

PHA 5-Year and Annual Plan	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires 4/30/2011
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1.0	PHA Information PHA Name: Boone County Housing Authority _____ PHA Code: IL122 _____ PHA Type: <input checked="" type="checkbox"/> Small <input checked="" type="checkbox"/> High Performing <input type="checkbox"/> Standard <input checked="" type="checkbox"/> HCV (Section 8) PHA Fiscal Year Beginning: (MM/YYYY): 10/2011				
2.0	Inventory (based on ACC units at time of FY beginning in 1.0 above) Number of PH units: _____ Number of HCV units: 238 _____				
3.0	Submission Type <input checked="" type="checkbox"/> 5-Year and Annual Plan <input type="checkbox"/> Annual Plan Only <input type="checkbox"/> 5-Year Plan Only				
4.0	PHA Consortia <input type="checkbox"/> PHA Consortia: (Check box if submitting a joint Plan and complete table below.)				
	Participating PHAs	PHA Code	Program(s) Included in the Consortia	Programs Not in the Consortia	No. of Units in Each Program
	PHA 1:				PH HCV
	PHA 2:				
	PHA 3:				
5.0	5-Year Plan. Complete items 5.1 and 5.2 only at 5-Year Plan update.				
5.1	Mission. State the PHA's Mission for serving the needs of low-income, very low-income, and extremely low income families in the PHA's jurisdiction for the next five years: The mission of the PHA is the same as that of the Department of Housing and Urban Development; To promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination.				
5.2	Goals and Objectives. Identify the PHA's quantifiable goals and objectives that will enable the PHA to serve the needs of low-income and very low-income, and extremely low-income families for the next five years. Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan. The housing authority has met or exceeded the goals presented in the FY2008 Annual Plan. PHA Goal: Plan to administer a homeownership program. PHA Goal: Reserve Analysis. The housing authority has established these goals for the FY2009-2013 Five Year Plan. Continue revenue diversification. Identify and secure other affordable housing programs to expand the affordable housing opportunities. Maintain High Performer status. Outreach efforts to landlords to increase assisted housing choices. Measures to deconcentrate poverty to provide an improved living environment. Provide a homeownership program to promote self-sufficiency. Partnership with other agencies. Maintain Quality Control standard. The PHA will seek opportunities with NPOs, NGOs, the private sector and government agencies to further housing for unserved and underserved populations (met with WCHA/RHA/RAMP and other agencies in accordance with the 2006 Boone County Comprehensive Plan VIII E.				
6.0	PHA Plan Update (a) Identify all PHA Plan elements that have been revised by the PHA since its last Annual Plan submission: The Housing Choice Voucher Administrative Plan. The most recent year fiscal audit of the PHA conducted under Section 5(h)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437c(h)O), the results of the audit and the PHAs response to any findings. (b) Identify the specific location(s) where the public may obtain copies of the 5-Year and Annual PHA Plan. For a complete list of PHA Plan elements, see Section 6.0 of the instructions. The Boone County Housing Authority Central Office, 2036 North State Street, Belvidere, Illinois, 61008. Please see Attachment B for Section 6.0 elements #1 through #13.				
7.0	Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers. <i>Include statements related to these programs as applicable.</i> Not applicable.				
8.0	Capital Improvements. Please complete Parts 8.1 through 8.3, as applicable. Not applicable.				
8.1	Capital Fund Program Annual Statement/Performance and Evaluation Report. As part of the PHA 5-Year and Annual Plan, annually complete and submit the <i>Capital Fund Program Annual Statement/Performance and Evaluation Report</i> , form HUD-50075.1, for each current and open CFP grant and CFFP financing. Not applicable.				

8.2	<p>Capital Fund Program Five-Year Action Plan. As part of the submission of the Annual Plan, PHAs must complete and submit the <i>Capital Fund Program Five-Year Action Plan</i>, form HUD-50075.2, and subsequent annual updates (on a rolling basis, e.g., drop current year, and add latest year for a five year period). Large capital items must be included in the Five-Year Action Plan. Not applicable.</p>
8.3	<p>Capital Fund Financing Program (CFFP). <input type="checkbox"/> Check if the PHA proposes to use any portion of its Capital Fund Program (CFP)/Replacement Housing Factor (RHF) to repay debt incurred to finance capital improvements.</p>
9.0	<p>Housing Needs. Based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data, make a reasonable effort to identify the housing needs of the low-income, very low-income, and extremely low-income families who reside in the jurisdiction served by the PHA, including elderly families, families with disabilities, and households of various races and ethnic groups, and other families who are on the public housing and Section 8 tenant-based assistance waiting lists. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. BCHA serves Boone County, with an identified applicant need of 96% extremely low and 4% very low income, consistent with the state IHDA consolidate plan identification of 41% households less than 80% MFI and the economic distress urgent to the county. 3% of the program applicants are elderly, 5% disabled, 19% non-minority HOH, 74% African-American HOH, 1% American Indian HOH, 6% Hispanic. 67% of families have children. The average applicant income is \$8963. The county has experienced +21.7% population growth (1990-1997) with a 14.7% elderly, and an projected 57.8% population growth by 2015 with growth pressures from the Chicago metro area to the east and the Rockford metro area to the west, which will translate into increased housing needs within existing housing and a depressed housing market. Homes are 95% occupied and 23% renter-occupied, with 75% single family, 7.8% 2-family, 2.9% 3-4 units, 6.7% 5+ units and 7.5% mobile home, with 34% of housing built prior to 1950. The county median rent is \$437, average rent \$449 and average gross rent with utilities \$543 (Vandewalle & Associates). The housing authority is a contributor of the Boone County Comprehensive Plan and addresses the objective to facilitate the provision of diverse housing by promoting the development of affordable housing in the county communities and promote mixed housing neighborhoods that provide a range of housing types, densities, and costs (IV.7) through the Housing Choice Voucher program and administration of project based section 8 projects.</p>
9.1	<p>Strategy for Addressing Housing 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. Note: Small, Section 8 only, and High Performing PHAs complete only for Annual Plan submission with the 5-Year Plan. The immediate needs of the authority are to expand the program to meet a growing demographic, through such program opportunities as the Renewal Set-Aside Program, the IHDA Rental Support Program, Non-Elderly Housing Choice Vouchers and other programs as provided by grant availability, 90% Payment Standard and \$50 minimum rent. The authority will target underserved populations such as the Hispanic community, Boone County residents, the elderly and disabled, and encourage economic self-sufficiency programs.</p> <p>The authority will maintain and increase lease u rates by establishing payment standards that will enable families to ensure access to rent throughout the jurisdiction, undertake measures to ensure access to affordable housing among families assisted by the authority regardless of unit size required, maintain or increase lease up rates by marketing the program to owners—particularly those outside areas of minority and poverty concentration, effectively screening applicants to increase owner acceptance of the program, and participate in the Consolidated Plan development process to ensure coordination with broader community strategies.</p>
10.0	<p>Additional Information. Describe the following, as well as any additional information HUD has requested.</p> <p>(a) Progress in Meeting Mission and Goals. Provide a brief statement of the PHA’s progress in meeting the mission and goals described in the 5-Year Plan. Established a homeownership program. Received HUD payment standard waiver to preserve initial program sustainability (PHAs program integrity operation made this unnecessary). An NRA has been realized to meet utilization fluctuations. Applied for Non-Elderly HCV and RHSP. Working with the VA for VASH, plan to apply for ShelterPlus, Section 811, DHAP (if necessary). Continued High Performer status. Applicant program educates and provides materials for community integration. Established nursing home preference with RAMP. Initial Intergovernmental Agreement for FSS with RHA, and current Intergovernmental Agreement with WCHA (Boone County Plan VIII E).</p> <p>(b) Significant Amendment and Substantial Deviation/Modification. Provide the PHA’s definition of “significant amendment” and “substantial deviation/modification”. HOPE VI, Choice Neighborhood Initiative, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing and Project Based Vouchers.</p>
11.0	<p>Required Submission for HUD Field Office Review. In addition to the PHA Plan template (HUD-50075), PHAs must submit the following documents. Items (a) through (g) may be submitted with signature by mail or electronically with scanned signatures, but electronic submission is encouraged. Items (h) through (i) must be attached electronically with the PHA Plan. Note: Faxed copies of these documents will not be accepted by the Field Office.</p> <p>(a) Form HUD-50077, <i>PHA Certifications of Compliance with the PHA Plans and Related Regulations</i> (which includes all certifications relating to Civil Rights)</p> <p>(b) Form HUD-50070, <i>Certification for a Drug-Free Workplace</i> (PHAs receiving CFP grants only)</p> <p>(c) Form HUD-50071, <i>Certification of Payments to Influence Federal Transactions</i> (PHAs receiving CFP grants only)</p> <p>(d) Form SF-LLL, <i>Disclosure of Lobbying Activities</i> (PHAs receiving CFP grants only)</p> <p>(e) Form SF-LLL-A, <i>Disclosure of Lobbying Activities Continuation Sheet</i> (PHAs receiving CFP grants only)</p> <p>(f) Resident Advisory Board (RAB) comments. Comments received from the RAB must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the recommendations and the decisions made on these recommendations.</p> <p>(g) Challenged Elements</p> <p>(h) Form HUD-50075.1, <i>Capital Fund Program Annual Statement/Performance and Evaluation Report</i> (PHAs receiving CFP grants only)</p> <p>(i) Form HUD-50075.2, <i>Capital Fund Program Five-Year Action Plan</i> (PHAs receiving CFP grants only)</p>

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced 5-Year and Annual PHA Plans. The 5-Year and Annual PHA plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission and strategies for serving the needs of low-income and very low-income families. This form is to be used by all PHA types for submission of the 5-Year and Annual Plans to HUD. Public reporting burden for this information collection is estimated to average 12.68 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality

Instructions form HUD-50075

Applicability. This form is to be used by all Public Housing Agencies (PHAs) with Fiscal Year beginning April 1, 2008 for the submission of their 5-Year and Annual Plan in accordance with 24 CFR Part 903. The previous version may be used only through April 30, 2008.

1.0 PHA Information

Include the full PHA name, PHA code, PHA type, and PHA Fiscal Year Beginning (MM/YYYY).

2.0 Inventory

Under each program, enter the number of Annual Contributions Contract (ACC) Public Housing (PH) and Section 8 units (HCV).

3.0 Submission Type

Indicate whether this submission is for an Annual and Five Year Plan, Annual Plan only, or 5-Year Plan only.

4.0 PHA Consortia

Check box if submitting a Joint PHA Plan and complete the table.

5.0 Five-Year Plan

Identify the PHA's Mission, Goals and/or Objectives (24 CFR 903.6). Complete only at 5-Year update.

5.1 Mission. A statement of the mission of the public housing agency for serving the needs of low-income, very low-income, and extremely low-income families in the jurisdiction of the PHA during the years covered under the plan.

5.2 Goals and Objectives. Identify quantifiable goals and objectives that will enable the PHA to serve the needs of low income, very low-income, and extremely low-income families.

6.0 PHA Plan Update. In addition to the items captured in the Plan template, PHAs must have the elements listed below readily available to the public. Additionally, a PHA must:

- (a) Identify specifically which plan elements have been revised since the PHA's prior plan submission.
- (b) Identify where the 5-Year and Annual Plan may be obtained by the public. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on its official website. PHAs are also encouraged to provide each resident council a copy of its 5-Year and Annual Plan.

PHA Plan Elements. (24 CFR 903.7)

1. **Eligibility, Selection and Admissions Policies, including Deconcentration and Wait List Procedures.** Describe the PHA's policies that govern resident or tenant eligibility, selection and admission including admission preferences for both public housing and HCV and unit assignment policies for public housing; and procedures for maintaining waiting lists for admission to public housing and address any site-based waiting lists.

2. **Financial Resources.** A statement of financial resources, including a listing by general categories, of the PHA's anticipated resources, such as PHA Operating, Capital and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support public housing or tenant-based assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources.
3. **Rent Determination.** A statement of the policies of the PHA governing rents charged for public housing and HCV dwelling units.
4. **Operation and Management.** A statement of the rules, standards, and policies of the PHA governing maintenance management of housing owned, assisted, or operated by the public housing agency (which shall include measures necessary for the prevention or eradication of pest infestation, including cockroaches), and management of the PHA and programs of the PHA.
5. **Grievance Procedures.** A description of the grievance and informal hearing and review procedures that the PHA makes available to its residents and applicants.
6. **Designated Housing for Elderly and Disabled Families.** With respect to public housing projects owned, assisted, or operated by the PHA, describe any projects (or portions thereof), in the upcoming fiscal year, that the PHA has designated or will apply for designation for occupancy by elderly and disabled families. The description shall include the following information: **1)** development name and number; **2)** designation type; **3)** application status; **4)** date the designation was approved, submitted, or planned for submission, and; **5)** the number of units affected.
7. **Community Service and Self-Sufficiency.** A description of: **(1)** Any programs relating to services and amenities provided or offered to assisted families; **(2)** Any policies or programs of the PHA for the enhancement of the economic and social self-sufficiency of assisted families, including programs under Section 3 and FSS; **(3)** How the PHA will comply with the requirements of community service and treatment of income changes resulting from welfare program requirements. **(Note: applies to only public housing).**
8. **Safety and Crime Prevention.** For public housing only, describe the PHA's plan for safety and crime prevention to ensure the safety of the public housing residents. The statement must include: (i) A description of the need for measures to ensure the safety of public housing residents; (ii) A description of any crime prevention activities conducted or to be conducted by the PHA; and (iii) A description of the coordination between the PHA and the appropriate police precincts for carrying out crime prevention measures and activities.

9. **Pets.** A statement describing the PHAs policies and requirements pertaining to the ownership of pets in public housing.
10. **Civil Rights Certification.** A PHA will be considered in compliance with the Civil Rights and AFFH Certification if: it can document that it examines its programs and proposed programs to identify any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with the local jurisdiction to implement any of the jurisdiction's initiatives to affirmatively further fair housing; and assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction.
11. **Fiscal Year Audit.** The results of the most recent fiscal year audit for the PHA.
12. **Asset Management.** A statement of how the agency will carry out its asset management functions with respect to the public housing inventory of the agency, including how the agency will plan for the long-term operating, capital investment, rehabilitation, modernization, disposition, and other needs for such inventory.
13. **Violence Against Women Act (VAWA).** A description of: 1) Any activities, services, or programs provided or offered by an agency, either directly or in partnership with other service providers, to child or adult victims of domestic violence, dating violence, sexual assault, or stalking; 2) Any activities, services, or programs provided or offered by a PHA that helps child and adult victims of domestic violence, dating violence, sexual assault, or stalking, to obtain or maintain housing; and 3) Any activities, services, or programs provided or offered by a public housing agency to prevent domestic violence, dating violence, sexual assault, and stalking, or to enhance victim safety in assisted families.

7.0 Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers

- (a) **Hope VI or Mixed Finance Modernization or Development.** 1) A description of any housing (including project number (if known) and unit count) for which the PHA will apply for HOPE VI or Mixed Finance Modernization or Development; and 2) A timetable for the submission of applications or proposals. The application and approval process for Hope VI, Mixed Finance Modernization or Development, is a separate process. See guidance on HUD's website at: <http://www.hud.gov/offices/pih/programs/ph/hope6/index.cfm>
- (b) **Demolition and/or Disposition.** With respect to public housing projects owned by the PHA and subject to ACCs under the Act: (1) A description of any housing (including project number and unit numbers [or addresses]), and the number of affected units along with their sizes and accessibility features) for which the PHA will apply or is currently pending for demolition or disposition; and (2) A timetable for the demolition or disposition. The application and approval process for demolition and/or disposition is a separate process. See guidance on HUD's website at: http://www.hud.gov/offices/pih/centers/sac/demo_dispo/index.cfm
Note: This statement must be submitted to the extent that approved and/or pending demolition and/or disposition has changed.
- (c) **Conversion of Public Housing.** With respect to public housing owned by a PHA: 1) A description of any building or buildings (including project number and unit count) that the PHA is required to convert to tenant-based assistance or

that the public housing agency plans to voluntarily convert; 2) An analysis of the projects or buildings required to be converted; and 3) A statement of the amount of assistance received under this chapter to be used for rental assistance or other housing assistance in connection with such conversion. See guidance on HUD's website at: <http://www.hud.gov/offices/pih/centers/sac/conversion.cfm>

- (d) **Homeownership.** A description of any homeownership (including project number and unit count) administered by the agency or for which the PHA has applied or will apply for approval.
- (e) **Project-based Vouchers.** If the PHA wishes to use the project-based voucher program, a statement of the projected number of project-based units and general locations and how project basing would be consistent with its PHA Plan.

8.0 Capital Improvements. This section provides information on a PHA's Capital Fund Program. With respect to public housing projects owned, assisted, or operated by the public housing agency, a plan describing the capital improvements necessary to ensure long-term physical and social viability of the projects must be completed along with the required forms. Items identified in 8.1 through 8.3, must be signed where directed and transmitted electronically along with the PHA's Annual Plan submission.

8.1 Capital Fund Program Annual Statement/Performance and Evaluation Report. PHAs must complete the *Capital Fund Program Annual Statement/Performance and Evaluation Report* (form HUD-50075.1), for each Capital Fund Program (CFP) to be undertaken with the current year's CFP funds or with CFFP proceeds. Additionally, the form shall be used for the following purposes:

- (a) To submit the initial budget for a new grant or CFFP;
- (b) To report on the Performance and Evaluation Report progress on any open grants previously funded or CFFP; and
- (c) To record a budget revision on a previously approved open grant or CFFP, e.g., additions or deletions of work items, modification of budgeted amounts that have been undertaken since the submission of the last Annual Plan. The Capital Fund Program Annual Statement/Performance and Evaluation Report must be submitted annually.

Additionally, PHAs shall complete the Performance and Evaluation Report section (see footnote 2) of the *Capital Fund Program Annual Statement/Performance and Evaluation* (form HUD-50075.1), at the following times:

1. At the end of the program year; until the program is completed or all funds are expended;
2. When revisions to the Annual Statement are made, which do not require prior HUD approval, (e.g., expenditures for emergency work, revisions resulting from the PHAs application of fungibility); and
3. Upon completion or termination of the activities funded in a specific capital fund program year.

8.2 Capital Fund Program Five-Year Action Plan

PHAs must submit the *Capital Fund Program Five-Year Action Plan* (form HUD-50075.2) for the entire PHA portfolio for the first year of participation in the CFP and annual update thereafter to eliminate the previous year and to add a new fifth year (rolling basis) so that the form always covers the present five-year period beginning with the current year.

8.3 Capital Fund Financing Program (CFFP). Separate, written HUD approval is required if the PHA proposes to pledge any

portion of its CFP/RHF funds to repay debt incurred to finance capital improvements. The PHA must identify in its Annual and 5-year capital plans the amount of the annual payments required to service the debt. The PHA must also submit an annual statement detailing the use of the CFFP proceeds. See guidance on HUD's website at:

<http://www.hud.gov/offices/pih/programs/ph/capfund/cffp.cfm>

9.0 Housing Needs. Provide a statement of the housing needs of families residing in the jurisdiction served by the PHA and the means by which the PHA intends, to the maximum extent practicable, to address those needs. **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).**

9.1 Strategy for Addressing Housing Needs. Provide a 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. **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).**

10.0 Additional Information. Describe the following, as well as any additional information requested by HUD:

- (a) **Progress in Meeting Mission and Goals.** PHAs must include (i) a statement of the PHAs progress in meeting the mission and goals described in the 5-Year Plan; (ii) the basic criteria the PHA will use for determining a significant amendment from its 5-year Plan; and a significant amendment or modification to its 5-Year Plan and Annual Plan. **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).**
- (b) **Significant Amendment and Substantial Deviation/Modification.** PHA must provide the definition of "significant amendment" and "substantial deviation/modification". **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan.)**

- (c) PHAs must include or reference any applicable memorandum of agreement with HUD or any plan to improve performance. **(Note: Standard and Troubled PHAs complete annually).**

11.0 Required Submission for HUD Field Office Review. In order to be a complete package, PHAs must submit items (a) through (g), with signature by mail or electronically with scanned signatures. Items (h) and (i) shall be submitted electronically as an attachment to the PHA Plan.

- (a) Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulations*
- (b) Form HUD-50070, *Certification for a Drug-Free Workplace (PHAs receiving CFP grants only)*
- (c) Form HUD-50071, *Certification of Payments to Influence Federal Transactions (PHAs receiving CFP grants only)*
- (d) Form SF-LLL, *Disclosure of Lobbying Activities (PHAs receiving CFP grants only)*
- (e) Form SF-LLL-A, *Disclosure of Lobbying Activities Continuation Sheet (PHAs receiving CFP grants only)*
- (f) Resident Advisory Board (RAB) comments.
- (g) Challenged Elements. Include any element(s) of the PHA Plan that is challenged.
- (h) Form HUD-50075.1, *Capital Fund Program Annual Statement/Performance and Evaluation Report (Must be attached electronically for PHAs receiving CFP grants only)*. See instructions in 8.1.
- (i) Form HUD-50075.2, *Capital Fund Program Five-Year Action Plan (Must be attached electronically for PHAs receiving CFP grants only)*. See instructions in 8.2.

Attachment B

Section 6.0 – PHA Plan Elements (24 CFR 903.7)

Instructions

For each Element below that **HAS** changed since the last PHA Plan, using the HUD 50075 instructions, enter the “changed” text in column 3.

For each Element below that **HAS NOT** changed since the last PHA Plan, enter “No Change” in column 3.

Housing Authority #	Housing Authority Name	Fiscal Year Begin Date
122	Boone County Housing Authority	10/01/2011

PHA Element	Column 3
1. Eligibility, Selection and Admissions Policies, including Deconcentration and Wait List Procedures	<p style="text-align: center;">Chapter 4</p> <p style="text-align: center;">APPLICATIONS, WAITING LIST AND TENANT SELECTION</p> <p>INTRODUCTION</p> <p>When a family wishes to receive Section 8 HCV assistance, the family must submit an application that provides the PHA with the information needed to determine the family’s eligibility. HUD requires the PHA to place all families that apply for assistance on a waiting list. When HCV assistance becomes available, the PHA must select families from the waiting list in accordance with HUD requirements and PHA policies as stated in the administrative plan and the annual plan.</p> <p>The PHA is required to adopt a clear approach to accepting applications, placing families on the waiting list, selecting families from the waiting list and must follow this approach consistently. The actual order in which families are selected from the waiting list can be affected if a family has certain characteristics designated by HUD or the PHA to receive preferential treatment. Funding earmarked exclusively for families with particular characteristics may also alter the order in which families are served.</p> <p>HUD regulations require that all families have an equal opportunity to apply for and receive housing assistance, and that the PHA affirmatively further fair housing goals in the administration of the program [24 CFR 982.53, HCV GB p. 4-1]. Adherence to the selection policies described in this chapter ensures that the PHA will be in compliance with all relevant fair housing requirements, as described in Chapter 2.</p> <p>This chapter describes HUD and PHA policies for taking applications, managing the waiting list and selecting families for HCV assistance. The policies outlined in this chapter are organized into three sections, as follows:</p> <p><u>Part I: The Application Process.</u> This part provides an overview of the application process, and discusses how applicants can obtain and submit applications. It also specifies how the PHA will handle the applications it receives.</p> <p><u>Part II: Managing the Waiting List.</u> This part presents the policies that govern how the PHA’s waiting list is structured, when it is opened and closed, and how the public is notified of the opportunity to apply for assistance. It also discusses the process the PHA will use to keep the waiting list current.</p>

Part III: Selection for HCV Assistance. This part describes the policies that guide the PHA in selecting families for HCV assistance as such assistance becomes available. It also specifies how in-person interviews will be used to ensure that the PHA has the information needed to make a final eligibility determination.

PART I: THE APPLICATION PROCESS

4-I.A. OVERVIEW

This part describes the policies that guide the PHA's efforts to distribute and accept applications, and to make preliminary determinations of applicant family eligibility that affect placement of the family on the waiting list. This part also describes the PHA's obligation to ensure the accessibility of the application process to elderly persons, people with disabilities, and people with limited English proficiency (LEP).

4-I.B. APPLYING FOR ASSISTANCE [HCV GB, pp. 4-11 – 4-16, Notice PIH 2009-36]

Any family that wishes to receive HCV assistance must apply for admission to the program. HUD permits the PHA to determine the format and content of HCV applications, as well how such applications will be made available to interested families and how applications will be accepted by the PHA. However, the PHA must include Form HUD-90026, Supplement to Application for Federally Assisted Housing, as part of the PHA's application.

PHA Policy

Depending upon the length of time that applicants may need to wait to receive assistance, the PHA may use a one- or two-step application process.

A one-step process will be used when it is expected that a family will be selected from the waiting list within 60 days of the date of application. At application, the family must provide all of the information necessary to establish family eligibility and level of assistance.

A two-step process will be used when it is expected that a family will not be selected from the waiting list for at least 60 days from the date of application. Under the two-step application process, the PHA initially will require families to provide only the information needed to make an initial assessment of the family's eligibility, and to determine the family's placement on the waiting list. The family will be required to provide all of the information necessary to establish family eligibility and level of assistance when the family is selected from the waiting list.

Families may obtain application forms from the PHA's office during normal business hours. Families may also request – by telephone or by mail – that a form be sent to the family via first class mail.

Completed applications must be returned to the PHA by mail, by fax, or submitted in person during normal business hours. Applications must be complete in order to be accepted by the PHA for processing. If an application is incomplete, the PHA will notify the family of the additional information required.

4-I.C. ACCESSIBILITY OF THE APPLICATION PROCESS

Elderly and Disabled Populations [24 CFR 8 and HCV GB, pp. 4-11 – 4-13]

The PHA must take a variety of steps to ensure that the application process is accessible to those people who might have difficulty complying with the normal, standard PHA application process. This could include people with disabilities, certain elderly individuals, as well as persons with limited English proficiency (LEP). The PHA must provide reasonable accommodation to the needs of individuals with disabilities. The application-taking facility and the application process must be fully accessible, or the PHA must provide an alternate approach that provides full access to the application process. Chapter 2 provides a full discussion of the PHA's policies related to providing reasonable accommodations for people with disabilities.

Limited English Proficiency

PHAs are required to take reasonable steps to ensure meaningful access to their programs and activities by persons with limited English proficiency [24 CFR 1].

Chapter 2 provides a full discussion on the PHA's policies related to ensuring access to people with limited English proficiency (LEP).

4-I.D. PLACEMENT ON THE WAITING LIST

The PHA must review each complete application received and make a preliminary assessment of the family's eligibility. The PHA must accept applications from families for whom the list is open unless there is good cause for not accepting the application (such as denial of assistance) for the grounds stated in the regulations [24 CFR 982.206(b)(2)]. Where the family is determined to be ineligible, the PHA must notify the family in writing [24 CFR 982.201(f)]. Where the family is not determined to be ineligible, the family will be placed on a waiting list of applicants.

No applicant has a right or entitlement to be listed on the waiting list, or to any particular position on the waiting list [24 CFR 982.202(c)].

Ineligible for Placement on the Waiting List

PHA Policy

If the PHA can determine from the information provided that a family is ineligible, the family will not be placed on the waiting list. Where a family is determined to be ineligible, the PHA will send written notification of the ineligibility determination within 90 business days of receiving a complete application. The notice will specify the reasons for ineligibility, and will inform the family of its right to request an informal review and explain the process for doing so (see Chapter 16).

Eligible for Placement on the Waiting List

PHA Policy

The PHA will send written notification of the preliminary eligibility determination within 10 business days of receiving a complete application.

Placement on the waiting list does not indicate that the family is, in fact, eligible for assistance. A final determination of eligibility will be made when the family is selected from the waiting list.

Applicants will be placed on the waiting list according to any preference(s) for which they qualify, and the date and time their complete application is received by the PHA.

PART II: MANAGING THE WAITING LIST

4-II.A. OVERVIEW

The PHA must have policies regarding various aspects of organizing and managing the waiting list of applicant families. This includes opening the list to new applicants, closing the list to new applicants, notifying the public of waiting list openings and closings, updating waiting list information, purging the list of families that are no longer interested in or eligible for assistance, as well as conducting outreach to ensure a sufficient number of applicants.

In addition, HUD imposes requirements on how a PHA may structure its waiting list and how families must be treated if they apply for assistance from a PHA that administers more than one assisted housing program.

4-II.B. ORGANIZATION OF THE WAITING LIST [24 CFR 982.204 and 205]

The PHA's HCV waiting list must be organized in such a manner to allow the PHA to accurately identify and select families for assistance in the proper order, according to the admissions policies described in this plan.

The waiting list must contain the following information for each applicant listed:

- Applicant name;
- Family unit size;
- Date and time of application;
- Qualification for any local preference;
- Racial or ethnic designation of the head of household.

HUD requires the PHA to maintain a single waiting list for the HCV program unless it serves more than one county or municipality. Such PHAs are permitted, but not required, to maintain a separate waiting list for each county or municipality served.

		<p style="text-align: center;"><u>PHA Policy</u></p> <p>The PHA will maintain a single waiting list for the Boone County funded HCV program.</p> <p>HUD directs that a family that applies for assistance from the HCV program must be offered the opportunity to be placed on the waiting list for any public housing, project-based voucher or moderate rehabilitation program the PHA operates if 1) the other programs' waiting lists are open, and 2) the family is qualified for the other programs.</p> <p>HUD permits, but does not require, that PHAs maintain a single merged waiting list for their public housing, Section 8, and other subsidized housing programs.</p> <p>A family's decision to apply for, receive, or refuse other housing assistance must not affect the family's placement on the HCV waiting list, or any preferences for which the family may qualify.</p> <p>4-II.C. OPENING AND CLOSING THE WAITING LIST [24 CFR 982.206]</p> <p>Closing the Waiting List</p> <p>A PHA is permitted to close the waiting list if it has an adequate pool of families to use its available HCV assistance. Alternatively, the PHA may elect to continue to accept applications only from certain categories of families that meet particular preferences or funding criteria.</p> <p style="text-align: center;"><u>PHA Policy</u></p> <p>The PHA will close the waiting list when the estimated waiting period for housing assistance for applicants on the list reaches 24 months for the most current applicants. Where the PHA has particular preferences or funding criteria that require a specific category of family, the PHA may elect to continue to accept applications from these applicants while closing the waiting list to others.</p> <p>Reopening the Waiting List</p> <p>If the waiting list has been closed, it cannot be reopened until the PHA publishes a notice in local newspapers of general circulation, minority media, and other suitable media outlets. The notice must comply with HUD fair housing requirements and must specify who may apply, and where and when applications will be received.</p> <p style="text-align: center;"><u>PHA Policy</u></p> <p>The PHA will announce the reopening of the waiting list at least 10 business days prior to the date applications will first be accepted. If the list is only being reopened for certain categories of families, this information will be contained in the notice.</p> <p>The PHA will give public notice by publishing the relevant information in suitable media outlets including, but not limited to:</p> <p style="text-align: center;"><i>The Rockford Register Star newspaper.</i></p> <p style="text-align: center;"><i>Boone County Journal.</i></p> <p>4-II.D. FAMILY OUTREACH [HCV GB, pp. 4-2 to 4-4]</p> <p>The PHA must conduct outreach as necessary to ensure that the PHA has a sufficient number of applicants on the waiting list to use the HCV resources it has been allotted.</p> <p>Because HUD requires the PHA to serve a specified percentage of extremely low income families (see Chapter 4, Part III), the PHA may need to conduct special outreach to ensure that an adequate number of such families apply for assistance [HCV GB, p. 4-20 to 4-21].</p> <p>PHA outreach efforts must comply with fair housing requirements. This includes:</p> <ul style="list-style-type: none"> • Analyzing the housing market area and the populations currently being served to identify underserved populations • Ensuring that outreach efforts are targeted to media outlets that reach eligible populations that are underrepresented in the program • Avoiding outreach efforts that prefer or exclude people who are members of a protected class
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		<p>PHA outreach efforts must be designed to inform qualified families about the availability of assistance under the program. These efforts may include, as needed, any of the following activities:</p> <ul style="list-style-type: none"> • Submitting press releases to local newspapers, including minority newspapers • Developing informational materials and flyers to distribute to other agencies • Providing application forms to other public and private agencies that serve the low income population • Developing partnerships with other organizations that serve similar populations, including agencies that provide services for persons with disabilities <p style="text-align: center;"><u>PHA Policy</u></p> <p>The PHA will monitor the characteristics of the population being served and the characteristics of the population as a whole in the PHA’s jurisdiction. Targeted outreach efforts will be undertaken if a comparison suggests that certain populations are being underserved.</p> <p>4-II.E. REPORTING CHANGES IN FAMILY CIRCUMSTANCES</p> <p style="text-align: center;"><u>PHA Policy</u></p> <p>While the family is on the waiting list, the family must immediately inform the PHA of changes in contact information, including current residence, mailing address, and phone number. The changes must be submitted in writing.</p> <p>4-II.F. UPDATING THE WAITING LIST [24 CFR 982.204]</p> <p>HUD requires the PHA to establish policies to use when removing applicant names from the waiting list.</p> <p>Purging the Waiting List</p> <p>The decision to withdraw an applicant family that includes a person with disabilities from the waiting list is subject to reasonable accommodation. If the applicant did not respond to a PHA request for information or updates because of the family member’s disability, the PHA must reinstate the applicant family to their former position on the waiting list [24 CFR 982.204(c)(2)].</p> <p style="text-align: center;"><u>PHA Policy</u></p> <p>The waiting list will be updated annually to ensure that all applicants and applicant information is current and timely.</p> <p>To update the waiting list, the PHA will send an update request via first class mail to each family on the waiting list to determine whether the family continues to be interested in, and to qualify for, the program. This update request will be sent to the last address that the PHA has on record for the family. The update request will provide a deadline by which the family must respond and will state that failure to respond will result in the applicant’s name being removed from the waiting list.</p> <p>The family’s response must be in writing and may be delivered in person, by mail, or by fax. Responses should be postmarked or received by the PHA not later than 10 business days from the date of the PHA letter.</p> <p>If the family fails to respond within 10 business days, the family will be removed from the waiting list without further notice.</p> <p>If a family is removed from the waiting list for failure to respond, the Executive Director may reinstate the family if s/he determines the lack of response was due to PHA error, or to circumstances beyond the family’s control.</p> <p>Removal from the Waiting List</p> <p style="text-align: center;"><u>PHA Policy</u></p> <p>If at any time an applicant family is on the waiting list, the PHA determines that the family is not eligible for assistance (see Chapter 3), the family will be removed from the waiting list.</p>
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If a family is removed from the waiting list because the PHA has determined the family is not eligible for assistance, a notice will be sent to the family's address of record as well as to any alternate address provided on the initial application. The notice will state the reasons the family was removed from the waiting list and will inform the family how to request an informal review regarding the PHA's decision (see Chapter 16) [24 CFR 982.201(f)].

PART III: SELECTION FOR HCV ASSISTANCE

4-III.A. OVERVIEW

As vouchers become available, families on the waiting list must be selected for assistance in accordance with the policies described in this part.

The order in which families receive assistance from the waiting list depends on the selection method chosen by the PHA and is impacted in part by any selection preferences that the family qualifies for. The source of HCV funding also may affect the order in which families are selected from the waiting list.

The PHA must maintain a clear record of all information required to verify that the family is selected from the waiting list according to the PHA's selection policies [24 CFR 982.204(b) and 982.207(e)].

4-III.B. SELECTION AND HCV FUNDING SOURCES

Special Admissions [24 CFR 982.203]

HUD may award funding for specifically-named families living in specified types of units (e.g., a family that is displaced by demolition of public housing; a non-purchasing family residing in a HOPE 1 or 2 projects). In these cases, the PHA may admit families that are not on the waiting list, or without considering the family's position on the waiting list. The PHA must maintain records showing that such families were admitted with special program funding.

Targeted Funding [24 CFR 982.204(e)]

HUD may award a PHA funding for a specified category of families on the waiting list. The PHA must use this funding only to assist the families within the specified category. Within this category of families, the order in which such families are assisted is determined according to the policies provided in Section 4-III.C.

PHA Policy

The PHA administers the following types of targeted funding:

Boone County HCV Program

Regular HCV Funding

Regular HCV funding may be used to assist any eligible family on the waiting list. Families are selected from the waiting list according to the policies provided in Section 4-III.C.

4-III.C. SELECTION METHOD

PHAs must describe the method for selecting applicant families from the waiting list, including the system of admission preferences that the PHA will use [24 CFR 982.202(d)].

Local Preferences [24 CFR 982.207; HCV p. 4-16]

PHAs are permitted to establish local preferences, and to give priority to serving families that meet those criteria. HUD specifically authorizes and places restrictions on certain types of local preferences. HUD also permits the PHA to establish other local preferences, at its discretion. Any local preferences established must be consistent with the PHA plan and the consolidated plan, and must be based on local housing needs and priorities that can be documented by generally accepted data sources.

PHA Policy

1 Point The PHA will offer a preference to any family that has been terminated from its HCV program due to insufficient program funding.

		<p>1 Point The PHA will offer a preference for families who live in Boone County, for the HCV funding assigned for Boone County. The family must have lived continuously in Boone County for the immediate and consecutive past ninety calendar days. Residency must be verified by the following methods:</p> <ul style="list-style-type: none"> • Three current/consecutive utility bills (including gas, electric, water, sewer, or garbage). • An executed, legally binding lease. • Three current/consecutive bank statements • Other verifications accepted at the PHA’s discretion. <p>1 Point The PHA will offer a preference for veterans or surviving spouses of veterans.</p> <p>1 Point The PHA will offer a working preference (24 CFR 5.415) for families where the head, spouse or sole member is employed. This preference is extended equally to an applicant whose head or spouse are age 62 or older, or an applicant whose head or spouse meet the HUD/Social Security definition of disability.</p> <p style="padding-left: 40px;">This includes families who are graduates of or participants in educational and training programs designed to prepare the individual for the job market.</p> <p>1 Point The PHA will offer a preference to victims of the Violence Against Women’s Reauthorization Act of 2002, as defined within this Administrative Plan (see Chapter 3-III.G).</p> <p>1 Point The PHA will offer a preference to Nursing Home Residents who have resided in a state-licensed nursing home for the immediate and consecutive past ninety calendar days and have been determined by the state-licensed nursing home as eligible for discharge.</p> <p>1 Point The PHA will offer a preference to applicants that are involuntarily displaced if they have vacated or must vacate their unit for any of the following reasons:</p> <p style="padding-left: 40px;">Disaster (e.g., flood, fire, earthquake)</p> <p style="padding-left: 40px;">Governmental action (e.g., code enforcement, neighborhood redevelopment)</p> <p>Income Targeting Requirement [24 CFR 982.201(b)(2)]</p> <p>HUD requires that extremely low-income (ELI) families make up at least 75% of the families admitted to the HCV program during the PHA’s fiscal year. ELI families are those with annual incomes at or below 30% of the area median income. To ensure this requirement is met, a PHA may skip non-ELI families on the waiting list in order to select an ELI family.</p> <p>Low income families admitted to the program that are “continuously assisted” under the 1937 Housing Act [24 CFR 982.4(b)], as well as low-income or moderate-income families admitted to the program that are displaced as a result of the prepayment of the mortgage or voluntary termination of an insurance contract on eligible low-income housing, are not counted for income targeting purposes [24 CFR 982.201(b)(2)(v)].</p> <p><u>PHA Policy</u></p> <p>The PHA will monitor progress in meeting the ELI requirement throughout the fiscal year. Extremely low-income families will be selected ahead of other eligible families on an as-needed basis to ensure the income targeting requirement is met.</p>
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Order of Selection

The PHA system of preferences may select families either according to the date and time of application, or by a random selection process [24 CFR 982.207(c)]. When selecting families from the waiting list PHAs are required to use targeted funding to assist only those families who meet the specified criteria, and PHAs are not permitted to skip down the waiting list to a family that it can afford to subsidize when there are not sufficient funds to subsidize the family at the top of the waiting list [24 CFR 982.204(d) and (e)].

PHA Policy

Families will be selected from the waiting list based on the targeted funding or selection preference(s) for which they qualify, and in accordance with the PHA's hierarchy of preferences, if applicable. Within each targeted funding or preference category, families will be selected on a first-come, first-served basis according to the date and time their complete application is received by the PHA. Documentation will be maintained by the PHA as to whether families on the list qualify for and are interested in targeted funding. If a higher placed family on the waiting list is not qualified or not interested in targeted funding, there will be a notation maintained so that the PHA does not have to ask higher placed families each time targeted selections are made.

4-III.D. NOTIFICATION OF SELECTION

When a family has been selected from the waiting list, the PHA must notify the family.

PHA Policy

The PHA will notify the family by first class mail when it is selected from the waiting list. The notice will inform the family of the following:

Date, time, and location of the scheduled application interview, including any procedures for rescheduling the interview

Who is required to attend the interview

Documents that must be provided at the interview to document the legal identity of household members, including information about what constitutes acceptable documentation

Other documents and information that should be brought to the interview

If a notification letter is returned to the PHA with no forwarding address, the family will be removed from the waiting list. A notice of denial (see Chapter 3) will be sent to the family's address of record, as well as to any known alternate address.

4-III.E. THE APPLICATION INTERVIEW

HUD recommends that the PHA obtain the information and documentation needed to make an eligibility determination through a private interview [HCV GB, pg. 4-16]. Being invited to attend an interview does not constitute admission to the program.

Reasonable accommodation must be made for persons with disabilities who are unable to attend an interview due to their disability.

PHA Policy

Families selected from the waiting list are required to participate in an eligibility interview.

The head of household and the spouse/cohead will be strongly encouraged to attend the interview together. However, either the head of household or the spouse/cohead may attend the interview on behalf of the family. Verification of information pertaining to adult members of the household not present at the interview will not begin until signed release forms are returned to the PHA.

The interview will be conducted only if the head of household or spouse/cohead provides appropriate documentation of legal identity. (Chapter 7 provides a discussion of proper documentation of legal identity).

		<p>If the family representative does not provide the required documentation, the appointment may be rescheduled when the proper documents have been obtained.</p> <p>The family must provide the information necessary to establish the family's eligibility and determine the appropriate level of assistance, as well as completing required forms, providing required signatures, and submitting required documentation. If any materials are missing, the PHA will provide the family with a written list of items that must be submitted.</p> <p>Any required documents or information that the family is unable to provide at the interview must be provided within 10 business days of the interview (Chapter 7 provides details about longer submission deadlines for particular items, including documentation of Social Security numbers and eligible noncitizen status). If the family is unable to obtain the information or materials within the required time frame, the family may request an extension. If the required documents and information are not provided within the required time frame (plus any extensions), the family will be sent a notice of denial (See Chapter 3).</p> <p>An advocate, interpreter, or other assistant may assist the family with the application and the interview process.</p> <p>Interviews will be conducted in English. For limited English proficient (LEP) applicants, the PHA will provide translation services in accordance with the PHA's LEP plan.</p> <p>If the family is unable to attend a scheduled interview, the family should contact the PHA in advance of the interview to schedule a new appointment. In all circumstances, if a family does not attend a scheduled interview, the PHA will send another notification letter with a new interview appointment time. Applicants who fail to attend two scheduled interviews without PHA approval will be denied assistance based on the family's failure to supply information needed to determine eligibility. A notice of denial will be issued in accordance with policies contained in Chapter 3.</p> <p>4-III.F. COMPLETING THE APPLICATION PROCESS</p> <p>The PHA must verify all information provided by the family (see Chapter 7). Based on verified information, the PHA must make a final determination of eligibility (see Chapter 3) and must confirm that the family qualified for any special admission, targeted admission, or selection preference that affected the order in which the family was selected from the waiting list.</p> <p><u>PHA Policy</u></p> <p>If the PHA determines that the family is ineligible, the PHA will send written notification of the ineligibility determination within 10 business days of the determination. The notice will specify the reasons for ineligibility, and will inform the family of its right to request an informal review (Chapter 16).</p> <p>If a family fails to qualify for any criteria that affected the order in which it was selected from the waiting list (e.g. targeted funding, extremely low-income), the family will be returned to its original position on the waiting list. The PHA will notify the family in writing that it has been returned to the waiting list, and will specify the reasons for it.</p> <p>If the PHA determines that the family is eligible to receive assistance, the PHA will invite the family to attend a briefing in accordance with the policies in Chapter 5.</p>
2.	Financial Resources	<p>Federal, FY2010 Housing Choice Voucher HAP, \$824,50 Federal, FY2010 Housing Choice Voucher Administrative Fee, \$113,095 Federal, FY2010 Sheffield Meadows Section 8 Contract Administration, \$31,000</p>
3.	Rent Determination	<p style="text-align: center;">Chapter 6</p> <p style="text-align: center;">INCOME AND SUBSIDY DETERMINATIONS [24 CFR Part 5, Subparts E and F; 24 CFR 982]</p> <p>INTRODUCTION</p>

A family's income determines eligibility for assistance and is also used to calculate the family's payment and the PHA's subsidy. The PHA will use the policies and methods described in this chapter to ensure that only eligible families receive assistance and that no family pays more or less than its obligation under the regulations. This chapter describes HUD regulations and PHA policies related to these topics in three parts as follows:

- **Part I: Annual Income.** HUD regulations specify the sources of income to include and exclude to arrive at a family's annual income. These requirements and PHA policies for calculating annual income are found in Part I.
- **Part II: Adjusted Income.** Once annual income has been established HUD regulations require the PHA to subtract from annual income any of five mandatory deductions for which a family qualifies. These requirements and PHA policies for calculating adjusted income are found in Part II.
- **Part III: Calculating Family Share and PHA Subsidy.** This part describes the statutory formula for calculating total tenant payment (TTP), the use of utility allowances, and the methodology for determining PHA subsidy and required family payment.

PART I: ANNUAL INCOME

6-I.A. OVERVIEW

The general regulatory definition of *annual income* shown below is from 24 CFR 5.609.

5.609 Annual income.

- (a) Annual income means all amounts, monetary or not, which:
- (1) Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or
 - (2) Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
 - (3) Which are not specifically excluded in paragraph [5.609(c)].
 - (4) Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

In addition to this general definition, HUD regulations establish policies for treating specific types of income and assets. The full texts of those portions of the regulations are provided in exhibits at the end of this chapter as follows:

- Annual Income Inclusions (Exhibit 6-1)
- Annual Income Exclusions (Exhibit 6-2)
- Treatment of Family Assets (Exhibit 6-3)
- Earned Income Disallowance for Persons with Disabilities (Exhibit 6-4)
- The Effect of Welfare Benefit Reduction (Exhibit 6-5)

Sections 6-I.B and 6-I.C discuss general requirements and methods for calculating annual income. The rest of this section describes how each source of income is treated for the purposes of determining annual income. HUD regulations present income inclusions and exclusions separately [24 CFR 5.609(b) and 24 CFR 5.609(c)]. In this plan, however, the discussions of income inclusions and exclusions are integrated by topic (e.g., all policies affecting earned income are discussed together in section 6-I.D). Verification requirements for annual income are discussed in Chapter 7.

6-I.B. HOUSEHOLD COMPOSITION AND INCOME

Income received by all family members must be counted unless specifically excluded by the regulations. It is the responsibility of the head of household to report changes in family composition. The rules on which sources of income are counted vary somewhat by family member. The chart below summarizes how family composition affects income determinations.

Summary of Income Included and Excluded	
Live-in aides	Income from all sources is excluded
Foster child or foster adult	Income from all sources is excluded
Head, spouse, or cohead Other adult family members	All sources of income not specifically excluded
Children under 18 years of age	Employment income is excluded [2] All other sources of income, except income from child support, are included.

		<p>Full-time students 18 years of age or older (not head, spouse, or cohead)</p>	<p>Employment income above \$480/year is excluded [24 CFR 5.603]. All other sources of income, except those specifically excluded, are included.</p>
<p>Temporarily Absent Family Members The income of family members approved to live in the unit will be counted, even if the family member is temporarily absent from the unit [HCV GB, p. 5-18].</p> <p><u>PHA Policy</u> Generally an individual who is or is expected to be absent from the assisted unit for 180 consecutive days or less is considered temporarily absent and continues to be considered a family member. Generally an individual who is or is expected to be absent from the assisted unit for more than 180 consecutive days is considered permanently absent and no longer a family member. Exceptions to this general policy are discussed below.</p> <p>Absent Students <u>PHA Policy</u> When someone who has been considered a family member attends school away from home, the person will continue to be considered a family member unless information becomes available to the PHA indicating that the student has established a separate household or the family declares that the student has established a separate household.</p> <p>Absences Due to Placement in Foster Care Children temporarily absent from the home as a result of placement in foster care are considered members of the family [24 CFR 5.403]. <u>PHA Policy</u> If a child has been placed in foster care, the PHA will verify with the appropriate agency whether and when the child is expected to be returned to the home. Unless the agency confirms that the child has been permanently removed from the home, the child will be counted as a family member.</p> <p>Absent Head, Spouse, or Cohead <u>PHA Policy</u> An employed head, spouse, or cohead absent from the unit more than 180 consecutive days due to employment will continue to be considered a family member.</p> <p>Family Members Permanently Confined for Medical Reasons If a family member is confined to a nursing home or hospital on a permanent basis, that person is no longer considered a family member and the income of that person is not counted [HCV GB, p. 5-22]. <u>PHA Policy</u> The PHA will request verification from a responsible medical professional and will use this determination. If the responsible medical professional cannot provide a determination, the person generally will be considered temporarily absent. The family may present evidence that the family member is confined on a permanent basis and request that the person not be considered a family member. When an individual who has been counted as a family member is determined permanently absent, the family is eligible for the medical expense deduction only if the remaining head, spouse, or cohead qualifies as an elderly person or a person with disabilities.</p> <p>Joint Custody of Dependents <u>PHA Policy</u> Dependents that are subject to a joint custody arrangement will be considered a member of the family, if they live with the applicant or participant family 50 percent or more of the time. When more than one applicant or participant family is claiming the same dependents as family members, the family with primary custody at the time of the initial examination or reexamination will be able to claim the dependents. If there is a dispute about which family should claim them, the PHA will make the determination based on available documents such as court orders, or an IRS return showing which family has claimed the child for income tax purposes.</p> <p>Caretakers for a Child <u>PHA Policy</u> If neither a parent nor a designated guardian remains in a household receiving HCV assistance, the PHA will take the following actions. (1) If a responsible agency has determined that another adult is to be brought into the assisted unit to care for a child for an indefinite period, the designated caretaker will not be considered a family</p>			

		<p>member until a determination of custody or legal guardianship is made.</p> <p>(2) If a caretaker has assumed responsibility for a child without the involvement of a responsible agency or formal assignment of custody or legal guardianship, the caretaker will be treated as a visitor for 90 days. After the 90 days has elapsed, the caretaker will be considered a family member unless information is provided that would confirm that the caretaker's role is temporary. In such cases the PHA will extend the caretaker's status as an eligible visitor.</p> <p>(3) At any time that custody or guardianship legally has been awarded to a caretaker, the housing choice voucher will be transferred to the caretaker.</p> <p>(4) During any period that a caretaker is considered a visitor, the income of the caretaker is not counted in annual income and the caretaker does not qualify the family for any deductions from income.</p> <p>6-I.C. ANTICIPATING ANNUAL INCOME The PHA is required to count all income "anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date" [24 CFR 5.609(a)(2)]. Policies related to anticipating annual income are provided below.</p> <p>Basis of Annual Income Projection The PHA generally will use current circumstances to determine anticipated income for the coming 12-month period. HUD authorizes the PHA to use other than current circumstances to anticipate income when:</p> <ul style="list-style-type: none"> • An imminent change in circumstances is expected [HCV GB, p. 5-17] • It is not feasible to anticipate a level of income over a 12-month period (e.g., seasonal or cyclic income) [24 CFR 5.609(d)] • The PHA believes that past income is the best available indicator of expected future income [24 CFR 5.609(d)] <p>Most PHAs are required to use HUD's Enterprise Income Verification (EIV) system. HUD allows PHAs to use pay-stubs to project income once EIV data has been received in such cases where the family does not dispute the EIV employer data and where the PHA does not determine it is necessary to obtain additional third-party data.</p> <p><u>PHA Policy</u> Whenever possible, the PHA will use HUD's EIV system. When EIV is obtained and the family does not dispute the EIV employer data, the PHA will use current tenant-provided documents to project annual income. When the tenant provided documents are pay stubs, the PHA will make every effort to obtain at least 4 consecutive pay stubs dated within the last 60 days. The PHA will obtain written and/or oral third-party verification in accordance with the verification requirements and policy in Chapter 7 in the following cases:</p> <p style="padding-left: 40px;">If EIV or other UIV data is not available, If the family disputes the accuracy of the EIV employer data, and/or If the PHA determines additional information is needed.</p> <p>In such cases, the PHA will review and analyze current data to anticipate annual income. In all cases, the family file will be documented with a clear record of the reason for the decision, and a clear audit trail will be left as to how the PHA annualized projected income.</p> <p>When the PHA cannot readily anticipate income based upon current circumstances (e.g., in the case of seasonal employment, unstable working hours, or suspected fraud), the PHA will review and analyze historical data for patterns of employment, paid benefits, and receipt of other income and use the results of this analysis to establish annual income.</p> <p>Any time current circumstances are not used to project annual income, a clear rationale for the decision will be documented in the file. In all such cases the family may present information and documentation to the PHA to show why the historic pattern does not represent the family's anticipated income.</p> <p>Known Changes in Income If the PHA verifies an upcoming increase or decrease in income, annual income will be calculated by applying each income amount to the appropriate part of the 12-month period.</p> <p>Example: An employer reports that a full-time employee who has been receiving \$8/hour will begin to receive \$8.25/hour in the eighth week after</p>
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		<p>the effective date of the reexamination. In such a case the PHA would calculate annual income as follows: $(\\$8/\text{hour} \times 40 \text{ hours} \times 7 \text{ weeks}) + (\\$8.25 \times 40 \text{ hours} \times 45 \text{ weeks})$.</p> <p>The family may present information that demonstrates that implementing a change before its effective date would create a hardship for the family. In such cases the PHA will calculate annual income using current circumstances and then require an interim reexamination when the change actually occurs. This requirement will be imposed even if the PHA's policy on reexaminations does not require interim reexaminations for other types of changes.</p> <p>When tenant-provided documents are used to anticipate annual income, they will be dated within the last 60 days of the reexamination interview date.</p> <p>EIV quarterly wages will not be used to project annual income at an annual or interim reexamination.</p> <p>Projecting Income</p> <p>In HUD's EIV webcast of January 2008, HUD made clear that PHAs are not to use EIV quarterly wages to project annual income.</p> <p>6-I.D. EARNED INCOME</p> <p>Types of Earned Income Included in Annual Income</p> <p>Wages and Related Compensation</p> <p>The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services is included in annual income [24 CFR 5.609(b)(1)].</p> <p><u>PHA Policy</u></p> <p>For persons who regularly receive bonuses or commissions, the PHA will verify and then average amounts received for the two years preceding admission or reexamination. If only a one-year history is available, the PHA will use the prior year amounts. In either case the family may provide, and the PHA will consider, a credible justification for not using this history to anticipate future bonuses or commissions. If a new employee has not yet received any bonuses or commissions, the PHA will count only the amount estimated by the employer. The file will be documented appropriately.</p> <p>Some Types of Military Pay</p> <p>All regular pay, special pay and allowances of a member of the Armed Forces are counted [24 CFR 5.609(b)(8)] <u>except</u> for the special pay to a family member serving in the Armed Forces who is exposed to hostile fire [24 CFR 5.609(c)(7)].</p> <p>Types of Earned Income Not Counted in Annual Income</p> <p>Temporary, Nonrecurring, or Sporadic Income [24 CFR 5.609(c)(9)]</p> <p>This type of income (including gifts) is not included in annual income. Sporadic income includes temporary payments from the U.S. Census Bureau for employment lasting no longer than 180 days [Notice PIH 2009-19].</p> <p><u>PHA Policy</u></p> <p>Sporadic income is income that is not received periodically and cannot be reliably predicted. For example, the income of an individual who works occasionally as a handyman would be considered sporadic if future work could not be anticipated and no historic, stable pattern of income existed.</p> <p>Children's Earnings</p> <p>Employment income earned by children (including foster children) under the age of 18 years is not included in annual income [24 CFR 5.609(c)(1)]. (See Eligibility chapter for a definition of <i>foster children</i>.)</p> <p>Certain Earned Income of Full-Time Students</p> <p>Earnings in excess of \$480 for each full-time student 18 years old or older (except for the head, spouse, or cohead) are not counted [24 CFR 5.609(c)(11)]. To be considered "full-time," a student must be considered "full-time" by an educational institution with a degree or certificate program [HCV GB, p. 5-29].</p> <p>Income of a Live-in Aide</p> <p>Income earned by a live-in aide, as defined in [24 CFR 5.403], is not included in annual income [24 CFR 5.609(c)(5)]. (See Eligibility chapter for a full discussion of live-in aides.)</p> <p>Income Earned under Certain Federal Programs</p> <p>Income from some federal programs is specifically excluded from consideration as income [24 CFR 5.609(c)(17)], including:</p> <ul style="list-style-type: none"> • Payments to volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(g), 5058) • Payments received under programs funded in whole or in part under the Job Training Partnership Act (29 U.S.C. 1552(b))
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		<p>used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family” [24 CFR 5.609(b)(2)].</p> <p>Business Expenses Net income is “gross income less business expense” [HCV GB, p. 5-19].</p> <p><u>PHA Policy</u> To determine business expenses that may be deducted from gross income, the PHA will use current applicable Internal Revenue Service (IRS) rules for determining allowable business expenses [see IRS Publication 535], unless a topic is addressed by HUD regulations or guidance as described below.</p> <p>Business Expansion HUD regulations do not permit the PHA to deduct from gross income expenses for business expansion.</p> <p><u>PHA Policy</u> <i>Business expansion</i> is defined as any capital expenditures made to add new business activities, to expand current facilities, or to operate the business in additional locations. For example, purchase of a street sweeper by a construction business for the purpose of adding street cleaning to the services offered by the business would be considered a business expansion. Similarly, the purchase of a property by a hair care business to open at a second location would be considered a business expansion.</p> <p>Capital Indebtedness HUD regulations do not permit the PHA to deduct from gross income the amortization of capital indebtedness.</p> <p><u>PHA Policy</u> <i>Capital indebtedness</i> is defined as the principal portion of the payment on a capital asset such as land, buildings, and machinery. This means the PHA will allow as a business expense interest, but not principal, paid on capital indebtedness.</p> <p>Negative Business Income If the net income from a business is negative, no business income will be included in annual income; a negative amount will not be used to offset other family income.</p> <p>Withdrawal of Cash or Assets from a Business HUD regulations require the PHA to include in annual income the withdrawal of cash or assets from the operation of a business or profession unless the withdrawal reimburses a family member for cash or assets invested in the business by the family.</p> <p><u>PHA Policy</u> Acceptable investments in a business include cash loans and contributions of assets or equipment. For example, if a member of an assisted family provided an up-front loan of \$2,000 to help a business get started, the PHA will not count as income any withdrawals from the business up to the amount of this loan until the loan has been repaid. Investments do not include the value of labor contributed to the business without compensation.</p> <p>Co-owned Businesses <u>PHA Policy</u> If a business is co-owned with someone outside the family, the family must document the share of the business it owns. If the family’s share of the income is lower than its share of ownership, the family must document the reasons for the difference.</p> <p>6-I.G. ASSETS [24 CFR 5.609(b)(3) and 24 CFR 5.603(b)] Overview There is no asset limitation for participation in the HCV program. However, HUD requires that the PHA include in annual income the “interest, dividends, and other net income of any kind from real or personal property” [24 CFR 5.609(b)(3)]. This section discusses how the income from various types of assets is determined. For most types of assets, the PHA must determine the value of the asset in order to compute income from the asset. Therefore, for each asset type, this section discusses:</p> <ul style="list-style-type: none"> • How the value of the asset will be determined • How income from the asset will be calculated <p>Exhibit 6-1 provides the regulatory requirements for calculating income from assets [24 CFR 5.609(b)(3)], and Exhibit 6-3 provides the regulatory definition of <i>net family assets</i>. This section begins with a discussion of general policies related to assets and then provides HUD rules and PHA policies related to each type of asset.</p> <p>General Policies</p>
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		<p><i>Income from Assets</i> The PHA generally will use current circumstances to determine both the value of an asset and the anticipated income from the asset. As is true for all sources of income, HUD authorizes the PHA to use other than current circumstances to anticipate income when (1) an imminent change in circumstances is expected (2) it is not feasible to anticipate a level of income over 12 months or (3) the PHA believes that past income is the best indicator of anticipated income. For example, if a family member owns real property that typically receives rental income but the property is currently vacant, the PHA can take into consideration past rental income along with the prospects of obtaining a new tenant.</p> <p><u>PHA Policy</u> Anytime current circumstances are not used to determine asset income, a clear rationale for the decision will be documented in the file. In such cases the family may present information and documentation to the PHA to show why the asset income determination does not represent the family's anticipated asset income.</p> <p><i>Valuing Assets</i> The calculation of asset income sometimes requires the PHA to make a distinction between an asset's market value and its cash value.</p> <ul style="list-style-type: none"> • The market value of an asset is its worth (e.g., the amount a buyer would pay for real estate or the balance in an investment account). • The cash value of an asset is its market value less all reasonable amounts that would be incurred when converting the asset to cash. <p><u>PHA Policy</u> Reasonable costs that would be incurred when disposing of an asset include, but are not limited to, penalties for premature withdrawal, broker and legal fees, and settlement costs incurred in real estate transactions [HCV GB, p. 5-28].</p> <p><i>Lump-Sum Receipts</i> Payments that are received in a single lump sum, such as inheritances, capital gains, lottery winnings, insurance settlements, and proceeds from the sale of property, are generally considered assets, not income. However, such lump-sum receipts are counted as assets only if they are retained by a family in a form recognizable as an asset (e.g., deposited in a savings or checking account) [RHIIP FAQs]. (For a discussion of lump-sum payments that represent the delayed start of a periodic payment, most of which are counted as income, see sections 6-I.H and 6-I.I.)</p> <p><i>Imputing Income from Assets [24 CFR 5.609(b)(3)]</i> When net family assets are \$5,000 or less, the PHA will include in annual income the actual income anticipated to be derived from the assets. When the family has net family assets in excess of \$5,000, the PHA will include in annual income the greater of (1) the actual income derived from the assets or (2) the imputed income. Imputed income from assets is calculated by multiplying the total cash value of all family assets by the current HUD-established passbook savings rate.</p> <p><i>Determining Actual Anticipated Income from Assets</i> It may or may not be necessary for the PHA to use the value of an asset to compute the actual anticipated income from the asset. When the value is required to compute the anticipated income from an asset, the market value of the asset is used. For example, if the asset is a property for which a family receives rental income, the anticipated income is determined by annualizing the actual monthly rental amount received for the property; it is not based on the property's market value. However, if the asset is a savings account, the anticipated income is determined by multiplying the market value of the account by the interest rate on the account.</p> <p><i>Withdrawal of Cash or Liquidation of Investments</i> Any withdrawal of cash or assets from an investment will be included in income except to the extent that the withdrawal reimburses amounts invested by the family. For example, when a family member retires, the amount received by the family from a retirement plan is not counted as income until the family has received payments equal to the amount the family member deposited into the retirement fund.</p> <p><i>Jointly Owned Assets</i> The regulation at 24 CFR 5.609(a)(4) specifies that annual income includes "amounts derived (during the 12-month period) from assets to which any member of the family has access."</p> <p><u>PHA Policy</u> If an asset is owned by more than one person and any family member has unrestricted access to the asset, the PHA will count the full value of the asset. A family member has unrestricted access to an asset when he or she can legally dispose of the asset without the consent of any of the other owners.</p>
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		<p>asset income will be calculated based on that known rate (market value multiplied by rate of earnings). When the anticipated rate of return is not known (e.g., stocks), the PHA will calculate asset income based on the earnings for the most recent reporting period.</p> <p>Equity in Real Property or Other Capital Investments Equity (cash value) in a property or other capital asset is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and reasonable costs (such as broker fees) that would be incurred in selling the asset [HCV GB, p. 5-25]. Equity in real property and other capital investments is considered in the calculation of asset income except for the following types of assets:</p> <ul style="list-style-type: none"> • Equity accounts in HUD homeownership programs [24 CFR 5.603(b)] • The value of a home currently being purchased with assistance under the HCV program Homeownership Option for the first 10 years after the purchase date of the home [24 CFR 5.603(b)] • Equity in owner-occupied cooperatives and manufactured homes in which the family lives [HCV GB, p. 5-25] • Equity in real property when a family member's main occupation is real estate [HCV GB, p. 5-25]. This real estate is considered a business asset, and income related to this asset will be calculated as described in section 6-I.F. • Interests in Indian Trust lands [24 CFR 5.603(b)] • Real property and capital assets that are part of an active business or farming operation [HCV GB, p. 5-25] <p>A family may have real property as an asset in two ways: (1) owning the property itself and (2) holding a mortgage or deed of trust on the property. In the case of a property owned by a family member, the anticipated asset income generally will be in the form of rent or other payment for the use of the property. If the property generates no income, actual anticipated income from the asset will be zero. In the case of a mortgage or deed of trust held by a family member, the outstanding balance (unpaid principal) is the cash value of the asset. The interest portion only of payments made to the family in accordance with the terms of the mortgage or deed of trust is counted as anticipated asset income.</p> <p>PHA Policy In the case of capital investments owned jointly with others not living in a family's unit, a prorated share of the property's cash value will be counted as an asset unless the PHA determines that the family receives no income from the property and is unable to sell or otherwise convert the asset to cash.</p> <p>Trusts A <i>trust</i> is a legal arrangement generally regulated by state law in which one party (the creator or grantor) transfers property to a second party (the trustee) who holds the property for the benefit of one or more third parties (the beneficiaries).</p> <p>Revocable Trusts If any member of a family has the right to withdraw the funds in a trust, the value of the trust is considered an asset [HCV GB, p. 5-25]. Any income earned as a result of investment of trust funds is counted as actual asset income, whether the income is paid to the family or deposited in the trust.</p> <p>Nonrevocable Trusts In cases where a trust is not revocable by, or under the control of, any member of a family, the value of the trust fund is not considered an asset. However, any income distributed to the family from such a trust is counted as a periodic payment or a lump-sum receipt, as appropriate [24 CFR 5.603(b)]. (Periodic payments are covered in section 6-I.H. Lump-sum receipts are discussed earlier in this section.)</p> <p>Retirement Accounts Company Retirement/Pension Accounts In order to correctly include or exclude as an asset any amount held in a company retirement or pension account by an employed person, the PHA must know whether the money is accessible before retirement [HCV GB, p. 5-26]. While a family member is employed, only the amount the family member can withdraw without retiring or terminating employment is counted as an asset [HCV GB, p. 5-26]. After a family member retires or terminates employment, any amount distributed to the family member is counted as a periodic payment or a lump-sum receipt, as appropriate [HCV GB, p. 5-26], except to the extent that it represents funds invested in the account by the family member. (For more on periodic payments, see section 6-I.H.) The balance in the account is counted as an asset only if it remains accessible to the family member.</p> <p>IRA, Keogh, and Similar Retirement Savings Accounts IRA, Keogh, and similar retirement savings accounts are counted as assets even though</p>
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		<p>early withdrawal would result in a penalty [HCV GB, p. 5-25].</p> <p>Personal Property Personal property held as an investment, such as gems, jewelry, coin collections, antique cars, etc., is considered an asset [HCV GB, p. 5-25].</p> <p><u>PHA Policy</u> In determining the value of personal property held as an investment, the PHA will use the family's estimate of the value. However, the PHA also may obtain an appraisal if appropriate to confirm the value of the asset. The family must cooperate with the appraiser, but cannot be charged any costs related to the appraisal.</p> <p>Generally, personal property held as an investment generates no income until it is disposed of. If regular income is generated (e.g., income from renting the personal property), the amount that is expected to be earned in the coming year is counted as actual income from the asset.</p> <p>Necessary items of personal property are not considered assets [24 CFR 5.603(b)].</p> <p><u>PHA Policy</u> Necessary personal property consists of items such as clothing, furniture, household furnishings, jewelry that is not held as an investment, and vehicles, including those specially equipped for persons with disabilities.</p> <p>Life Insurance The cash value of a life insurance policy available to a family member before death, such as a whole life or universal life policy, is included in the calculation of the value of the family's assets [HCV GB 5-25]. The cash value is the surrender value. If such a policy earns dividends or interest that the family could elect to receive, the anticipated amount of dividends or interest is counted as income from the asset whether or not the family actually receives it.</p> <p>6-I.H. PERIODIC PAYMENTS Periodic payments are forms of income received on a regular basis. HUD regulations specify periodic payments that are and are not included in annual income.</p> <p>Periodic Payments <u>Included</u> in Annual Income</p> <ul style="list-style-type: none"> • Periodic payments from sources such as <u>social security, unemployment and welfare assistance, annuities, insurance policies, retirement funds, and pensions</u>. However, periodic payments from retirement accounts, annuities, and similar forms of investments are counted only after they exceed the amount contributed by the family [24 CFR 5.609(b)(4) and (b)(3)]. • <u>Disability or death benefits and lottery receipts</u> paid periodically, rather than in a single lump sum [24 CFR 5.609(b)(4) and HCV, p. 5-14]. <p>Lump-Sum Payments for the Delayed Start of a Periodic Payment Most lump-sums received as a result of delays in processing periodic payments, such as unemployment or welfare assistance, are counted as income. However, lump-sum receipts for the delayed start of periodic social security or supplemental security income (SSI) payments are not counted as income [CFR 5.609(b)(4)]. Additionally, any deferred disability benefits that are received in a lump-sum or in prospective monthly amounts from the Department of Veterans Affairs are to be excluded from annual income [FR Notice 11/24/08].</p> <p><u>PHA Policy</u> When a delayed-start payment is received and reported during the period in which the PHA is processing an annual reexamination, the PHA will adjust the family share and PHA subsidy retroactively for the period the payment was intended to cover. The family may pay in full any amount due or request to enter into a repayment agreement with the PHA.</p> <p>Periodic Payments <u>Excluded</u> from Annual Income</p> <ul style="list-style-type: none"> • Payments received for the <u>care of foster children or foster adults</u> (usually persons with disabilities, unrelated to the assisted family, who are unable to live alone) [24 CFR 5.609(c)(2)]. Kinship guardianship assistance payments (Kin-GAP) and other similar guardianship payments are treated the same as foster care payments and are likewise excluded from annual income [Notice PIH 2008-30]. <p><u>PHA Policy</u> The PHA will exclude payments for the care of foster children and foster adults only if the care is provided through an official arrangement with a local welfare agency [HCV GB, p. 5-18].</p> <ul style="list-style-type: none"> • Amounts paid by a state agency to a family with a <u>member who has a developmental disability and is living at home</u> to offset the cost of services and equipment needed to keep the developmentally disabled family member at home [24 CFR 5.609(c)(16)].
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		<ul style="list-style-type: none"> • Amounts received under the <u>Low-Income Home Energy Assistance Program</u> (42 U.S.C. 1626(c)) [24 CFR 5.609(c)(17)]. • Amounts received under the <u>Child Care and Development Block Grant Act of 1990</u> (42 U.S.C. 9858q) [24 CFR 5.609(c)(17)]. • <u>Earned Income Tax Credit (EITC)</u> refund payments (26 U.S.C. 32(j)) [24 CFR 5.609(c)(17)]. <i>Note:</i> EITC may be paid periodically if the family elects to receive the amount due as part of payroll payments from an employer. • Lump-sums received as a result of <u>delays in processing Social Security and SSI payments</u> (see section 6-I.J.) [24 CFR 5.609(b)(4)]. • Lump-sums or prospective monthly amounts received as deferred <u>disability benefits from the Department of Veterans Affairs (VA)</u> [FR Notice 11/24/08]. <p>6-I.I. PAYMENTS IN LIEU OF EARNINGS Payments in lieu of earnings, such as unemployment and disability compensation, worker’s compensation, and severance pay, are counted as income [24 CFR 5.609(b)(5)] if they are received either in the form of periodic payments or in the form of a lump-sum amount or prospective monthly amounts for the delayed start of a periodic payment. If they are received in a one-time lump sum (as a settlement, for instance), they are treated as lump-sum receipts [24 CFR 5.609(c)(3)]. (See also the discussion of periodic payments in section 6-I.H and the discussion of lump-sum receipts in section 6-I.G.)</p> <p>6-I.J. WELFARE ASSISTANCE Overview Welfare assistance is counted in annual income. Welfare assistance includes Temporary Assistance for Needy Families (TANF) and any payments to individuals or families based on need that are made under programs funded separately or jointly by federal, state, or local governments [24 CFR 5.603(b)]. Sanctions Resulting in the Reduction of Welfare Benefits [24 CFR 5.615] The PHA must make a special calculation of annual income when the welfare agency imposes certain sanctions on certain families. The full text of the regulation at 24 CFR 5.615 is provided as Exhibit 6-5. The requirements are summarized below. This rule applies only if a family was receiving HCV assistance at the time the sanction was imposed. Covered Families The families covered by 24 CFR 5.615 are those “who receive welfare assistance or other public assistance benefits (‘welfare benefits’) from a State or other public agency (‘welfare agency’) under a program for which Federal, State or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for such assistance” [24 CFR 5.615(b)] Imputed Income When a welfare agency imposes a sanction that reduces a family’s welfare income because the family commits fraud or fails to comply with the agency’s economic self-sufficiency program or work activities requirement, the PHA must include in annual income “imputed” welfare income. The PHA must request that the welfare agency inform the PHA when the benefits of an HCV participant family are reduced. The imputed income is the amount the family would have received if the family had not been sanctioned. This requirement does not apply to reductions in welfare benefits: (1) at the expiration of the lifetime or other time limit on the payment of welfare benefits, (2) if a family member is unable to find employment even though the family member has complied with the welfare agency economic self-sufficiency or work activities requirements, or (3) because a family member has not complied with other welfare agency requirements [24 CFR 5.615(b)(2)]. Offsets The amount of the imputed income is offset by the amount of additional income the family begins to receive after the sanction is imposed. When the additional income equals or exceeds the imputed welfare income, the imputed income is reduced to zero [24 CFR 5.615(c)(4)].</p> <p>6-I.K. PERIODIC AND DETERMINABLE ALLOWANCES [24 CFR 5.609(b)(7)] Annual income includes periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing with an assisted family. Alimony and Child Support</p>
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		<p>The PHA must count alimony or child support amounts awarded as part of a divorce or separation agreement.</p> <p><u>PHA Policy</u> The PHA will count court-awarded amounts for alimony and child support unless the PHA verifies that: (1) the payments are not being made, and (2) the family has made reasonable efforts to collect amounts due, including filing with courts or agencies responsible for enforcing payments [HCV GB, pp. 5-23 and 5-47]. Families who do not have court-awarded alimony and child support awards are not required to seek a court award and are not required to take independent legal action to obtain collection.</p> <p>Regular Contributions or Gifts The PHA must count as income regular monetary and nonmonetary contributions or gifts from persons not residing with an assisted family [24 CFR 5.609(b)(7)]. Temporary, nonrecurring, or sporadic income and gifts are not counted [24 CFR 5.609(c)(9)].</p> <p><u>PHA Policy</u> Examples of regular contributions include: (1) regular payment of a family's bills (e.g., utilities, telephone, rent, credit cards, and car payments), (2) cash or other liquid assets provided to any family member on a regular basis, and (3) "in-kind" contributions such as groceries and clothing provided to a family on a regular basis. Nonmonetary contributions will be valued at the cost of purchasing the items, as determined by the PHA. For contributions that may vary from month to month (e.g., utility payments), the PHA will include an average amount based upon past history.</p> <p>6-I.L. STUDENT FINANCIAL ASSISTANCE [24 CFR 5.609(b)(9)] In 2005, Congress passed a law (for section 8 programs only) requiring that certain student financial assistance be included in annual income. Prior to that, the full amount of student financial assistance was excluded. For some students, the full exclusion still applies.</p> <p>Student Financial Assistance <u>Included</u> in Annual Income [24 CFR 5.609(b)(9) and FR 4/10/06] The regulation requiring the inclusion of certain student financial assistance applies only to students who satisfy all of the following conditions:</p> <ul style="list-style-type: none"> • They are enrolled in an institution of higher education, as defined under the Higher Education Act (HEA) of 1965. • They are seeking or receiving Section 8 assistance on their own—that is, apart from their parents—through the HCV program, the project-based certificate program, the project-based voucher program, or the moderate rehabilitation program. • They are under 24 years of age OR they have no dependent children. <p>For students who satisfy these three conditions, any financial assistance in excess of tuition received: (1) under the 1965 HEA, (2) from a private source, or (3) from an institution of higher education, as defined under the 1965 HEA, must be included in annual income.</p> <p>To determine annual income in accordance with the above requirements, the PHA will use the definitions of <i>dependent child</i>, <i>institution of higher education</i>, and <i>parents</i> in Section 3-II.E, along with the following definitions [FR 4/10/06, pp. 18148-18150]:</p> <ul style="list-style-type: none"> • <i>Assistance under the Higher Education Act of 1965</i> includes Pell Grants, Federal Supplement Educational Opportunity Grants, Academic Achievement Incentive Scholarships, State Assistance under the Leveraging Educational Assistance Partnership Program, the Robert G. Byrd Honors Scholarship Program, and Federal Work Study programs. • <i>Assistance from private sources</i> means assistance from nongovernmental sources, including parents, guardians, and other persons not residing with the student in an HCV assisted unit. • <i>Tuition</i> will have the meaning given this term by the institution of higher education in which the student is enrolled. <p>Student Financial Assistance <u>Excluded</u> from Annual Income [24 CFR 5.609(c)(6)] Any student financial assistance not subject to inclusion under 24 CFR 5.609(b)(9) is fully excluded from annual income under 24 CFR 5.609(c)(6), whether it is paid directly to the student or to the educational institution the student is attending. This includes any financial assistance received by:</p>
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		<ul style="list-style-type: none"> • Students residing with parents who are seeking or receiving Section 8 assistance • Students who are enrolled in an educational institution that does not meet the 1965 HEA definition of <i>institution of higher education</i> • Students who are over 23 AND have at least one dependent child, as defined in Section 3-II.E • Students who are receiving financial assistance through a governmental program not authorized under the 1965 HEA. <p>6-I.M. ADDITIONAL EXCLUSIONS FROM ANNUAL INCOME Other exclusions contained in 24 CFR 5.609(c) that have not been discussed earlier in this chapter include the following:</p> <ul style="list-style-type: none"> • Reimbursement of medical expenses [24 CFR 5.609(c)(4)] • Amounts received by participants in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred and which are made solely to allow participation in a specific program [24 CFR 5.609(c)(8)(iii)] • Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a <u>Plan to Attain Self-Sufficiency (PASS)</u> [(24 CFR 5.609(c)(8)(ii)] • <u>Reparation payments</u> paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era [24 CFR 5.609(c)(10)] • <u>Adoption assistance</u> payments in excess of \$480 per adopted child [24 CFR 5.609(c)(12)] • <u>Refunds or rebates on property taxes</u> paid on the dwelling unit [24 CFR 5.609(c)(15)] • Amounts paid by a state agency to a family with a member who has a <u>developmental disability and is living at home</u> to offset the cost of services and equipment needed to keep the developmentally disabled family member at home [24 CFR 5.609(c)(16)] • Amounts specifically <u>excluded by any other federal statute</u> [24 CFR 5.609(c)(17)]. HUD publishes an updated list of these exclusions periodically. It includes: <ul style="list-style-type: none"> (a) The value of the allotment provided to an eligible household under the Food Stamp Act of 1977 (7 U.S.C. 2017 (b)) (b) Payments to Volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(g), 5058) (c) Payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626(c)) (d) Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 459e) (e) Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f)) (f) Payments received under programs funded in whole or in part under the Job Training Partnership Act (29 U.S.C. 1552(b)) (Effective July 1, 2000, references to Job Training Partnership Act shall be deemed to refer to the corresponding provision of the Workforce Investment Act of 1998 (29 U.S.C. 2931).) (g) Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Pub. L. 94-540, 90 Stat. 2503-04) (h) The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U. S. Claims Court, the interests of individual Indians in trust or restricted lands, including the first \$2,000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands (25 U.S.C. 1407-1408) (i) Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056(f)) (j) Payments received on or after January 1, 1989, from the Agent Orange
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		<p>Settlement Fund or any other fund established pursuant to the settlement in <i>In Re Agent</i>-product liability litigation, M.D.L. No. 381 (E.D.N.Y.)</p> <ul style="list-style-type: none"> (k) Payments received under the Maine Indian Claims Settlement Act of 1980 (25 U.S.C. 1721) (l) The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858q) (m) Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 U.S.C. 32(j)) (n) Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation (Pub. L. 95-433) (o) Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d)) (p) Any allowance paid under the provisions of 38 U.S.C. 1805 to a child suffering from spina bifida who is the child of a Vietnam veteran (38 U.S.C. 1805) (q) Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act (42 U.S.C. 10602) (r) Allowances, earnings and payments to individuals participating in programs under the Workforce Investment Act of 1998 (29 U.S.C. 2931) <p style="text-align: center;">PART II: ADJUSTED INCOME</p> <p>6-II.A. INTRODUCTION</p> <p>Overview HUD regulations require PHAs to deduct from annual income any of five mandatory deductions for which a family qualifies. The resulting amount is the family's adjusted income. Mandatory deductions are found in 24 CFR 5.611.</p> <p>5.611(a) Mandatory deductions. In determining adjusted income, the responsible entity [PHA] must deduct the following amounts from annual income:</p> <ul style="list-style-type: none"> (1) \$480 for each dependent; (2) \$400 for any elderly family or disabled family; (3) The sum of the following, to the extent the sum exceeds three percent of annual income: <ul style="list-style-type: none"> (i) Unreimbursed medical expenses of any elderly family or disabled family; (ii) Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including the member who is a person with disabilities) to be employed. This deduction may not exceed the earned income received by family members who are 18 years of age or older and who are able to work because of such attendant care or auxiliary apparatus; and (4) Any reasonable child care expenses necessary to enable a member of the family to be employed or to further his or her education. <p>This part covers policies related to these mandatory deductions. Verification requirements related to these deductions are found in Chapter 7.</p> <p>Anticipating Expenses</p> <p><u>PHA Policy</u> Generally, the PHA will use current circumstances to anticipate expenses. When possible, for costs that are expected to fluctuate during the year (e.g., child care during school and nonschool periods and cyclical medical expenses), the PHA will estimate costs based on historic data and known future costs. If a family has an accumulated debt for medical or disability assistance expenses, the PHA will include as an eligible expense the portion of the debt that the family expects to pay during the period for which the income determination is being made. However, amounts previously deducted will not be allowed even if the amounts were not paid as expected in a preceding period. The PHA may require the family to provide documentation of payments made in the preceding year.</p> <p>6-II.B. DEPENDENT DEDUCTION A deduction of \$480 is taken for each dependent [24 CFR 5.611(a)(1)]. <i>Dependent</i> is defined as any family member other than the head, spouse, or cohead who is under the age of 18 or who is 18 or older and is a person with disabilities or a full-time student.</p>
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Foster children, foster adults, and live-in aides are never considered dependents [24 CFR 5.603(b)].

6-II.C. ELDERLY OR DISABLED FAMILY DEDUCTION

A single deduction of \$400 is taken for any elderly or disabled family [24 CFR 5.611(a)(2)]. An *elderly family* is a family whose head, spouse, cohead, or sole member is 62 years of age or older, and a *disabled family* is a family whose head, spouse, cohead, or sole member is a person with disabilities [24 CFR 5.403].

6-II.D. MEDICAL EXPENSES DEDUCTION [24 CFR 5.611(a)(3)(i)]

Unreimbursed medical expenses may be deducted to the extent that, in combination with any disability assistance expenses, they exceed three percent of annual income. The medical expense deduction is permitted only for families in which the head, spouse, or cohead is at least 62 or is a person with disabilities. If a family is eligible for a medical expense deduction, the medical expenses of all family members are counted [VG, p. 28].

Definition of Medical Expenses

HUD regulations define *medical expenses* at 24 CFR 5.603(b) to mean “medical expenses, including medical insurance premiums, that are anticipated during the period for which annual income is computed, and that are not covered by insurance.”

PHA Policy

The most current IRS Publication 502, *Medical and Dental Expenses*, will be used to determine the costs that qualify as medical expenses.

Summary of Allowable Medical Expenses from Publication 502	
Services of medical professionals	Substance abuse treatment
Surgery and medical procedures that are necessary, legal, noncosmetic	Psychiatric services
Services of medical facilities	Ambulatory care services
Hospitalization, long-term care, and in-home nursing services	The cost of medical equipment, such as crutches, wheelchairs, and prostheses
Prescription medicines and insulin, but <u>not</u> nonprescription medicines even if recommended by a doctor	Cost and maintenance of medical equipment
Improvements to housing directly related to medical needs (e.g., ramps for a wheel chair, handrails)	

Note: This chart provides a summary of eligible medical expenses only. Defer to IRS Publication 502. Medical expenses are considered only to the extent they are not reimbursed.

Families That Qualify for Both Medical and Disability Assistance Expenses

PHA Policy

This policy applies only to families in which the head, spouse, or cohead is 62 or older or is a person with disabilities.

When expenses anticipated by a family could be defined as either medical or disability assistance expenses, the PHA will consider them medical expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

6-II.E. DISABILITY ASSISTANCE EXPENSES DEDUCTION [24 CFR 5.603(b) and 24 CFR 5.611(a)(3)(ii)]

Reasonable expenses for attendant care and auxiliary apparatus for a disabled family member may be deducted if they: (1) are necessary to enable a family member 18 years or older to work, (2) are not paid to a family member or reimbursed by an outside source, (3) in combination with any medical expenses, exceed three percent of annual income, and (4) do not exceed the earned income received by the family member who is enabled to work.

Earned Income Limit on the Disability Assistance Expense Deduction

A family can qualify for the disability assistance expense deduction only if at least one family member (who may be the person with disabilities) is enabled to work [24 CFR 5.603(b)].

The disability expense deduction is capped by the amount of “earned income received by family members who are 18 years of age or older and who are able to work” because of the expense [24 CFR 5.611(a)(3)(ii)]. The earned income used for this purpose is the amount verified before any earned income disallowances or income exclusions are

		<p>applied.</p> <p><u>PHA Policy</u> The family must identify the family members enabled to work as a result of the disability assistance expenses. In evaluating the family’s request, the PHA will consider factors such as how the work schedule of the relevant family members relates to the hours of care provided, the time required for transportation, the relationship of the family members to the person with disabilities, and any special needs of the person with disabilities that might determine which family members are enabled to work. When the PHA determines that the disability assistance expenses enable more than one family member to work, the expenses will be capped by the sum of the family members’ incomes.</p> <p>Eligible Disability Expenses Examples of auxiliary apparatus are provided in the <i>HCV Guidebook</i> as follows: “Auxiliary apparatus are items such as wheelchairs, ramps, adaptations to vehicles, or special equipment to enable a blind person to read or type, but only if these items are directly related to permitting the disabled person or other family member to work” [HCV GB, p. 5-30]. HUD advises PHAs to further define and describe auxiliary apparatus [VG, p. 30].</p> <p>Eligible Auxiliary Apparatus <u>PHA Policy</u> Expenses incurred for maintaining or repairing an auxiliary apparatus are eligible. In the case of an apparatus that is specially adapted to accommodate a person with disabilities (e.g., a vehicle or computer), the cost to maintain the special adaptations (but not maintenance of the apparatus itself) is an eligible expense. The cost of service animals trained to give assistance to persons with disabilities, including the cost of acquiring the animal, veterinary care, food, grooming, and other continuing costs of care, will be included.</p> <p>Eligible Attendant Care The family determines the type of attendant care that is appropriate for the person with disabilities. <u>PHA Policy</u> Attendant care includes, but is not limited to, reasonable costs for home medical care, nursing services, in-home or center-based care services, interpreters for persons with hearing impairments, and readers for persons with visual disabilities. Attendant care expenses will be included for the period that the person enabled to work is employed plus reasonable transportation time. The cost of general housekeeping and personal services is not an eligible attendant care expense. However, if the person enabled to work is the person with disabilities, personal services necessary to enable the person with disabilities to work are eligible. If the care attendant also provides other services to the family, the PHA will prorate the cost and allow only that portion of the expenses attributable to attendant care that enables a family member to work. For example, if the care provider also cares for a child who is not the person with disabilities, the cost of care must be prorated. Unless otherwise specified by the care provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.</p> <p>Payments to Family Members No disability assistance expenses may be deducted for payments to a member of an assisted family [24 CFR 5.603(b)]. However, expenses paid to a relative who is not a member of the assisted family may be deducted if they are not reimbursed by an outside source.</p> <p>Necessary and Reasonable Expenses The family determines the type of care or auxiliary apparatus to be provided and must describe how the expenses enable a family member to work. The family must certify that the disability assistance expenses are necessary and are not paid or reimbursed by any other source. <u>PHA Policy</u> The PHA determines the reasonableness of the expenses based on typical costs of care or apparatus in the locality. To establish typical costs, the PHA will collect information from organizations that provide services and support to persons with disabilities. A family may present, and the PHA will consider, the family’s justification for costs that exceed typical costs in the area.</p> <p>Families That Qualify for Both Medical and Disability Assistance Expenses <u>PHA Policy</u> This policy applies only to families in which the head or spouse is 62 or</p>
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		<p>older or is a person with disabilities. When expenses anticipated by a family could be defined as either medical or disability assistance expenses, the PHA will consider them medical expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.</p> <p>6-II.F. CHILD CARE EXPENSE DEDUCTION HUD defines <i>child care expenses</i> at 24 CFR 5.603(b) as “amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care. In the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.”</p> <p>Clarifying the Meaning of Child for This Deduction Child care expenses do not include child support payments made to another on behalf of a minor who is not living in an assisted family’s household [VG, p. 26]. However, child care expenses for foster children that are living in the assisted family’s household, are included when determining the family’s child care expenses [HCV GB, p. 5-29].</p> <p>Qualifying for the Deduction <i>Determining Who Is Enabled to Pursue an Eligible Activity</i> <u>PHA Policy</u> The family must identify the family member(s) enabled to pursue an eligible activity. The term <i>eligible activity</i> in this section means any of the activities that may make the family eligible for a child care deduction (seeking work, pursuing an education, or being gainfully employed). In evaluating the family’s request, the PHA will consider factors such as how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.</p> <p><i>Seeking Work</i> <u>PHA Policy</u> If the child care expense being claimed is to enable a family member to seek employment, the family must provide evidence of the family member’s efforts to obtain employment at each reexamination. The deduction may be reduced or denied if the family member’s job search efforts are not commensurate with the child care expense being allowed by the PHA.</p> <p><i>Furthering Education</i> <u>PHA Policy</u> If the child care expense being claimed is to enable a family member to further his or her education, the member must be enrolled in school (academic or vocational) or participating in a formal training program. The family member is not required to be a full-time student, but the time spent in educational activities must be commensurate with the child care claimed.</p> <p><i>Being Gainfully Employed</i> <u>PHA Policy</u> If the child care expense being claimed is to enable a family member to be gainfully employed, the family must provide evidence of the family member’s employment during the time that child care is being provided. Gainful employment is any legal work activity (full- or part-time) for which a family member is compensated.</p> <p>Earned Income Limit on Child Care Expense Deduction When a family member looks for work or furthers his or her education, there is no cap on the amount that may be deducted for child care – although the care must still be necessary and reasonable. However, when child care enables a family member to work, the deduction is capped by “the amount of employment income that is included in annual income” [24 CFR 5.603(b)]. The earned income used for this purpose is the amount of earned income verified after any earned income disallowances or income exclusions are applied. When the person who is enabled to work is a person with disabilities who receives the earned income disallowance (EID) or a full-time student whose earned income above \$480 is excluded, child care costs related to enabling a family member to work may not exceed the portion of the person’s earned income that actually is included in annual income. For example, if a family member who qualifies for the EID makes \$15,000 but because of the EID only \$5,000 is included in annual income, child care expenses are limited to \$5,000. The PHA must not limit the deduction to the least expensive type of child care. If the care allows the family to pursue more than one eligible activity, including work, the cap</p>
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is calculated in proportion to the amount of time spent working [HCV GB, p. 5-30].

PHA Policy

When the child care expense being claimed is to enable a family member to work, only one family member's income will be considered for a given period of time. When more than one family member works during a given period, the PHA generally will limit allowable child care expenses to the earned income of the lowest-paid member. The family may provide information that supports a request to designate another family member as the person enabled to work.

Eligible Child Care Expenses

The type of care to be provided is determined by the assisted family. The PHA may not refuse to give a family the child care expense deduction because there is an adult family member in the household that may be available to provide child care [VG, p. 26].

Allowable Child Care Activities

PHA Policy

For school-age children, costs attributable to public or private school activities during standard school hours are not considered. Expenses incurred for supervised activities after school or during school holidays (e.g., summer day camp, after-school sports league) are allowable forms of child care.

The costs of general housekeeping and personal services are not eligible. Likewise, child care expenses paid to a family member who lives in the family's unit are not eligible; however, payments for child care to relatives who do not live in the unit are eligible.

If a child care provider also renders other services to a family or child care is used to enable a family member to conduct activities that are not eligible for consideration, the PHA will prorate the costs and allow only that portion of the expenses that is attributable to child care for eligible activities. For example, if the care provider also cares for a child with disabilities who is 13 or older, the cost of care will be prorated. Unless otherwise specified by the child care provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

Necessary and Reasonable Costs

Child care expenses will be considered necessary if: (1) a family adequately explains how the care enables a family member to work, actively seek employment, or further his or her education, and (2) the family certifies, and the child care provider verifies, that the expenses are not paid or reimbursed by any other source.

PHA Policy

Child care expenses will be considered for the time required for the eligible activity plus reasonable transportation time. For child care that enables a family member to go to school, the time allowed may include not more than one study hour for each hour spent in class.

To establish the reasonableness of child care costs, the PHA will use the schedule of child care costs from the local welfare agency. Families may present, and the PHA will consider, justification for costs that exceed typical costs in the area.

PART III: CALCULATING FAMILY SHARE AND PHA SUBSIDY

6-III.A. OVERVIEW OF RENT AND SUBSIDY CALCULATIONS

TTP Formula [24 CFR 5.628]

HUD regulations specify the formula for calculating the total tenant payment (TTP) for an assisted family. TTP is the highest of the following amounts, rounded to the nearest dollar:

- 30 percent of the family's monthly adjusted income (adjusted income is defined in Part II)
- 10 percent of the family's monthly gross income (annual income, as defined in Part I, divided by 12)
- The welfare rent (in as-paid states only)
- A minimum rent between \$0 and \$50 that is established by the PHA

The PHA has authority to suspend and exempt families from minimum rent when a financial hardship exists, as defined in section 6-III.B.

The amount that a family pays for rent and utilities (the family share) will never be less than the family's TTP but may be greater than the TTP depending on the rent charged for the unit the family selects.

Welfare Rent [24 CFR 5.628]

		<p style="text-align: center;"><u>PHA Policy</u> Welfare rent does not apply in this locality.</p> <p>Minimum Rent [24 CFR 5.630] <u>PHA Policy</u> The minimum rent for this locality is \$50.00.</p> <p>Family Share [24 CFR 982.305(a)(5)] If a family chooses a unit with a gross rent (rent to owner plus an allowance for tenant-paid utilities) that exceeds the PHA's applicable payment standard: (1) the family will pay more than the TTP, and (2) at initial occupancy the PHA may not approve the tenancy if it would require the family share to exceed 40 percent of the family's monthly adjusted income. The income used for this determination must have been verified no earlier than 60 days before the family's voucher was issued. (For a discussion of the application of payment standards, see section 6-III.C.)</p> <p>PHA Subsidy [24 CFR 982.505(b)] The PHA will pay a monthly housing assistance payment (HAP) for a family that is equal to the lower of (1) the applicable payment standard for the family minus the family's TTP or (2) the gross rent for the family's unit minus the TTP. (For a discussion of the application of payment standards, see section 6-III.C.)</p> <p>Utility Reimbursement [24 CFR 982.514(b)] When the PHA subsidy for a family exceeds the rent to owner, the family is due a utility reimbursement. HUD permits the PHA to pay the reimbursement to the family or directly to the utility provider.</p> <p style="text-align: center;"><u>PHA Policy</u> The PHA will make utility reimbursements to the family. Families are required to set up an account to receive payments electronically. No checks will be issued.</p> <p>6-III.B. FINANCIAL HARDSHIPS AFFECTING MINIMUM RENT [24 CFR 5.630] Overview If the PHA establishes a minimum rent greater than zero, the PHA must grant an exemption from the minimum rent if a family is unable to pay the minimum rent because of financial hardship. The financial hardship exemption applies only to families required to pay the minimum rent. If a family's TTP is higher than the minimum rent, the family is not eligible for a hardship exemption. If the PHA determines that a hardship exists, the family share is the highest of the remaining components of the family's calculated TTP.</p> <p>HUD-Defined Financial Hardship Financial hardship includes the following situations:</p> <ol style="list-style-type: none"> (1) The family has lost eligibility for or is awaiting an eligibility determination for a federal, state, or local assistance program. This includes a family member who is a noncitizen lawfully admitted for permanent residence under the Immigration and Nationality Act who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Act of 1996. <u>PHA Policy</u> A hardship will be considered to exist only if the loss of eligibility has an impact on the family's ability to pay the minimum rent. For a family waiting for a determination of eligibility, the hardship period will end as of the first of the month following: (1) implementation of assistance, if approved, or (2) the decision to deny assistance. A family whose request for assistance is denied may request a hardship exemption based upon one of the other allowable hardship circumstances. (2) The family would be evicted because it is unable to pay the minimum rent. <u>PHA Policy</u> For a family to qualify under this provision, the cause of the potential eviction must be the family's failure to pay rent to the owner or tenant-paid utilities. (3) Family income has decreased because of changed family circumstances, including the loss of employment. (4) A death has occurred in the family. <u>PHA Policy</u> In order to qualify under this provision, a family must describe how the death has created a financial hardship (e.g., because of funeral-related expenses or the loss of the family member's income). (5) The family has experienced other circumstances determined by the PHA. <u>PHA Policy</u> The PHA has not established any additional hardship criteria. <p>Implementation of Hardship Exemption Determination of Hardship When a family requests a financial hardship exemption, the PHA must suspend the</p>
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		<p>minimum rent requirement beginning the first of the month following the family's request. The PHA then determines whether the financial hardship exists and whether the hardship is temporary or long-term. <u>PHA Policy</u> The PHA defines temporary hardship as a hardship expected to last 90 days or less. Long-term hardship is defined as a hardship expected to last more than 90 days. When the minimum rent is suspended, the family share reverts to the highest of the remaining components of the calculated TTP. The example below demonstrates the effect of the minimum rent exemption.</p>
<p>Example: Impact of Minimum Rent Exemption Assume the PHA has established a minimum rent of \$35.</p>		
<p>Family Share – No Hardship</p>		<p>Family Share – With Hardship</p>
<p>monthly adjusted income</p>	<p>\$0</p>	<p>30% of monthly adjusted income</p>
<p>monthly gross income</p>	<p>\$15</p>	<p>10% of monthly gross income</p>
<p>Welfare rent</p>	<p>N/A</p>	<p>Welfare rent</p>
<p>Minimum rent</p>	<p>\$35</p>	<p>Minimum rent</p>
<p>Minimum rent applies. TTP = \$35</p>	<p>Hardship exemption granted TTP = \$15</p>	
<p><u>PHA Policy</u> To qualify for a hardship exemption, a family must submit a request for a hardship exemption in writing. The request must explain the nature of the hardship and how the hardship has affected the family's ability to pay the minimum rent. The PHA will make the determination of hardship within 30 calendar days.</p> <p>No Financial Hardship If the PHA determines there is no financial hardship, the PHA will reinstate the minimum rent and require the family to repay the amounts suspended.</p> <p><u>PHA Policy</u> The PHA will require the family to repay the suspended amount within 30 calendar days of the PHA's notice that a hardship exemption has not been granted.</p> <p>Temporary Hardship If the PHA determines that a qualifying financial hardship is temporary, the PHA must suspend the minimum rent for the 90-day period beginning the first of the month following the date of the family's request for a hardship exemption. At the end of the 90-day suspension period, the family must resume payment of the minimum rent and must repay the PHA the amounts suspended. HUD requires the PHA to offer a reasonable repayment agreement, on terms and conditions established by the PHA. The PHA also may determine that circumstances have changed and the hardship is now a long-term hardship.</p> <p><u>PHA Policy</u> The PHA will enter into a repayment agreement in accordance with the procedures found in Chapter 16 of this plan.</p> <p>Long-Term Hardship If the PHA determines that the financial hardship is long-term, the PHA must exempt the family from the minimum rent requirement for so long as the hardship continues. The exemption will apply from the first of the month following the family's request until the end of the qualifying hardship. When the financial hardship has been determined to be long-term, the family is not required to repay the minimum rent.</p> <p><u>PHA Policy</u> The hardship period ends when any of the following circumstances apply:</p> <ol style="list-style-type: none"> (1) At an interim or annual reexamination, the family's calculated TTP is greater than the minimum rent. (2) For hardship conditions based on loss of income, the hardship condition will continue to be recognized until new sources of income are received that are at least equal to the amount lost. For example, if a hardship is approved because a family no longer receives a \$60/month child support payment, the hardship will continue to exist until the family receives at least \$60/month in income from another source or once again begins to receive the child support. (3) For hardship conditions based upon hardship-related expenses, the minimum rent exemption will continue to be recognized until the cumulative amount exempted is equal to the expense incurred. <p>6-III.C. APPLYING PAYMENT STANDARDS [24 CFR 982.505]</p>		

		<p>Overview The PHA’s schedule of payment standards is used to calculate housing assistance payments for HCV families. This section covers the application of the PHA’s payment standards. The establishment and revision of the PHA’s payment standard schedule are covered in Chapter 16. <i>Payment standard</i> is defined as “the maximum monthly assistance payment for a family assisted in the voucher program (before deducting the total tenant payment by the family)” [24 CFR 982.4(b)]. The payment standard for a family is the lower of (1) the payment standard for the family unit size, which is defined as the appropriate number of bedrooms for the family under the PHA’s subsidy standards [24 CFR 982.4(b)], or (2) the payment standard for the size of the dwelling unit rented by the family. If the PHA has established an exception payment standard for a designated part of an FMR area and a family’s unit is located in the exception area, the PHA must use the appropriate payment standard for the exception area. The PHA is required to pay a monthly housing assistance payment (HAP) for a family that is the lower of (1) the payment standard for the family minus the family’s TTP or (2) the gross rent for the family’s unit minus the TTP. If during the term of the HAP contract for a family’s unit, the owner lowers the rent, the PHA will recalculate the HAP using the lower of the initial payment standard or the gross rent for the unit [HCV GB, p. 7-8]. The PHA uses the HUD published 90% Payment Standard for Boone County for families receiving assistance under the Boone County HCV funding. Such Payment Standard is subject to periodic adjustment by HUD.</p> <p>Changes in Payment Standards When the PHA revises its payment standards during the term of the HAP contract for a family’s unit, it will apply the new payment standards in accordance with HUD regulations.</p> <p>Decreases If the amount on the payment standard schedule is decreased during the term of the HAP contract, the lower payment standard generally will be used beginning at the effective date of the family’s second regular reexamination following the effective date of the decrease in the payment standard. The PHA will determine the payment standard for the family as follows: Step 1: At the first regular reexamination following the decrease in the payment standard, the PHA will determine the payment standard for the family using the lower of the payment standard for the family unit size or the size of the dwelling unit rented by the family. Step 2: The PHA will compare the payment standard from step 1 to the payment standard last used to calculate the monthly housing assistance payment for the family. The payment standard used by the PHA at the first regular reexamination following the decrease in the payment standard will be the higher of these two payment standards. The PHA will advise the family that the application of the lower payment standard will be deferred until the second regular reexamination following the effective date of the decrease in the payment standard. Step 3: At the second regular reexamination following the decrease in the payment standard, the lower payment standard will be used to calculate the monthly housing assistance payment for the family unless the PHA has subsequently increased the payment standard, in which case the payment standard will be determined in accordance with procedures for increases in payment standards described below.</p> <p>Increases If the payment standard is increased during the term of the HAP contract, the increased payment standard will be used to calculate the monthly housing assistance payment for the family beginning on the effective date of the family’s first regular reexamination on or after the effective date of the increase in the payment standard. Families requiring or requesting interim reexaminations will not have their HAP payments calculated using the higher payment standard until their next annual reexamination [HCV GB, p. 7-8].</p> <p>Changes in Family Unit Size Irrespective of any increase or decrease in the payment standard, if the family unit size increases or decreases during the HAP contract term, the new family unit size must be used to determine the payment standard for the family beginning at the family’s first regular reexamination following the change in family unit size.</p> <p>Reasonable Accommodation If a family requires a higher payment standard as a reasonable accommodation for a family member who is a person with disabilities, the PHA is allowed to establish a higher payment standard for the family within the basic range.</p> <p>6-III.D. APPLYING UTILITY ALLOWANCES [24 CFR 982.517] Overview</p>
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		<p>A PHA-established utility allowance schedule is used in determining family share and PHA subsidy. The PHA must use the appropriate utility allowance for the size of dwelling unit actually leased by a family rather than the voucher unit size for which the family qualifies using PHA subsidy standards. See Chapter 5 for information on the PHA's subsidy standards.</p> <p>For policies on establishing and updating utility allowances, see Chapter 16.</p> <p>Reasonable Accommodation HCV program regulations require a PHA to approve a utility allowance amount higher than shown on the PHA's schedule if a higher allowance is needed as a reasonable accommodation for a family member with a disability. For example, if a family member with a disability requires such an accommodation, the PHA will approve an allowance for air-conditioning, even if the PHA has determined that an allowance for air-conditioning generally is not needed.</p> <p>The family must request the higher allowance and provide the PHA with an explanation of the need for the reasonable accommodation and information about the amount of additional allowance required [HCV GB, p. 18-8].</p> <p>Utility Allowance Revisions At reexamination, the PHA must use the PHA current utility allowance schedule [24 CFR 982.517(d)(2)].</p> <p><u>PHA Policy</u> Revised utility allowances will be applied to a family's rent and subsidy calculations at the first annual and interim reexamination that is effective after the allowance is adopted.</p> <p>6-III.E. PRORATED ASSISTANCE FOR MIXED FAMILIES [24 CFR 5.520] HUD regulations prohibit assistance to ineligible family members. A <i>mixed family</i> is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible family members. The PHA must prorate the assistance provided to a mixed family. The PHA will first determine assistance as if all family members were eligible and then prorate the assistance based upon the percentage of family members that actually are eligible. For example, if the PHA subsidy for a family is calculated at \$500 and two of four family members are ineligible, the PHA subsidy would be reduced to \$250.</p>
4.	Operation and Management	No Change.
5.	Grievance Procedure	<p style="text-align: center;">PART III: INFORMAL REVIEWS AND HEARINGS</p> <p>16-III.A. OVERVIEW When the PHA makes a decision that has a negative impact on a family, the family is often entitled to appeal the decision. For applicants, the appeal takes the form of an informal review; for participants, or for applicants denied admission because of citizenship issues, the appeal takes the form of an informal hearing. PHAs are required to include in their administrative plans, informal review procedures for applicants, and informal hearing procedures for participants [24 CFR 982.54(d)(12) and (13)].</p> <p>16-III.B. INFORMAL REVIEWS Informal reviews are provided for program applicants. An applicant is someone who has applied for admission to the program, but is not yet a participant in the program. Informal reviews are intended to provide a "minimum hearing requirement" [24 CFR 982.554], and need not be as elaborate as the informal hearing requirements. (Federal Register Volume 60, No. 127, p 36490).</p> <p>Decisions Subject to Informal Review The PHA must give an applicant the opportunity for an informal review of a decision denying assistance [24 CFR 982.554(a)]. Denial of assistance may include any or all of the following [24 CFR 982.552(a)(2)]:</p> <ul style="list-style-type: none"> • Denying listing on the PHA waiting list • Denying or withdrawing a voucher • Refusing to enter into a HAP contract or approve a lease • Refusing to process or provide assistance under portability procedures • Denial of assistance based on an unfavorable history that may be the result of

		<p>domestic violence, dating violence or stalking. (See Section 3-III.G.) Informal reviews are <i>not</i> required for the following reasons [24 CFR 982.554(c)]:</p> <ul style="list-style-type: none"> • Discretionary administrative determinations by the PHA • General policy issues or class grievances • A determination of the family unit size under the PHA subsidy standards • A PHA determination not to grant approval of the tenancy • A PHA determination that the unit is not in compliance with the HQS • A PHA determination that the unit is not in accordance with the HQS due to family size or composition <p><u>PHA Policy</u> The PHA will only offer an informal review to applicants for whom assistance is being denied. Denial of assistance includes: denying listing on the PHA waiting list; denying or withdrawing a voucher; refusing to enter into a HAP contract or approve a lease; refusing to process or provide assistance under portability procedures.</p> <p>Notice to the Applicant [24 CFR 982.554(a)] The PHA must give an applicant prompt notice of a decision denying assistance. The notice must contain a brief statement of the reasons for the PHA decision, and must also state that the applicant may request an informal review of the decision. The notice must describe how to obtain the informal review.</p> <p>Scheduling an Informal Review <u>PHA Policy</u> A request for an informal review must be made in writing and delivered to the PHA either in person or by first class mail, by the close of the business day, no later than 10 business days from the date of the PHA’s denial of assistance. Except as provided in Section 3-III.G, the PHA must schedule and send written notice of the informal review within 10 business days of the family’s request.</p> <p>Informal Review Procedures [24 CFR 982.554(b)] <u>PHA Policy</u> The informal review must be conducted by a person other than the one who made or approved the decision under review, or a subordinate of this person. The applicant must be provided an opportunity to present written or oral objections to the decision of the PHA. The person conducting the review will make a recommendation to the PHA, but the PHA is responsible for making the final decision as to whether assistance should be granted or denied.</p> <p>Informal Review Decision [24 CFR 982.554(b)] The PHA must notify the applicant of the PHA’s final decision, including a brief statement of the reasons for the final decision. <u>PHA Policy</u> In rendering a decision, the PHA will evaluate the following matters: Whether or not the grounds for denial were stated factually in the Notice. The validity of grounds for denial of assistance. If the grounds for denial are not specified in the regulations, then the decision to deny assistance will be overturned. The validity of the evidence. The PHA will evaluate whether the facts presented prove the grounds for denial of assistance. If the facts prove that there are grounds for denial, and the denial is required by HUD, the PHA will uphold the decision to deny assistance. If the facts prove the grounds for denial, and the denial is discretionary, the PHA will consider the recommendation of the person conducting the informal review in making the final decision whether to deny assistance. The PHA will notify the applicant of the final decision, including a statement explaining the reason(s) for the decision. The notice will be mailed within 10 business days of the informal review, to the applicant and his or her representative, if any, along with proof of mailing. If the decision to deny is overturned as a result of the informal review, processing for admission will resume. If the family fails to appear for their informal review, the denial of admission will stand and the family will be so notified.</p>
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6.	Designated Housing for Elderly and Disabled Families	No Change.
7.	Community Service and Self Sufficiency	No Change.
8.	Safety and Crime Prevention	No Change.
9.	Pets	No Change.
10.	Civil Rights Certification	<p>The housing authority provides evidence of consistency with the applicable Consolidated Plan by utilizing the Illinois Housing Development Authority (IHDA) Consolidated Plan, and receiving confirmation and review of IHDA approval of the PHA Plan utilizing the HUD 50075. The PHA assures furthering fair housing and overcoming impediments through Addendum A of its policies as follows: Addendum A - BCHA HCV Administrative Plan</p> <p style="text-align: center;"><u>BCHA STATEMENT REGARDING AFFIRMATIVELY FURTHERING FAIR HOUSING</u></p> <p style="text-align: center;"><u>REMEDYING DISCRIMINATION IN HOUSING</u></p> <p style="text-align: center;"><u>PROMOTING FAIR HOUSING RIGHTS AND CHOICE</u></p> <p style="text-align: center;"><u>OVERCOMING IMPEDIEMENTS TO FAIR HOUSING CHOICE IDENTIFIED IN THE AI TO FAIR HOUSING CHOICE</u></p> <p>It is the policy of the Boone County 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.</p> <p>The BCHA shall not deny any family or individual the equal opportunity to apply for or receive assistance under any housing programs on the basis of race, color, sex, religion, creed, national or ethnic origin, age, familial or marital status, handicap or disability or sexual orientation.</p> <p>To further its commitment to full compliance with applicable Civil Rights laws, the PHA will provide Federal/State/local information to applicants and tenants regarding unlawful discrimination and any recourse available to families who believe they are victims of a discriminatory act. Such information will be made available during the application process, subsequent briefing session, as well as during residency with BCHA. All applicable Fair Housing Information and Discrimination Complaint Forms will be made a part of the applicant's/resident's briefing packet and available at both the BCHA central office and each of its housing sites. Fair Housing posters are posted throughout the Housing Authority office/s, including in the lobby and interview rooms and the equal opportunity logo will be used on all outreach materials.</p> <p>In addition, BCHA works closely with Prairie State Legal Services, Inc., a local organization that provides free legal services to the low income, the elderly, the physically and mentally disabled, as well as other vulnerable individuals in our community. Annually, Prairie State Legal Services, Inc. conducts fair housing training that stresses the importance of affirmatively furthering fair housing and providing equal opportunity to all families, including providing reasonable accommodations to persons with disabilities, as a part of the overall commitment to quality customer service. This annual training is mandatory for all BCHA staff as well as other local fair housing update training sponsored by HUD and other local organizations to remain current with new developments.</p> <p>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 BCHA's facilities are inaccessible to or unusable by persons with disabilities. Posters and housing information are displayed in locations throughout BCHA's offices in such a manner as to be easily readable from a wheelchair. The BCHA's site management offices are accessible to persons with disabilities. Accessibility for the hearing impaired is provided by the TDD telephone service provider.</p>

		<p>It is the policy of the Boone County Housing Authority to provide courteous and efficient service to all applicants for housing assistance. In that regard, the BCHA will endeavor to accommodate persons with disabilities, as well as those persons with language and literacy barriers.</p> <p>This policy is applicable to all situations including when a family initiates contact with the BCHA, when the BCHA initiates contact with a family including when a family applies, and when the BCHA schedules or reschedules appointments of any kind.</p> <p>It is the policy of this BCHA to be service-directed in the administration of our housing programs, and to exercise and demonstrate a high level of professionalism while providing housing services to the families within our jurisdiction.</p> <p>The BCHA's policies and practices will be designed to provide assurances that all persons with disabilities will be provided reasonable accommodation so that they may fully access and utilize the housing program and related services. The availability of specific accommodations will be made known by including notices on BCHA forms and letters to all families, and all requests will be verified so that the BCHA can properly accommodate the need presented by the disability.</p> <p>In an attempt to be proactive in assisting individuals to overcome the impediments to fair housing choice, the BCHA is taking the following steps:</p> <ul style="list-style-type: none"> ▪ Overcoming spatial separation and segregation by making all assisted housing available in the metropolitan area a resource to be used through establishment of a consolidated waiting list for assisted housing which overcomes jurisdictional and artificial program delivery barriers. ▪ Affirmatively furthering fair housing throughout the metropolitan area, thereby integrating waiting lists, broadening the housing choices available to all those eligible for assisted housing, and encouraging applicants to consider racially non-impacted locations (an area where the racial or ethnic group is less than 30%) and participation in programs typically avoided. ▪ Making public housing a path to social and economic mobility, rather than housing of last resort by targeting selected developments for modernization and for other improvements and facilities to make them attractive to current residents and to suburban residents; this also counterbalances concerns that only suburban housing opportunities are being offered. ▪ BCHA continues to market its HCV FSS Homeownership program to all eligible persons, including persons with disabilities and persons with LEP. ▪ Making buildings and communications that facilitate applications and service delivery accessible to persons with disabilities. ▪ Securing the cooperation of other important partners whose impact upon fair housing is substantial, including jobs, schools, transportation, and social services (e.g., private providers using HUD-assisted and -insured programs, important industries in the area who can provide job opportunities, and Government and not-for-profit agencies that provide social services). ▪ Serving as a model approach to other situations where housing within a metropolitan area is segregated by jurisdiction and by program. ▪ Breaking down the statistically shown racial disparity between HUD's public housing program and its Section 8 Existing Housing program. The BCHA wishes to encourage minorities to consider assisted programs other than public housing, including encouraging non-minorities to consider public housing opportunities that arise sooner than Section 8 units, and encouraging all to consider desegregating moves within assisted and insured programs, whether public, not for-profit, State/local or privately provided, by establishing a one-stop, metropolitan area-wide housing assistance, marketing, information, counseling, and referral center. ▪ Discouraging discrimination in all programs by encouraging all persons regardless of race, color, religion, sex, disability, familial status, or national origin to consider all housing options. <p>BCHA will continue to maintain documentation and records of these steps taken to promote fair housing. These records will include, but are not limited to the race, ethnicity, familial status, and disability status of program participants. In addition, mailing lists will be kept for all landlords and participants to which this outreach and</p>
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		information is being provided.
11.	Fiscal Year Audit	The FY09/30/09 audit is complete and is a separate attachment.
12.	Asset Management	No Change.
13.	Violence Against Women Act (VAWA)	No Change
14.	Carbon Monoxide Detector Act	<p>The housing authority operates in compliance with the Carbon Monoxide Alarm Detector Act for the Section 8 program. The Carbon Monoxide Alarm Act requires that every dwelling unit be equipped with at least one approved carbon monoxide alarm in an operating condition within 15 feet of every room used for sleeping purposes. Provides that the carbon monoxide alarm may be combined with smoke detecting devices provided that the combined unit complies with the respective provisions of the administrative code, reference standards, and departmental rules relating to both smoke detecting devices and carbon monoxide alarms and provided that the combined unit emits an alarm in a manner that clearly differentiates the hazard. Provides that it is the responsibility of the owner of a structure to supply and install all required alarms. Provides that it is the responsibility of a tenant to test and to provide general maintenance for the alarms within the tenant's dwelling unit or rooming unit, and to notify the owner or the authorized agent of the owner in writing of any deficiencies that the tenant cannot correct. Provides that the willful failure to install or maintain in operating condition any carbon monoxide alarm required by the Act is a Class B misdemeanor. Provides that tampering with, removing, destroying, disconnecting, or removing the batteries from any installed carbon monoxide alarm, except in the course of inspection, maintenance, or replacement of the alarm, is a Class A misdemeanor in the case of a first conviction, and a Class 4 felony in the case of a second or subsequent conviction. Provides for exemptions.</p>