.

3. if there is not an eligible qualified resident or applicant with disabilities on the waiting list who wishes to reside in the available, accessible unit, then the PHA should offer the available accessible unit to an applicant on the waiting list who does not need the accessible features of the unit. However, the PHA will require the applicant to execute a lease that requires the resident to relocate to a non-accessible unit within thirty (30) days of notice by the PHA that there is an eligible applicant or existing resident with disabilities who requires the accessibility features of the unit.

The PHA may not prohibit an eligible disabled family from accepting a non-accessible unit for which the family is eligible that may become available before an accessible unit. The owner is required to modify such a non-accessible unit as needed, unless the modification would result in an undue financial and administrative burden.

Chapter 8

HOUSING QUALITY STANDARDS AND INSPECTIONS (HQS)

Refer to CFR 983.103 "Inspecting Units" for Project-Based units approved under the Final Rule effective November 14, 2005

Annually, the PHA will randomly select at a minimum 20 percent of the units to be inspected. If more than 20 percent of the annual random sample of inspected contract units in a building fail, the PHA must reinspect 100 percent of the contract units in the building.

Phoenix Park

Refer to rule applying to "Unit inspection and housing quality standards" for Project-Based units approved under the Initial Guidance effective January 16, 2001 for Phoenix Park. The PHA must inspect each assisted unit annually.

Chapter 9

MOVES WITH CONTINUED ASSISTANCE/PORTABILITY

Moves with Continued Assistance

1) Families who are overhoused or underhoused based on SHRA's subsidy standard or families living in units with accessible features that the family does not need, but are needed by another eligible family must:
    a) If in the first year of the lease, SHRA will offer the family the opportunity to receive continued housing assistance in another appropriate sized PBV units that are currently vacant or provide the family with a voucher to move.
        i. If the family remains eligible to participate in the PBV program,
            1. The family must move to an appropriate PBV unit that the owner is willing to lease to them within 30 days after receiving notice that another unit has become available, or if the family is given a tenant-based voucher, the family must move within the term of the voucher or
            2. The family will be evicted.
        ii. If the family is no longer eligible to participate in this PBV program (i.e., the family member with the active services contract for supportive services moves out, without good cause. (good cause is defined as circumstances beyond the control of the supportive service recipient, such as death or hospitalization), the remaining family members must move
            1. To an Non-Excepted or unassisted unit, or
            2. SHRA amends the contract removing this unit from the PBV program and substituting another unit, if possible.
    b) If the family has been lease***d*** for more than one year:
        i. And if the family remains eligible to participate in the PBV program,
            1. The family must move to an appropriate unit within 30 days after receiving notice that another unit has become available, or
            2. The family may request a tenant-based voucher, if tenant-based vouchers are available, and move
        ii. And if the family is no longer eligible to participate in this PBV program (i.e., the family member with the active services contract for supportive services moves out), the remaining family members must move
            1. To an unassisted unit, or
            2. To a PBV unit where the family would be eligible within 30 days of receiving notice of the unit's availability, or
            3. SHRA amends the contract removing this unit from the PBV program and substituting another unit, if possible.

2) A family may move with continued tenant-based assistance after the first year of occupancy, if tenant-based vouchers are available. The family must give the owner of the PBV unit and SHRA 60 days written notice of their intent to move.

3) If a family assisted under the PBV program wishes to move after the initial 12 month lease, SHRA must offer the family the opportunity for tenant-based rental assistance. If a voucher or other comparable tenant-based rental assistance is not available upon termination of the lease, the family must be given priority to receive the next available opportunity for continued tenant-based assistance.

4) If the family terminates the PBV assisted lease before the end of one year, the family relinquishes the opportunity for continued tenant-based assistance.

Chapter 10

SUPPORTIVE SERVICES

SUPPORTIVE SERVICES

A family must have at least one member receiving at least one qualifying supportive services. Family participation is not required 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.

At the time of initial lease-up, if the family residing in an excepted unit, and receiving supportive services, successfully completes the supportive services requirement, the unit continues to count as an excepted unit for as long as the family resides in the unit.

If a family, in an excepted unit, fails without good cause to complete the supportive services requirement, SHRA will take actions provided under 983.261(d), and the owner may terminate the lease in accordance with 983.257(c). At the time of initial lease execution between the family and the owner, the family and the Public Housing Authority (PHA) must sign a statement of family responsibility. The statement of family responsibility must contain all family obligations including the family's requirement to participate in a supportive service. Failure by the family without good cause (incident beyond control of supportive services recipient i.e. deceased or hospitalization) to fulfill its supportive service obligation will be cause for SHRA to terminate assistance. If the unit at the time of such termination is an excepted unit, the exception continues to apply to the unit as long as the unit is made available to another qualifying family.

Families must participate in at least one of the supportive services listed in an Individual Case Plan.

A qualifying supportive service is any program, publicly or privately sponsored listed in the Individual Case Plan (ICP):

- Employment and educational services
- Practical living skills
- Independent living skills
- Credit repair
- Employment readiness
- Computer training

Supportive services will be provided to the applicant in accordance to their ICP provided by the supportive service agency.

Monitoring of Supportive Service

SHRA will monitor, annually, the excepted family's continued participation in supportive services and take appropriate action regarding families that fail, without good cause, to complete their supportive services requirement. The participant will be required to provide annual documentation to SHRA stating they are currently participating in the supportive service(s) required in their ICP.

The participant will be required to provide a letter of completion to SHRA, from the supportive service agency when ICP goals have been met.

The participant is required to provide and complete all documentation requested by SHRA. SHRA will third party the supportive service documentation received from the participant with the supportive service agency

If the participant fails to comply with any family obligations SHRA will:

- Mail a Warning Notice. The participant will be give ten (10) days to provide verification the family is in compliance with family obligations. If family fails to comply;
- Mail a Notice of Mandatory Tenant Conference. If the family fails to attend;
- Mail a Notice of Proposed Termination of Project-Based Voucher Eligibility from and an Informal Hearing Request form. The participant will have fourteen (14) days to reply.

SHRA will work with the supportive service agency to prevent termination of eligibility. If the participant does not become compliant the Project-Based eligibility for the participant will be terminated.

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

PHA Name: HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO	Grant Type and Number Capital Fund Program Grant No. **CA30P00750108** Replacement Housing Factor Grant No.	Federal FY of Grant: **2008**

Original Annual Statement **Reserve for Disasters/Emergencies** **X** **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	390,587	390,587	390,587	
3	1408 Management Improvements	390,587	390,587	390,587	
4	1410 Administration	195,294	195,294	195,294	
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	0	0	0	
8	1440 Site Acquisition				
9	1450 Site Improvements	0	240,000	0	
10	1460 Dwelling Structures	976,469	736,469	0	
11	1465.1 Dwelling Equipment-Nonexpendable				
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment				
14	1485 Demolition				
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs	0	0	0	
18	1499 Development Activities				
19	1501 Collaterization or Debt Service				
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2 - 20)	**$1,952,937**	**$1,952,937**	**$976,468**	**$0**
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 compliance				
24	Amount of line 21 Related to Security - Soft Costs				
25	Amount of line 21 Related to Security - Hard Costs				
26	Amount of line 21 Related to Energy Conservation Measures				

Signature of HA Executive Director and Date: January 2, 2009	Signature of HUD Public Housing Director and Date:

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

PHA Name: HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO		Grant Type and Number Capital Fund Program Grant No. CA30P00750108 Replacement Housing Factor Grant No.					Federal FY of Grant: 2008	
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct. No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
HA-Wide Operations	Operations	1406	1	390,587	390,587		0	
	Subtotal			**$390,587**	**$390,587**	**$0**	**$0**	
HA-Wide Management Improvements	Resident Training Programs	1408	1	390,587	390,587			
	Subtotal			**$390,587**	**$390,587**	**$0**	**$0**	
Administration	Program Administration	1410	1	120,294	120,294			
	Procurement & Labor Compliance	1410	1	75,000	75,000			
	Subtotal			**$195,294**	**$195,294**	**$0**	**$0**	
Fees & Costs	Architects & Engineers	1430	1	0	0	0		
	Design & Construction Architecture	1430	1	0	0	0		
	Subtotal			**$0**	**$0**	**$0**	**$0**	
Relocation	Relocation Costs	1495				0		
	Subtotal			**$0**	**$0**	**$0**	**$0**	
2406 - Pointe Lagoon	Entry Drive Acces Gate	1450	1	0	90,000	0	0	
3929 48th Ave	**Subtotal**			**$0**	**$90,000**			
2471 - Twin Rivers	Fire Units	1460	1	0	50,000			
	Subtotal			**$0**	**$50,000**	**$0**	**$0**	
2452 - Gold Ridge	Asphalt/Landscape	1450	1	0	50,000	0		
9561/71/75 Cassandra Way	Roof/Deck	1460	1	0	300,000	0		
	Subtotal			**$0**	**$350,000**	**$0**	**$0**	

2433 - Sun River	Siding/HVAC	1460	1	0	300,000			
7501 Sunset Ave	Parking lot/Fence	1450	1		100,000			
	Subtotal			**$0**	**$400,000**			
HA-Wide	Modernization	1460	1	976,469	86,469		0	
	Subtotal			**$976,469**	**$86,469**	**$0**	**$0**	

Annual Statement/Performance and Evaluation Report
Capital Fund Program Part III: Implementation Schedule

Development Number Name/HA-Wide Activities	All Funds Obligated (Quarter Ending Date)			All Funds Expended (Quarter Ending Date)			Reasons for Revised Target Dates
	Original	Revised	Actual	Original	Revised	Actual	
HA-Wide Operations	6/30/2010			6/30/2012			
HA-Wide Management Improvements	6/30/2010			6/30/2012			
2406 - 48th Ave	6/30/2010			6/30/2010			
2433 - Sunset Ave	6/30/2010			6/30/2012			
2452 - Cassandra Way	6/30/2010			6/30/2012			
2471 - Twin Rivers	6/30/2010			6/30/2012			

Signature of HA Executive Director and Date: January 2, 2009	Signature of HUD Housing Authority Director and Date: