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

1.0 **PHA Information**
PHA Name: *HOUSING AUTHORITY OF FRESNO COUNTY* PHA Code: *CA028*
PHA Type: ☐ Small *X High Performing (LIPH)* X Standard (HCV) ☐ HCV (Section 8)
PHA Fiscal Year Beginning: (MM/YYYY): *January 1, 2012*

2.0 **Inventory** (based on ACC units at time of FY beginning in 1.0 above)
Number of PH units: 964 Number of HCV units: 5,111

3.0 **Submission Type**
☐ 5-Year and Annual Plan *X Annual Plan Only* ☐ 5-Year Plan Only

4.0 **PHA Consortia** ☐ 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	
				PH	HCV
PHA 1:					
PHA 2:					
PHA 3:					

5.0 **5-Year Plan.** Complete items 5.1 and 5.2 only at 5-Year Plan update.

N/A

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:

N/A

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.

N/A

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 following PHA Plan elements have been updated:

1. **Eligibility, Selection, and Admission Policies, Including Deconcentration and Wait List Procedures.**
<u>Housing Choice Voucher Program Changes</u>

- Expands definition of family at intake to include "grandchild" and "uncle" as blood relations who are eligible.
- Establishes the time limit for how long a child can be temporarily out of the home due to placement in foster care as 180 days. Over that time frame the child is considered out of the home for purposes of reducing the voucher size.
- Adds clarification that if HAFC exercises administrative discretion to disapprove an owner, the duration of the disapproval will be for three years.
- Modifies deadlines when families are required to report a change to HAFC under program requirements from "within 10 calendar days" to read "or the next day the agency is open after the 10th calendar day".
- Modifies when HAFC will process a family increase of income. While normally increases of income are not processed until the annual reexamination, when families who had zero income obtain a source of income their rent will be adjusted to reflect the new income.
- Modifies method of mandatory reporting of changes by the family to HAFC from "orally or in writing" to "all reporting must be in writing".
- Establishes the procedure HAFC will follow if it becomes necessary to disapprove moves to a higher cost unit or higher cost area due to insufficient funding: 1) this will be announced to all owners and participants; 2) a list of families wanting to move under portability will be retained for 60 days, after which time the list will expire; and 3) families who were on this list at the time it expired and who still want to move will have to initiate a new transfer request.
- Modifies allowable family additions of an adult to the family composition solely for these reasons:
  - The spouse or Registered Domestic Partner of any family member;
  - An adult child due to recent discharge from the military;
  - An adult child or a parent due to a disability; or
  - The biological parent of a minor child.
- The Housing Authority will reduce the instances when it will conduct an interim reexamination by:
  - Omitting those families with incomes below $300/month;
  - Modifying the frequency of those with zero incomes from every 90 days to every 120 days; and

- Omitting the requirement to do 90-day interims for families who receive a utility reimbursement payment from the Housing Authority to state we may conduct one for these families every six months.

- Should funding no longer be available under the Annual Contributions Contracts (ACC) and the Housing Authority has to terminate housing assistance due to the lack of Housing Assistance Payments (HAP) funding, the termination policy will protect the elderly and disabled families and veterans of U.S. Armed Forces, as well as those families that participate in Family Self-Sufficiency, Project-Based Vouchers, and the Section 8 Homeownership Programs. The termination methodology will be determined when needed.
- Adds two definitions related to HAFC policy regarding processing mandatory terminations of assistance: "Serious violation of the lease" includes, but is not limited to a history of non-payment of rent, criminal or drug-related activity, and serious or repeated lease infractions. "Pattern/history of lease violations" is defined as 3 or more notices from the owners and or property managers for serious or repeated lease infractions within a 24-month period.
- Adds to the Project-Based Voucher program a preference for veterans of U.S. Armed Forces who are protected by State law.
- Defines the types of supportive services offered at Project-Based Voucher units which are designated as excepted units for qualifying families to include, but be limited to, the following: 1) after school programs; and 2) educational and computer programs.
- Adds procedures, as required by regulations, as to how the project Management Agent and HAFC will ensure monitoring compliance of mandatory family participation in supportive services for excepted units.
- HAFC is setting aside approximately 20 vouchers for homeless families/individuals, based on referrals from identified agencies with whom we would partner.

Low-Income Public Housing Program Changes

- Tobacco Smoke-Free policy is being implemented to prohibit smoking of tobacco products at apartment complexes, including inside apartments, on balconies, and in common areas, including grounds. Smoking is only allowed in specifically designated areas, if any, outside of buildings. All residents, their guests, Housing Authority employees and vendors must comply with this policy.

6.0

2. Financial Resources

The HAFC anticipates the following financial resources available for the support of the LIPH and HCV programs administered by the HAFC, Public Housing Operating Fund, Public Housing Capital Fund, Public Housing Dwelling Rental Income, and Annual Contributions for HCV, as well as grant funds for ROSS, HMIS, FSS and Shelter Plus Care.

#	Program	Financial Resources
1	PH Op Subsidy	2,435,858
2	Other Housing Programs Assistance	1,182,542
3	HAP Earned	35,999,981
4	Admin Fee Earned	4,169,074
5	ROSS	80,000
6	Cap Fund	1,787,303
7	FSS	196,812
8	PH Dwelling Rents	3,259,794
9	Other Housing Programs Dwelling Rent	920,101
10	Resident Services	31,127

6.0

12. Asset Management

Per 23 CFR 990.255, the Housing Authority of the City of Fresno is managing the public housing properties according to an asset management model, consistent with the management norms in the broader multi-family management industry. HAFC has implemented
Project-based management, project-based budgeting and project-based accounting, which are essential components of asset management. HAFC is performing these asset management functions for the public housing inventory by monitoring development-based financial reports and key property management indicators on a monthly basis. Site visits are conducted and reports are provided by the Property Managers monthly on activities occurring at the development. Capital investment needs monitored on a monthly basis to prioritize urgency and need. Additionally HAFC continues to plan for the long-term operating, capital investment, rehabilitation, modernization, disposition and other needs for the entire inventory.

(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.

- *Main administrative office of the HAFC located at:*
  1331 Fulton Mall, Fresno, CA Telephone (559) 44308400
- *FHA development management offices located at:*

1. *937 Klette, Fresno, CA Telephone (559) 457-4175*
2. *1030 Parlier Avenue, Parlier, CA Telephone (559) 457-4125 or (559) 646-2778*
3. *1625 Allardt Drive, Firebaugh, CA Telephone (559) 457-4100 or (559) 653-3084*

The HAFC official website: www.hafresno.org.

7.0 Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers. *Include statements related to these programs as applicable.*

7a. HOPE VI or Mixed Finance Modernization or Development

Several mixed finance developments are contemplated for development in partnership with the Housing Authority, and may use Public Housing Capital Funds, rental subsidy, RHF, Project Based Vouchers and other available public housing or HUD funds to accomplish these goals.

Villa De Oro

The proposed development of the "Villa de Oro Apartments" is located in the City of Sanger and will help eliminate a blighted parcel of vacant land within the local neighborhood and provide much needed affordable rental housing. HACCF's vision for the project consists of 81 affordable, very-low to moderate income, apartment rental homes and a 2,268 SF community resource building on the subject parcels totaling approximately 5 acres.

Schedule:
07/06/12 Tax Credit Application
09/20/12 Tax Credit Allocation
12/01/12 General Contractor RFP's
03/01/13 Construction Start
03/01/14 Construction Completion
09/01/14 Lease-Up

Firebaugh Gateway Apartments

The proposed development "Firebaugh Gateway Apartments" is located in the City of Firebaugh. The HACCF's vision for the project consists of 19 affordable, very-low to low-income apartment rental homes, and 1 manager's unit.

Schedule:
07/06/12 Tax Credit Application
09/20/12 Tax Credit Allocation
12/01/12 General Contractor RFP's
03/01/13 Construction Start
03/01/14 Construction Completion
09/01/14 Lease-Up

Kingsbury Estates

The proposed development "Kingsbury Estates" is located in the City of Kingsburg. The HACCF's vision for the project consists of 80 affordable, very-low to low-income housing apartment rental homes for elderly residents, and 1 manager's unit.

Schedule:
07/06/12 Tax Credit Application
09/20/12 Tax Credit Allocation
12/01/12 General Contractor RFP's
03/01/13 Construction Start
03/01/14 Construction Completion
09/01/14 Lease-Up

7.0

7b. Demolition and/or Disposition

No demolition/disposition applications are anticipated at this time.

7c. Conversion of Public Housing

No activities under this section are contemplated at this time.

7d. Section 8 Homeownership Option

- The HAFC has established a minimum homeowner down payment requirement of at least 3 percent of the purchase price, and that at least 1 percent of the purchase price comes from the family's resources.
- The HAFC requires that financing for the purchase of a home through the Section 8 homeownership option will be provided,

	insured or guaranteed by the state or Federal government, comply with secondary mortgage market underwriting requirements, or comply with the generally accepted private sector underwriting standards. • The HAFC has partnered with Citibank since 2005 for mortgage financing. **7e. Project Based Vouchers** Project Based Vouchers are anticipated to be utilized at a number of developments. The number and location of PB vouchers expected for 2012- 52 vouchers broken down as follows: ➢ Villa De Oro – located in Sanger (20 vouchers) ➢ Ferry Park Apartments - located in Firebaugh (12 vouchers) ➢ Kingsbury Estates – located in Kingsburg (20 vouchers) Site-based waiting lists will be established for each mixed finance development. Statement of how project basing would be consistent with our PHA Plan: As the Agency strives to provide housing opportunities for individuals and families in need throughout Fresno County, especially those who are most vulnerable, project based vouchers (PBV) are an essential resource. To date, three projects are under consideration targeting persons with very-low incomes, generally below 30-40% of the area median income. Each of the three projects was selected in accordance with HUD Title 24 Part 983.51 and HACCFs Administrative Plan. Selected projects have demonstrated a need for rent subsidy in order to help offset basic operating costs and allow for the projects' financial feasibility**.**
8.0	**Capital Improvements.** Please complete Parts 8.1 through 8.3, as 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 **t**he *Capital Fund Program Annual Statement/Performance and Evaluation Report,* form HUD-50075.1, for each current and open CFP grant and CFFP financing. *Attachment "A" – Capital Fund Program Annual Statement/Performance and Evaluation Report HUD-50075.1*
8.2	**Capital Fund Program Five-Year Action Plan.** As part of the submission of the Annual Plan, PHAs must complete and submit the *Capital Fund Program Five-Year Action Plan,* 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. *Attachment "B" - Capital and Program Five-Year Action Plan HUD-50075.2*
8.3	**Capital Fund Financing Program (CFFP).** ☒ 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.
9.0	**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. *The Consolidated Plan of the jurisdiction supports the HAFC Plan with the following actions and commitments:* *1) Assist in the construction and rehabilitation of new affordable housing units with emphasis on households with five or more members, elderly and the disabled through new home construction and incrased homeownership opportunities;* *2) Assit in the ehabilitation of exting offordable housing stock;* *3) Ensure equal opportunit and affirmatively further fair housing;* *4) Improvement of processes that afect housing affordability;* *5) Provicde assistance to those indivisuals who are homeless or at risk of becoming homeless;* *6) Seek grant opportunities for housing subsidy for low to very low-income households including elderly and non-elderly disabled households;* 7) *Provide housing counseling and economic empowerment services in the community.* **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 HAFC is a federally funded agency that administers housing assistance programs to qualified very low income families, the disabled, and seniors. The HAFC publicizes and disseminates information to make known the availability of housing unit s and housing-relted services for very low-income families on a regular basis. The HAFC communicates the status of housing availability to other service providers in the community,. The HAFC advises them of housing eligibility factors and guidelines in order that they make proper referrals for those who seek housing.*

10.0

Additional Information. Describe the following, as well as any additional information HUD has requested.

(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.

The HAFC has utilized both CFRC and CFRG (formula and competitive Capital Funds) for the development and rehabilitation of housing units in 3 developments within Fresno County.

The HAFC completed development and lease-up of 8 public housing units at Granada Commons, a mixed-finance development in Kerman. This project includes 16 affordable units.

The HAFC completed rehabilitation on 40 public housing units in CA028000001 located in Kerman and 13 public housing units in CA028000002 are currently undergoing rehabilitation to meet UFAS standards.

The ROSS program provides holistic services which include one-on-one case management and group education workshops to adult and youth residents in public housing developments. Youth activities focus on academic development, career awareness, physical fitness, financial education, and other self-development programs to assist them in becoming successful adults. Adult programs provide linkages to resources for education/career advancement awareness, access to job training and Section 3 training and employment opportunities, development of basic life skills, understanding tenant responsibilities, and building credit to become mortgage worthy as a first step toward achieving homeownership. Adult program activities for elderly and disabled clients assist them in achieving self-sufficiency and aging in place. The Program also provides family bonding and neighborhood community building opportunities to assist residents in creating a healthy environment within and outside the complexes.

The HAFC continues to promote self-sufficiency among assisted households. The FSS program is serving approximately 161 families in the County of Fresno. HAFC aggressively promotes homeownership as a means to achieve long-term economic stability. Families receive intensive group and one-on-one housing counseling, including credit education, budgeting, and financial literacy. FSS Coordinators provide linkage to resources within the community to assist participants in achieving self-sufficiency.

HAFC is a HUD-certified Local Housing Counseling Agency (LHCA). It provides one-on-one pre- and post-purchase counseling. Foreclosure intervention, mortgage scams awareness, and a 16-hour extensive Homebuyer Education and Counseling program (HEC). HEC certification fulfills the homeownership education requirements for down payment assistance programs for first-time homebuyers, such as: Fresno City and County down payment assistance program, IDEA, WISH, NSP, CalHFA, Mortgage Assistance Program, etc. The HAFC LHCA has successfully assisted distressed homeowners to prevent foreclosure.

The HAFC Resident Services programs assist youth and adult residents of HAFC affordable housing, and mixed use/tax credit developments to access resources for self-development and self-sufficiency. Service Coordinators provide youth development activities and coordinate workshops in partnership with community organizations to benefits residents. The Program also provides family bonding and neighborhood community building opportunities to assist residents in creating a healthy environment within and outside the complexes.

The HAFC is an active member of the Fresno Madera Continuum of Care (FMCoC). The HAFC continues to be the lead agency in assisting with the preparation and submission of the CoC NOFA to HUD on behalf of the FMCoC. The FMCoC is a community-based organization that addresses the immediate and long-term needs of homeless persons in order to provide them housing and help them reach maximum self-sufficiency. The FMCoC is a collaboration of a broad cross section of community-based organizations and was developed through assessment of the needs and resources required to service the homeless population in the community. HUD views the CoC organizations an entity which provides a comprehensive and strategic approach to addressing homelessness.

(b) **Significant Amendment and Substantial Deviation/Modification**. Provide the PHA's definition of "significant amendment" and "substantial deviation/modification"

Definition of Substantial Deviations and Significant Amendments

As mandated by the U.S. Department of Housing and Urban Development, the Housing Authority must define "What is a substantial change to the Agency Plan?" If a proposed change to the Agency Plan is considered a "substantial change," it must undergo a public process that includes: consultation with the Resident Advisory Board, a public comment period, public notification of where and how the proposed change can be reviewed and approved by the Housing Authority Boards of Commissioners. Therefore, the Housing Authority defines significant changes to the Agency Plan to be:

- Changes to tenant/resident admissions policies;
- Changes to the Housing Choice Voucher and Low Income Public Housing termination policy;
- Changes to the tenant/resident screening policy;
- Changes to public housing rent policies;
- Changes to the organization of the waiting list;
- Changes in the use of replacement reserve funds under the Capital Fund Grant;
- Changes in regards to demolition, disposition, designation, or conversion activities.

An exception to this definition will be made for any of the above that are adopted to reflect changes in HUD regulatory requirements; such changes Will not be considered significant amendments by HUD.

11.0	**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. (a) Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulations* (which includes all certifications relating to Civil Rights) (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. 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. (g) Challenged Elements (h) Form HUD-50075.1, *Capital Fund Program Annual Statement/Performance and Evaluation Report* (PHAs receiving CFP grants only) (i) Form HUD-50075.2, *Capital Fund Program Five-Year Action Plan* (PHAs receiving CFP grants only)

CA028
ATTACHMENT A

SECTION 8.1
CAPITAL FUND PROGRAM
ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORT
(FORM HUD-50075.1)

CA39P02850107
CA39P02850108
CA39P02850109
CA39S02850109
CA02800000209E
CA39P028501-10
CA39P028501-11
CA39P02850105
CA39P02850106
CA39P028501-12

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

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/2011

Part I: Summary

PHA Name: Housing Authority of Fresno County	Grant Type and Number Capital Fund Program Grant No: CA39P02850107 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2007 FFY of Grant Approval: 2007

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

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised[2]	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21)[3]	60,434.81	60,434.81	60,434.81	60,434.81
3	1408 Management Improvements	327,887.28	327,887.28	327,887.28	327,887.28
4	1410 Administration (may not exceed 10% of line 21)	15,789.66	15,789.66	15,789.66	15,789.66
5	1411 Audit	0.00	0.00	0.00	0.00
6	1415 Liquidated Damages	0.00	0.00	0.00	0.00
7	1430 Fees and Costs	26,516.00	26,516.00	26,516.00	26,516.00
8	1440 Site Acquisition	0.00	0.00	0.00	0.00
9	1450 Site Improvement	483,593.00	483,593.00	483,593.00	483,593.00
10	1460 Dwelling Structures	1,250,260.06	1,250,260.06	1,250,260.06	1,250,260.06
11	1465.1 Dwelling Equipment—Nonexpendable	806.57	806.57	806.57	806.57
12	1470 Non-dwelling Structures	0.00	0.00	0.00	0.00
13	1475 Non-dwelling Equipment	172.74	172.74	172.74	172.74
14	1485 Demolition	0.00	0.00	0.00	0.00
15	1492 Moving to Work Demonstration	0.00	0.00	0.00	0.00
16	1495.1 Relocation Costs	14,177.88	14,177.88	14,177.88	14,177.88
17	1499 Development Activities[4]	0.00	0.00	0.00	0.00

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

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

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/2011

Part I: Summary

PHA Name: Housing Authority of Fresno County	Grant Type and Number Capital Fund Program Grant No: CA39P02850107 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant:2007 FFY of Grant Approval: 2007

Type of Grant

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)

☐ Performance and Evaluation Report for Period Ending: ☒ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [2]	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA	0.00	0.00	0.00	0.00
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment	0.00	0.00	0.00	0.00
19	1502 Contingency (may not exceed 8% of line 20)	0.00	0.00	0.00	0.00
20	Amount of Annual Grant:: (sum of lines 2 - 19)	2,179,638.00	2,179,638.00	2,179,638.00	2,179,638.00
21	Amount of line 20 Related to LBP Activities	0.00	0.00	0.00	0.00
22	Amount of line 20 Related to Section 504 Activities	0.00	0.00	0.00	0.00
23	Amount of line 20 Related to Security - Soft Costs	327,887.28	327,887.28	327,887.28	327,887.28
24	Amount of line 20 Related to Security - Hard Costs	0.00	0.00	0.00	0.00
25	Amount of line 20 Related to Energy Conservation Measures	0.00	0.00	0.00	0.00

Signature of Executive Director	Date	Signature of Public Housing Director	Date
[signature]	7/18/11		

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

Part II: Supporting Pages

PHA Name: Housing Authority of Fresno County	Grant Type and Number Capital Fund Program Grant No: CA39P02850107 CFFP (Yes/ No): Replacement Housing Factor Grant No:	Federal FFY of Grant: 2007

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
Mgmt. Improvements								
CA028000001	Security, Youth Mentor, Software	1408		114,768.54	114,768.54	114,768.54	114,768.54	
CA028000002	Security, Youth Mentor, Software			35,091.25	35,091.25	35,091.25	35,091.25	
CA028000003	Security, Youth Mentor, Software			80,320.62	80,320.62	80,320.62	80,320.62	
CA028000004	Security, Youth Mentor, Software			37,794.34	37,794.34	37,794.34	37,794.34	
CA028000005	Security, Youth Mentor, Software			53,152.53	54,031.59	54,031.59	54,031.59	
CA028000006	Security, Youth Mentor, Software			6,760.00	5,880.94	5,880.94	5,880.94	
	Total Management Improvements			**327,887.28**	**327,887.28**	**327,887.28**	**327,887.28**	
Administration								
CA028000001	Travel, Sundry, Admin Fee	1410		4,417.25	4,417.25	4,417.25	4,417.25	
CA028000003	Travel, Sundry, Admin Fee			4,032.36	4,032.36	4,032.36	4,032.36	
CA028000004	Travel, Sundry, Admin Fee			3,382.15	3,382.15	3,382.15	3,382.15	
CA028000005	Travel, Sundry, Admin Fee			3,957.90	3,957.90	3,957.90	3,957.90	
	Total Administration			**15,789.66**	**15,789.66**	**15,789.65**	**15,789.66**	
Fees & Costs								
CA028000001	A&E Costs, Permits, Inspections	1430		22.02	22.02	22.02	22.02	
CA028000002	A&E Costs, Permits, Inspection			7,784.39	7,784.39	7,784.39	7,784.39	
CA028000003	A&E Costs, Permits, Inspections			14,456.77	14,456.77	14,456.77	14,456.77	
CA028000004	A&E Costs, Permits, Inspections			1.08	1.08	1.08	1.08	
CA028000005	A&E Costs, Permits, Inspections			4,251.74	4,251.74	4,251.74	4,251.74	
CA028000006	A&E Costs, Permits, Inspections			0.00	0.00	0.00	0.00	
	Total Fees & Costs			**26,516.00**	**26,516.00**	**26,516.00**	**26,516.00**	
CA028000005								
Mendota Scattered	Office Equipment	1475		172.74	172.74	172.74	172.74	

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Part II: Supporting Pages

PHA Name: Housing Authority of Fresno County	**Grant Type and Number** Capital Fund Program Grant No: CA39P02850107 CFFP (Yes/ No): No Replacement Housing Factor Grant No:	**Federal FFY of Grant: 2007**

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
CA028000001	Site improvements, tree trimming, valves	1450		111,086.74	111,086.74	111,086.74	111,086.74	
Pinedale Complex	Dwelling structures, painting, roofing,	1460		383,150.00	383,150.00	383,150.00	383,150.00	
	Kitchen & bathroom modernization							
	Appliances	1465.1		806.57	806.57	806.57	806.57	
	Total CA028000001 Pinedale Complex			**495,043.31**	**495,043.31**	**495,043.31**	**495,043.31**	
CA028000002	Site improvements, trees, asphalt	1450		73,904.00	73,904.00	73,904.00	73,904.00	
Sanger Elderly	Dwelling Structures	1460		0	0	0	0	
	Total CA028000002 Sanger Elderly			**73,904.00**	**73,904.00**	**73,904.00**	**73,904.00**	
CA028000003	Site improvements, trees, valves, concrete	1450		150,783.85	150,783.85	150,783.85	150,783.85	
Parlier Complex	Dwelling structures, coolers, painting,	1460		441,453.79	441,453.79	441,453.79	441,453.79	
	Kitchens, bathrooms, flooring, asbestos							
	Relocation	1495.1		12,953.28	12,953.28	12,953.28	12,953.28	
	Total CA028000003 Parlier Complex			**605,190.92**	**605,190.92**	**605,190.92**	**605,190.92**	
CA028000004	Site improvements, asphalt, concrete	1450		64,391.00	64,391.00	64,391.00	64,391.00	
Mendoza Terrace	Dwelling structures, kitchens, bathrooms,	1460		425,656.27	425,656.27	425,656.27	425,656.27	
	Painting, coolers							
	Total CA028000004 Mendoza Terrace			**490,047.27**	**490,047.27**	**490,047.27**	**490,047.27**	

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/2011

Part II: Supporting Pages

PHA Name: Housing Authority of Fresno County	Grant Type and Number Capital Fund Program Grant No: CA39P02850107 CFFP (Yes/ No): No Replacement Housing Factor Grant No:	Federal FFY of Grant: 2007

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
CA02800005	Site Improvements	1450		66,023.93	66,023.93	66,023.93	66,023.93	
Mendota Scattered								
Sites	Relocation	1495.1		1,224.60	1,224.60	1,224.60	1,224.60	
	Total CA028000005 Mendota Scattered			**67,248.53**	**67,248.53**	**67,248.53**	**67,248.53**	
CA028000006	Site Improvements	1450		17,403.48	17,403.48	17,403.48	17,403.48	
Cazares Terrace								
	Total CA028000006 Cazares Terrace			**17,403.48**	**17,403.48**	**17,403.48**	**17,403.48**	

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Part III: Implementation Schedule for Capital Fund Financing Program

PHA Name: Housing Authority of Fresno County | **Federal FFY of Grant: 2007**

Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
Mgmt. Improvements	09/12/2009	09/12/2009	09/12/2011	09/12/2011	
CA028000001	09/12/2009	09/12/2009	09/12/2011	09/12/2011	
Pinedale Complex					
CA028000002	09/12/2009	09/12/2009	09/12/2011	09/12/2011	
Sanger Elderly/Wedgewood					
CA028000003	09/12/2009	09/12/2009	09/12/2011	09/12/2011	
Parlier Complex					
CA028000004	09/12/2009	09/12/2009	09/12/2011	09/12/2011	
Mendoza Terrace-Firebaugh					
CA02800005	09/12/2009	09/12/2009	09/12/2011	09/12/2011	
Mendota Scattered Sites					
CA028000006	09/12/2009	09/12/2009	09/12/2011	09/12/2011	
Cazares Terrace					

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

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

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/2011

Part I: Summary

PHA Name: Housing Authority of Fresno County	Grant Type and Number Capital Fund Program Grant No: CA39P02850108 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2008 FFY of Grant Approval: 2008

Type of Grant
☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)
☒ Performance and Evaluation Report for Period Ending: 06/30/2011 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised[2]	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) [3]	426,348.60	426,348.60	426,348.60	426,348.60
3	1408 Management Improvements	316,527.61	316,527.61	316,527.61	316,527.61
4	1410 Administration (may not exceed 10% of line 21)	125,399.82	125,399.82	125,399.82	125,399.82
5	1411 Audit	3,000.00	3,000.00	3,000.00	2,999.99
6	1415 Liquidated Damages	0.00	0.00	0.00	0.00
7	1430 Fees and Costs	30,117.13	30,117.13	30,117.13	30,117.13
8	1440 Site Acquisition	0.00	0.00	0.00	0.00
9	1450 Site Improvement	74,025	74,025	74,025	74,025
10	1460 Dwelling Structures	723,130.39	723,130.39	723,130.39	723,130.39
11	1465.1 Dwelling Equipment—Nonexpendable	433,194.45	433,194.45	433,194.45	433,194.45
12	1470 Non-dwelling Structures	0.00	0.00	0.00	0.00
13	1475 Non-dwelling Equipment	0.00	0.00	0.00	0.00
14	1485 Demolition	0.00	0.00	0.00	0.00
15	1492 Moving to Work Demonstration	0.00	0.00	0.00	0.00
16	1495.1 Relocation Costs	0.00	0.00	0.00	0.00
17	1499 Development Activities [4]	0.00	0.00	0.00	0.00

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

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

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/2011

Part I: Summary

PHA Name: Housing Authority of Fresno County	Grant Type and Number Capital Fund Program Grant No: CA39P02850108 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant:2008 FFY of Grant Approval: 2008

Type of Grant

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)

☒ Performance and Evaluation Report for Period Ending: 06/30/2011 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [2]	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA	0.00	0.00	0.00	0.00
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment	0.00	0.00	0.00	0.00
19	1502 Contingency (may not exceed 8% of line 20)	0.00	0.00	0.00	0.00
20	Amount of Annual Grant:: (sum of lines 2 - 19)	2,131,743.00	2,131,743.00	2,131,743.00	2,131,742.99
21	Amount of line 20 Related to LBP Activities	0.00	0.00	0.00	0.00
22	Amount of line 20 Related to Section 504 Activities	0.00	0.00	0.00	0.00
23	Amount of line 20 Related to Security - Soft Costs	316,527.61	316,527.61	316,527.61	316,527.61
24	Amount of line 20 Related to Security - Hard Costs	0.00	0.00	0.00	0.00
25	Amount of line 20 Related to Energy Conservation Measures	0.00	0.00	0.00	0.00

Signature of Executive Director	Date	Signature of Public Housing Director	Date
[signature]	7/18/11		

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

Part II: Supporting Pages

PHA Name: Housing Authority of Fresno County	**Grant Type and Number** Capital Fund Program Grant No: CA39P02850108 CFFP (Yes/ No): No Replacement Housing Factor Grant No:	**Federal FFY of Grant: 2008**

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
Mgmt. Improvements								
CA028000001	Security, Youth Mentor, Software	1408		43,555.75	43,555.75	43,555.75	43,555.75	
CA028000002	Security, Youth Mentor, Software			56,757.20	56,757.20	56,757.20	56,757.20	
CA028000003	Security, Youth Mentor, Software			71,521.82	71,521.82	71,521.82	71,521.82	
CA028000004	Security, Youth Mentor, Software			48,428.11	48,428.11	48,428.11	48,428.11	
CA028000005	Security, Youth Mentor, Software			46,323.16	46,323.16	46,323.16	46,323.16	
CA028000006	Security, Youth Mentor, Software			49,941.57	49,941.57	49,941.57	49,941.57	
	Total Management Improvements			**316,527.61**	**316,527.61**	**316,527.61**	**316,527.61**	
Administration								
CA028000001	Travel, Training, Sundry, Management Fee	1410		20,882.59	20,882.59	20,882.59	20,882.59	
CA028000002	Travel, Training, Sundry, Management Fee			20,915.44	20,915.44	20,915.44	20,915.44	
CA028000003	Travel, Training, Sundry, Management Fee			20,915.44	20,915.44	20,915.44	20,915.44	
CA028000004	Travel, Training, Sundry, Management Fee			20,915.45	20,915.45	20,915.45	20,915.45	
CA028000005	Travel, Training, Sundry, Management Fee			20,915.45	20,915.45	20,915.45	20,915.45	
CA028000006	Travel, Training, Sundry, Management Fee			20,915.45	20,915.45	20,915.45	20,915.45	
	Total Administration			**125,399.82**	**125,399.82**	**125,399.82**	**125,399.82**	
Audit Costs								
CA028000001	Audit Costs	1411		500.00	500.00	500.00	500.00	
CA028000002	Audit Costs			500.00	500.00	500.00	500.00	
CA028000003	Audit Costs			500.00	500.00	500.00	500.00	
CA028000004	Audit Costs			500.00	500.00	500.00	500.00	
CA028000005	Audit Costs			500.00	500.00	500.00	500.00	
CA028000006	Audit Costs			500.00	500.00	500.00	499.99	
	Total Audit Costs			**3,000.00**	**3,000.00**	**3,000.00**	**2,999.99**	

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Part II: Supporting Pages

PHA Name: Housing Authority of Fresno County	Grant Type and Number Capital Fund Program Grant No: CA39P02850108 CFFP (Yes/ No): No Replacement Housing Factor Grant No:	Federal FFY of Grant: 2008

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
Fees & Costs								
CA028000001	A&E Fees, Consultants, Permits	1430		543.48	543.48	543.48	543.48	
CA028000002	A&E Fees, Consultants, Permits			17,667.38	17,667.38	17,667.38	17,667.38	
CA028000003	A&E Fees, Consultants, Permits			11,030.57	11,030.57	11,030.57	11,030.57	
CA028000004	A&E Fees, Consultants, Permits			673.70	673.70	673.70	673.70	
CA028000005	A&E Fees, Consultants, Permits			101.00	101.00	101.00	101.00	
CA028000006	A&E Fees, Consultants, Permits			101.00	101.00	101.00	101.00	
	Total Fees & Costs			**30,117.13**	**30,117.13**	**30,117.13**	**30,117.13**	

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Part II: Supporting Pages

PHA Name: Housing Authority of Fresno County	**Grant Type and Number** Capital Fund Program Grant No: CA39P02850108 CFFP (Yes/ No): No Replacement Housing Factor Grant No:	**Federal FFY of Grant: 2008**

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
CA028000001	Dwelling equipment	1465.1		116,919.26	116,919.26	116,919.26	116,919.26	
Pinedale Complex								
	Total CA028000001 Pinedale Complex			**116,919.26**	**116,919.26**	**116,919.26**	**116,919.26**	
CA028000002	Dwelling structures, kitchens, plumbing,	1460		458,400.00	458,400.00	458,400.00	458,400.00	
Sanger Elderly	Doors, laundry rooms, bathrooms, flooring,							
	Coolers, heaters, stucco							
	Dwelling equipment	1465.1		123,505.39	123,505.39	123,505.39	123,505.39	
	Total CA028000002 Sanger Elderly			**581,905.39**	**581,905.39**	**581,905.39**	**581,905.39**	
CA028000003	Site Improvements	1450		3,100.00	3,100.00	3,100.00	3,100.00	
Parlier Complex	Dwelling structures	1460		15,540.00	15,540.00	15,540.00	15,540.00	
	Dwelling equipment	1465.1		142,641.30	142,641.30	142,641.30	142,641.30	
	Total CA028000003 Parlier Complex			**161,281.30**	**161,281.30**	**161,281.30**	**161,281.30**	
CA028000004	Dwelling structures,water heater installation	1460		2,262.58	2,262.58	2,262.58	2,262.58	
Mendoza Terrace	Dwelling equipment	1465.1		29,979.02	29,979.02	29,979.02	29,979.02	
	Total CA028000004 Mendoza Terrace			**32,241.60**	**32,241.60**	**32,241.60**	**32,241.60**	

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Part II: Supporting Pages

PHA Name: Housing Authority of Fresno County	**Grant Type and Number** Capital Fund Program Grant No: CA39P02850108 CFFP (Yes/ No): No Replacement Housing Factor Grant No:	**Federal FFY of Grant: 2008**

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
CA028000005	Site improvements, irrigation, fencing,	1450		70,925.00	70,925.00	70,925.00	70,925.00	
Mendota Scattered	Trash enclosures							
	Dwelling structures, doors	1460		246,927.81	246,927.81	246,927.81	246,927.81	
	Dwelling equipment	1465.1		20,149.48	20,149.48	20,149.48	20,149.48	
	Total CA028000005 Mendota Scattered			338,002.29	338,002.29	338,002.29	338,002.29	

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

[2] To be completed for the Performance and Evaluation Report.

Part III: Implementation Schedule for Capital Fund Financing Program					
PHA Name: Housing Authority of Fresno County					Federal FFY of Grant: 2008
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
Mgmt. Improvements	06/12/2010		06/12/2012		
CA028000001	06/12/2010		06/12/2012		
Pinedale Complex					
CA028000002	06/12/2010		06/12/2012		
Sanger Elderly					
CA028000003	06/12/2010		06/12/2012		
Parlier Complex					
CA028000004	06/12/2010		06/12/2012		
Mendoza Terrace					
CA028000005	06/12/2010		06/12/2012		
Mendota Scattered					

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

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

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/2011

Part I: Summary

PHA Name: Housing Authority of the County of Fresno	Grant Type and Number Capital Fund Program Grant No: CA39P02850109 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2009 FFY of Grant Approval: 2009

Type of Grant
☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)
☒ Performance and Evaluation Report for Period Ending: 06/30/2011 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised[2]	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21)[3]	0.00	0.00		
3	1408 Management Improvements	360,000.00	360,000.00	324,420.42	92,661.64
4	1410 Administration (may not exceed 10% of line 21)	229,074.80	229,074.80	229,074.80	229,074.80
5	1411 Audit	3,000.00	3,000.00	3,000.00	3,000.00
6	1415 Liquidated Damages	0.00	0.00	0.00	0.00
7	1430 Fees and Costs	180,608.34	208,208.34	142,395.10	142,395.10
8	1440 Site Acquisition	0.00	0.00	0.00	0.00
9	1450 Site Improvement	509,623.35	597,722.17	416,197.69	338,865.02
10	1460 Dwelling Structures	797,952.35	682,113.82	139,190.12	137,676.76
11	1465.1 Dwelling Equipment—Nonexpendable	145,000.00	148,965.85	40,965.85	8,865.78
12	1470 Non-dwelling Structures	0.00	0.00	0.00	0.00
13	1475 Non-dwelling Equipment	62,989.16	59,476.13	28,599.34	5,476.13
14	1485 Demolition	0.00	0.00	0.00	0.00
15	1492 Moving to Work Demonstration	0.00	0.00	0.00	0.00
16	1495.1 Relocation Costs	2,500.00	2,186.89	2,186.89	2,186.89
17	1499 Development Activities[4]	0.00	0.00	0.00	0.00

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

Part I: Summary

PHA Name:	Grant Type and Number	FFY of Grant:2009
Housing Authority of the County of Fresno	Capital Fund Program Grant No: CA39P02850109 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant Approval: 2009

Type of Grant

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)

☒ Performance and Evaluation Report for Period Ending: 06/30/2011 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [2]	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)	0.00	0.00	0.00	0.00
20	Amount of Annual Grant:: (sum of lines 2 - 19)	2,290,748.00	2,290,748.00	1,326,030.21	960,202.12
21	Amount of line 20 Related to LBP Activities	0.00	0.00	0.00	0.00
22	Amount of line 20 Related to Section 504 Activities	0.00	0.00	0.00	0.00
23	Amount of line 20 Related to Security - Soft Costs	360,000.00	360,000.00	324,420.42	92,661.64
24	Amount of line 20 Related to Security - Hard Costs	0.00	0.00	0.00	0.00
25	Amount of line 20 Related to Energy Conservation Measures	0.00	0.00	0.00	0.00

Signature of Executive Director	Date	Signature of Public Housing Director	Date
[signature]	7/18/11		

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

Part II: Supporting Pages

PHA Name: Housing Authority of the County of Fresno	Grant Type and Number Capital Fund Program Grant No: CA39P02850109 CFFP (Yes/ No): Replacement Housing Factor Grant No:	Federal FFY of Grant: 2009

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
Management Improvements								
CA028000001 Pinedale	Drug abatement,software,youth mentor	1408		60,000.00	49,728.87	43,847.95	12,224.81	
CA028000002 Sanger Elderly	Drug abatement,software,youth mentor	1408		60,000.00	72,913.96	67,255.62	19,795.67	
CA028000003 Parlier	Drug abatement,software,youth mentor	1408		60,000.00	83,041.38	77,267.17	19,211.21	
CA028000004 Mendoza Terr.	Drug abatement,software,youth mentor	1408		60,000.00	57,315.79	48,617.17	13,295.22	
CA028000005 Mendota	Drug abatement,software,youth mentor	1408		60,000.00	57,000.00	54,673.90	17,856.15	
CA028000006 Cazares Terr.	Drug abatement,software,youth mentor	1408		60,000.00	40,000.00	32,758.61	10,278.58	
	TOTAL			360,000.00	360,000.00	324,420.42	92,661.64	
Administration								
CA028000001 Pinedale	Management Fee	1410		38,178.80	38,178.80	38,178.80	38,178.80	
CA028000002 Sanger Elderly	Management Fee	1410		38,179.00	38,179.00	38,179.00	38,179.00	
CA028000003 Parlier	Management Fee	1410		38,180.00	38,180.00	38,180.00	38,180.00	
CA028000004 Mendoza Terr.	Management Fee	1410		38,179.00	38,179.00	38,179.00	38,179.00	
CA028000005 Mendota	Management Fee	1410		38,179.00	38,179.00	38,179.00	38,179.00	
CA028000006 Cazares Terr.	Management Fee	1410		38,179.00	38,179.00	38,179.00	38,179.00	
	TOTAL			229,074.80	229,074.80	229,074.80	229,074.80	
Fees and Costs								
CA028000001 Pinedale	A&E Services, consultants, permits	1430		60,074.01	57,551.10	39,217.28	39,217.28	
CA028000002 Sanger Elderly	A&E Services, consultants, permits	1430		25,000.00	24,522.91	24,384.29	24,384.29	
CA028000003 Parlier	A&E Services, consultants, permits	1430		30,000.00	57,600.00	20,364.74	20,364.74	
CA028000004 Mendoza Terr.	A&E Services, consultants, permits	1430		17,767.17	17,767.17	11,493.58	11,493.58	
CA028000005 Mendota	A&E Services, consultants, permits	1430		30,000.00	35,499.69	35,499.69	35,499.69	
CA028000006 Cazares Terr.	A&E Services, consultants, permits	1430		17,767.16	15,267.47	11,435.52	11,435.52	
	TOTAL			180,608.34	208,208.34	142,395.10	142,395.10	

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Part II: Supporting Pages

PHA Name: Housing Authority of the County of Fresno	Grant Type and Number Capital Fund Program Grant No: CA39P02850109 CFFP (Yes/ No): Replacement Housing Factor Grant No:	Federal FFY of Grant: 2009

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
Non-Dwelling Equipment								
CA028000001 Pinedale	Office, computer	1475	AMP	62,989.16	5,476.13	5,476.13	5,476.13	
	Relocation	1495.1	0	313.11	0.00	0.00	0.00	
	TOTAL			**63,302.27**	**5,476.13**	**5,476.13**	**5,476.13**	
CA028000001	Site: parking lot slurry, tree trimming, fencing, sidewalk	1450	AMP	84,377.35	239,294.35	117,769.87	84,377.35	
Pinedale Complex	Dwelling: kitchen, bath remod	1460	40	87,718.50	70,968.50	70,968.50	70,968.50	
	Dwelling equipment: refers & stoves	1465.1	0	15,000.00	0.00	0.00	0.00	
	Total CA028000001 Pinedale			**187,095.85**	**310,262.85**	**188,738.37**	**155,345.85**	
CA028000002	Site: concrete, tree trimming	1450	AMP	124,910.85	147,949.21	147,949.21	124,699.06	
Sanger Elderly/Wedgewood	Dwelling: stucco, window coverings	1460	130	96,523.00	114,379.19	38,924.49	37,411.13	
	Cooler grills, heaters, kick plates							
	Dwelling equipment: refers & stoves	1465.1	35	25,000.00	40,965.85	40,965.85	8,865.78	
	Total CA028000002 Sanger Eld.			**246,433.85**	**303,294.25**	**227,839.55**	**170,975.97**	
CA028000003	Site: grading, tree trimming	1450	AMP	56,290.15	149,088.30	89,088.30	68,398.30	
Parlier Complex	Dwelling: roofs, painting, HVAC	1460	110	292,710.85	429,464.58	7,064.58	7,064.58	
	Countertops, coolers, plumbing							
	Relocation	1495.1	4	2,186.89	2,186.89	2,186.89	2,186.89	
	Total CA028000003 Parlier Comp.			**351,187.89**	**580,739.77**	**98,339.77**	**77,649.77**	

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/2011

Part II: Supporting Pages

PHA Name: **Housing Authority of the County of Fresno**	**Grant Type and Number** Capital Fund Program Grant No: **CA39P02850109** CFFP (Yes/ No): Replacement Housing Factor Grant No:	**Federal FFY of Grant: 2009**

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
CA028000004	Site improvements, irrigation	1450		70,000.00	0.00	0.00	0.00	
Mendoza Terrace-Firebaugh	Dwelling structures, kitchen mod.	1460		60,000.00	0.00	0.00	0.00	
	Total CA028000004 Mendoza Ter.			**130,000.00**	**0.00**	**0.00**	**0.00**	
CA028000005	Site: replace clotheslines	1450	AMP	146,500.00	16,136.32	16,136.32	16,136.32	
Mendota Scattered Sites								
	Dwelling: bathroom mod.,	1460	20	116,000.00	4,832.55	4,832.55	4,832.55	
	Dwelling equipment: refers & stoves	1465.1	60	105,000.00	56,000.00	0.00	0.00	
	Playground equipment	1475	AMP	0	54,000.00	23,123.21	0.00	
	Total CA028000005 Mendota			**367,500.00**	**130,968.87**	**44,092.08**	**20,968.87**	
CA028000006	Site: tree trimming, sidewalk	1450	AMP	27,545.00	45,253.99	45,253.99	45,253.99	
Cazares Terrace-Huron	Dwelling: windows, paint	1460	24	145,000.00	62,469.00	17,400.00	17,400.00	
	Dwelling equipment: refers & stoves	1465.1	44	0.00	52,000.00	0.00	0.00	
	Total CA028000006 Cazares Ter.			**172,545.00**	**159,722.99**	**62,653.99**	**62,653.99**	

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Part III: Implementation Schedule for Capital Fund Financing Program

PHA Name: **Housing Authority of the County of Fresno** | Federal FFY of Grant: 2009

Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
Management Improvements	09/14/2011		09/14/2013		
CA028000001	09/14/2011		09/14/2013		
Pinedale Complex					
CA028000002	09/14/2011		09/14/2013		
Sanger Elderly/Wedgewood					
CA028000003	09/14/2011		09/14/2013		
Parlier Complex					
CA028000004	09/14/2011		09/14/2013		
Mendoza Terrace-Firebaugh					
CA028000005	09/14/2011		09/14/2013		
Mendota Scattered Sites					
CA028000006	09/14/2011		09/14/2013		
Cazares Terrace-Huron					

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

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

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/2011

Part I: Summary

PHA Name: Housing Authority of Fresno County	Grant Type and Number Capital Fund Program Grant No: CA39S02850109 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2009 FFY of Grant Approval: 2009

Type of Grant
☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)
☒ Performance and Evaluation Report for Period Ending: 06/30/2009 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised[2]	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21)[3]				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)	$269,837	$269,837	$0	$0
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	$269,837	$269,837	$0	$0
8	1440 Site Acquisition	$0	$1	$0	$0
9	1450 Site Improvement	$539,674	$539,674	$0	$0
10	1460 Dwelling Structures	$1,079,346	$429,345	$0	$0
11	1465.1 Dwelling Equipment—Nonexpendable	$80,000	$80,000	$0	$0
12	1470 Non-dwelling Structures	$324,755	$224,755	$0	$0
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs	$134,916	$134,916	$0	$0
17	1499 Development Activities[4]	$0	$750,000	$0	$0

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

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

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/2011

Part I: Summary

PHA Name: Housing Authority of Fresno County	Grant Type and Number Capital Fund Program Grant No: CA39S02850109 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant:2009 FFY of Grant Approval: 2009

Type of Grant

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)

☒ Performance and Evaluation Report for Period Ending: 06/30/2009 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [2]	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	$2,698,365	$2,698,365	$0	$0
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				

Signature of Executive Director	Date	Signature of Public Housing Director	Date
[signature]	2/22/09		

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

Part II: Supporting Pages

PHA Name: Housing Authority of Fresno County	**Grant Type and Number** Capital Fund Program Grant No: CA39S02850109 CFFP (Yes/ No): No Replacement Housing Factor Grant No:	**Federal FFY of Grant: 2009**

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
HA-Wide	Salaries, Benefits, Travel, Telephone,	1410		$269,837	$269,837	$0	$0	
Administration	Sundry							
HA-Wide	A&E Services, Consultants, Permits,	1430		$269,837	$269,837	$0	$0	
Fees and Costs	Inspectors							
Firebaugh Apartments	Acquisition of existing units in	1440	34	$0	$1	$0	$0	
Development Number	Firebaugh							
Not Yet Assigned								
CA028000001	Site improvements, exterior lighting,	1450	40	$539,674	$539,674	$0	$0	
Pinedale Complex	Underground utilities							
	Complete unit modernization to	1460	40	$1,079,346	$429,345	$0	$0	
	Include kitchens, bathrooms, laundry							
	Room additions, windows, blinds,							
	504 compliance, painting, flooring,							
	HVAC units, exterior doors and energy							
	upgrades							
	Dwelling equipment	1465.1	80	$80,000	$80,000	$0	$0	
	Addition of community building	1470	1	$324,755	$224,755	$0	$0	
	Relocation costs	1495.1		$134,916	$134,916	$0	$0	
	Total CA028000001			**$2,158,691**	**$1,408,690**	**$0**	**$0**	

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Part II: Supporting Pages

PHA Name: Housing Authority of Fresno County	**Grant Type and Number** Capital Fund Program Grant No: CA39S02850109 CFFP (Yes/ No): No Replacement Housing Factor Grant No:	**Federal FFY of Grant: 2009**

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
Kerman Acre	Construction of new public housing	1499	5	$0	$750,000	$0	$0	
Development Number	Units in Kerman							
Not Yet Assigned								

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Part III: Implementation Schedule for Capital Fund Financing Program

PHA Name: Housing Authority of Fresno County | **Federal FFY of Grant: 2009**

Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
HA-Wide Administration	03/17/2010		03/17/2012		
HA-Wide Fees and Costs	03/17/2010		03/17/2012		
CA028000001 Pinedale	03/17/2010		03/17/2012		
Kerman Acre	03/17/2010		03/17/2012		
Firebaugh Apartments	03/17/2010		03/17/2012		

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

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

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/2011

Part I: Summary

PHA Name: Housing Authority of Fresno County PO Box 11985 Fresno CA, 93776	Grant Type and Number Capital Fund Program Grant No: CA02800000209E Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2009 FFY of Grant Approval: 2009

Type of Grant
☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)
☒ Performance and Evaluation Report for Period Ending: 06/30/2011 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised[2]	Obligated	Expended
1	Total non-CFP Funds	40,000.00	40,000.00	40,000.00	40,000.00
2	1406 Operations (may not exceed 20% of line 21) [3]	0	0	0	0
3	1408 Management Improvements	0	0	0	0
4	1410 Administration (may not exceed 10% of line 21)	76,000.00	76,000.00	76,000.00	76,000.00
5	1411 Audit	0	0	0	0
6	1415 Liquidated Damages	0	0	0	0
7	1430 Fees and Costs	90,500.00	90,500.00	90,500.00	90,500.00
8	1440 Site Acquisition	0	0	0	0
9	1450 Site Improvement	92,808.29	92,808.29	92,808.29	43,309.70
10	1460 Dwelling Structures	493,648.57	493,648.57	493,648.57	391,754.30
11	1465.1 Dwelling Equipment—Nonexpendable	0	0	0	0
12	1470 Non-dwelling Structures	0	0	0	0
13	1475 Non-dwelling Equipment	0	0	0	0
14	1485 Demolition	0	0	0	0
15	1492 Moving to Work Demonstration	0	0	0	0
16	1495.1 Relocation Costs	7,043.14	7,043.14	7,043.14	3,494.59
17	1499 Development Activities [4]	0	0	0	0

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

form HUD-50075.1 (4/2008)

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

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/2011

Part I: Summary

PHA Name: Housing Authority of Fresno County PO Box 11985 Fresno CA, 93776	Grant Type and Number Capital Fund Program Grant No: CA02800000209E Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant:2009 FFY of Grant Approval: 2009

Type of Grant

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)

☒ Performance and Evaluation Report for Period Ending: 06/30/2011 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [2]	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA	0	0	0	0
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment	0	0	0	0
19	1502 Contingency (may not exceed 8% of line 20)	0	0	0	0
20	Amount of Annual Grant:: (sum of lines 2 - 19)	760,000.00	760,000.00	760,000.00	605,058.59
21	Amount of line 20 Related to LBP Activities	0	0	0	0
22	Amount of line 20 Related to Section 504 Activities	760,000.00	760,000.00	760,000.00	605,058.59
23	Amount of line 20 Related to Security - Soft Costs	0	0	0	0
24	Amount of line 20 Related to Security - Hard Costs	0	0	0	0
25	Amount of line 20 Related to Energy Conservation Measures	0	0	0	0

Signature of Executive Director	Date	Signature of Public Housing Director	Date
[signature]	7/18/11		

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

Part II: Supporting Pages

PHA Name: Housing Authority of Fresno County PO Box 11985 Fresno CA, 93776	**Grant Type and Number** Capital Fund Program Grant No: CA02800000209E CFFP (Yes/ No): Replacement Housing Factor Grant No:	**Federal FFY of Grant: 2009**

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
CA028000002	Management Fees	1410		76,000.00	76,000.00	76,000.00	76,000.00	
Sanger Elderly/Wedgewood								
CA028000002	A&E Fees, Permits	1430		90,500.00	90,500.00	90,500.00	90,500.00	
Sanger Elderly/Wedgewood								
CA028000002	Relocation	1495.1		7,043.14	7,043.14	7,043.14	3,494.59	
Sanger Elderly/Wedgewood								
CA028000002	Contingency	1502		0	0	0	0	
Sanger Elderly/Wedgewood								

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Part II: Supporting Pages

PHA Name: Housing Authority of Fresno County PO Box 11985 Fresno CA, 93776	Grant Type and Number Capital Fund Program Grant No: CA02800000209E CFFP (Yes/ No): Replacement Housing Factor Grant No:	Federal FFY of Grant: 2009

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
CA028000002	Improvements to parking areas and	1450		92,808.29	92,808.29	92,808.29	43,309.70	
Sanger Elderly/Wedgewood	Sidewalks for UFAS compliance							
	Modify dwelling units to make them	1460	13	493,648.57	493,648.57	493,648.57	391,754.30	
	fully accessible in accordance with							
	UFAS to include bathrooms,							
	kitchens, doorways and door locks/							
	handles							

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Part III: Implementation Schedule for Capital Fund Financing Program

PHA Name: Housing Authority of Fresno County
PO Box 11985
Fresno
CA, 93776

Federal FFY of Grant: 2009

Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
CA028000002	09/23/2010		09/23/2012		
Sanger Elderly/Wedgewood					

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

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

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/2011

Part I: Summary

PHA Name: Housing Authority of the County of Fresno	Grant Type and Number Capital Fund Program Grant No: CA39P028501-10 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2010 FFY of Grant Approval: 2010

Type of Grant
☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)
☒ Performance and Evaluation Report for Period Ending: 06/30/2011 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised[2]	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) [3]				
3	1408 Management Improvements	453,856.00	453,856.00	0.00	0.00
4	1410 Administration (may not exceed 10% of line 21)	226,928.00	226,928.00	226,928.00	226,928.00
5	1411 Audit	31,000.00	4,652.00	1,730.60	1,730.60
6	1415 Liquidated Damages				
7	1430 Fees and Costs	170,000.00	180,624.00	680.98	680.98
8	1440 Site Acquisition				
9	1450 Site Improvement	355,500.00	860,480.00	9,080.00	500.00
10	1460 Dwelling Structures	986,998.00	466,020.00	1,460.23	0.00
11	1465.1 Dwelling Equipment—Nonexpendable	45,000.00	76,722.00	0.00	0.00
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities [4]				

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

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

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/2011

Part I: Summary

PHA Name: Housing Authority of the County of Fresno	Grant Type and Number Capital Fund Program Grant No: CA39P028501-10 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant:2010 FFY of Grant Approval: 2010

Type of Grant

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)

☒ Performance and Evaluation Report for Period Ending: 06/30/2011 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [2]	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	2,269,282.00	2,269,282.00	239,879.81	229,839.58
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs	325,000.00	325,000.00	0.00	0.00
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				

Signature of Executive Director	Date	Signature of Public Housing Director	Date
[signature]	7/18/11		

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

Part II: Supporting Pages

PHA Name: Housing Authority of the County of Fresno	**Grant Type and Number** Capital Fund Program Grant No: CA39P028501-10 CFFP (Yes/ No): Replacement Housing Factor Grant No:	**Federal FFY of Grant: 2010**

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
HA-Wide	Drug abatement, software, youth mentor	1408	AMP	453,856.00	453,856.00	0.00	0.00	
Mgmt. Improvements								
HA-Wide	Management Fee	1410	AMP	226,928.00	226,928.00	226,928.00	226,928.00	
Administration								
HA-Wide	A&E services, consultants, permits	1430	AMP	180,624.00	180,624.00	680.98	680.98	
Fees and Costs								
County AMP1	Site: tree, fencing	1450	AMP	0.00	113,000.00	0.00	0.00	
CA028000001P	Dwelling: HVAC	1460	24	0.00	57,000.00	0.00	0.00	
Pinedale Complex	**GRAND TOTAL CA028000001P**			**0.00**	**170,000**	**0.00**	**0.00**	
County AMP 2	Site: Tree work, water valves, ADA	1450	AMP	0.00	146,480.00	0.00	0.00	
CA028000002P	Parking lot							
Sanger Elderly/	Dwelling: Window replacement	1460	30	0.00	8,000.00	0.00	0.00	
Wedgewood	**GRAND TOTAL CA028000002P**			**0.00**	**154,480**	**0.00**	**0.00**	
County AMP 3	Site: Tree work	1450	AMP	355,500.00	40,000.00	0.00	0.00	

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Part II: Supporting Pages

PHA Name: Housing Authority of the County of Fresno	**Grant Type and Number** Capital Fund Program Grant No: CA39P028501-10 CFFP (Yes/ No): Replacement Housing Factor Grant No:	**Federal FFY of Grant: 2010**

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
CA028000003P	Dwelling structures, doors, fascias, eaves	1460	20	541,215.00	0.00	0.00	0.00	
Parlier Complex	Dwelling equipment, appliances	1465	40	45,000.00	31,722.00	0.00	0.00	
Sunset Terrace								
Mt. View Apts	Dwelling: Exterior Paint	1460	30	0.00	80,000.00	0.00	0.00	
Kuffle Terrace	Dwelling: Roofs	1460	10	250,000	0.00	0.00	0.00	
Sunset Terrace II	Dwelling: Exterior paint	1460	20	195,783	52,020	0.00	0.00	
	GRAND TOTAL CA028000003P			**1,387,498**	**203,742**	**0.00**	**0.00**	
County AMP 4	Site: Tree work, sidewalks	1450	152	0.00	521,000.00	500.00	500.00	
CA028000004P								
Mendoza Terrace-Firebaugh	**GRAND TOTAL CA028000004P**			**0.00**	**521,000.00**	**500.00**	**500.00**	
County AMP 5	Site: Tree work	1450	AMP	0.00	24,000.00	2,480.00	0.00	
CA028000005P	Dwelling: Water heaters, exterior paint	1460	84	0.00	90,000.00	0.00	0.00	
	GRAND TOTAL CA028000005P			**0.00**	**114,000.00**	**2,480.00**	**0.00**	
County AMP 6	Site: Tree work	1450	AMP	0.00	16,000.00	6,100.00	0.00	
CA028000006	Dwelling: Windows and fascias	1460	64	0.00	179,000	1,460.23	0.00	
	Appliances	1465	28	0.00	45,000.00	0.00	0.00	
	GRAND TOTAL CA028000006P			**0.00**	**240,000.00**	**7,560.23**	**0.00**	

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/2011

Part III: Implementation Schedule for Capital Fund Financing Program

PHA Name: Housing Authority of the County of Fresno					Federal FFY of Grant: 2010
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
HA-Wide					
Management Improvement	7/14/2012		7/14/2014		
CA028000001P	7/14/2012		7/14/2014		
Pinedale Complex					
CA028000002P	7/14/2012		7/14/2014		
Sanger/Elderly Wedgewood					
CA028000003P	7/14/2012		7/14/2014		
Parlier Complex					
CA028000004P	07/14/2012		07/14/2014		
Mendoza Terrace-Firebaugh					

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

Part III: Implementation Schedule for Capital Fund Financing Program					
PHA Name:					Federal FFY of Grant:
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
CA028000005P	07/14/2012		07/14/2014		
Mendota Scattered Sites					
CA028000006P	07/14/2012		07/14/20014		
Cazares Terrace-Huron					

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

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

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/2011

Part I: Summary

PHA Name: Housing Authority of the County of Fresno	Grant Type and Number Capital Fund Program Grant No: CA39P028501-11 Replacement Housing Factor Grant No: Date of CFFP: N/A	FFY of Grant: 2011 FFY of Grant Approval: 2011

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

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised[2]	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) [3]				
3	1408 Management Improvements	377,099			
4	1410 Administration (may not exceed 10% of line 21)	188,550			
5	1411 Audit	3,000			
6	1415 Liquidated Damages				
7	1430 Fees and Costs	137,641			
8	1440 Site Acquisition				
9	1450 Site Improvement	160,536			
10	1460 Dwelling Structures	956,211			
11	1465.1 Dwelling Equipment—Nonexpendable	62,458			
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities [4]				

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

Part I: Summary

PHA Name: Housing Authority of the County of Fresno	Grant Type and Number Capital Fund Program Grant No: CA39P028501-11 Replacement Housing Factor Grant No: N/A Date of CFFP: N/A	FFY of Grant:2011 FFY of Grant Approval: 2011

Type of Grant

☒ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)

☐ Performance and Evaluation Report for Period Ending: ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [3]	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	1,885,495			
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs	377,099			
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				

Signature of Executive Director	Date	Signature of Public Housing Director	Date
	7/18/11		

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

Part II: Supporting Pages

PHA Name: Housing Authority of the County of Fresno	**Grant Type and Number** Capital Fund Program Grant No: CA39P028501-11 CFFP (Yes/ No): No Replacement Housing Factor Grant No: N/A	**Federal FFY of Grant: 2011**

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
HA-Wide	Drug abatement, youth mentor, security	1408		377,099				
Mgmt. Improvements								
HA-Wide	Management Fee	1410		188,550				
Administration								
HA-Wide	A&E services, consultants, permits	1430		137,641				
Fees and Costs								

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Part II: Supporting Pages

PHA Name: Housing Authority of the County of Fresno	Grant Type and Number Capital Fund Program Grant No: CA39P028501-11 CFFP (Yes/ No): No Replacement Housing Factor Grant No: N/A	Federal FFY of Grant: 2011

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
CA028000001	Site improvements - Landscaping, parking lot	1450	70	110,000				
Pinedale Complex	Dwelling structures - Roof, doors, porches, windows, siding, fascias	1460	70	400,000				
	Dwelling equipment, appliances	1465	40	62,458				
	TOTAL CA028000001			**572,458**				
CA028000002	Site improvements -Fencing, landscape	1450	25	50,536				
Sanger/Elderly/Wedgewood	Dwelling structures -Painting, kitchens, bathrooms, floors, doors	1460	25	556,211				
	Total CA028000002			**606,747**				

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/2011

Part III: Implementation Schedule for Capital Fund Financing Program

PHA Name: Housing Authority of the County of Fresno

Federal FFY of Grant: 2011

Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
HA-Wide					
Management Improvement	8/2/2013		8/2/2015		
CA028000001	8/2/2013		8/2/2015		
Pinedale Complex					
CA028000002					
Sanger/Elderly/Wedgewood	8/2/2013		8/2/2015		

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

CAPITAL FUND PROGRAM TABLES START HERE

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

PHA Name	Grant Type and Number	Federal FY of Grant:
Housing Authority of Fresno County	Capital Fund Program Grant No: CA39P02850105 Replacement Housing Factor Grant No:	2005

☐ Original Annual Statement ☐ Reserve for Disasters/ Emergencies ☐ Revised Annual Statement (revision no:)
☐ Performance and Evaluation Report for Period Ending: 6/30/2008 ☒ Final Performance and Evaluation Report

Line No.	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations	$50,000.00	$88,111.80	$88,111.80	$88,111.80
3	1408 Management Improvements	$444,105.23	$438,522.89	$438,522.89	$438,522.89
4	1410 Administration	$140,832.00	$140,832.00	$140,832.00	$140,832.00
5	1411 Audit	$3,000.00	$3,000.00	$3,000.00	$3,000.00
6	1415 Liquidated Damages				
7	1430 Fees and Costs	$27,856.05	$27,856.05	$27,856.05	$27,856.05
8	1440 Site Acquisition				
9	1450 Site Improvement	$161,740.89	$161,740.89	$161,740.89	$161,740.89
10	1460 Dwelling Structures	$1,479,198.49	$1,451,110.50	$1,451,110.50	$1,451,110.50
11	1465.1 Dwelling Equipment—Nonexpendable	$11,230.24	$11,230.24	$11,230.24	$11,230.24
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment	$124,390.10	$119,948.63	$119,948.63	$119,948.63
14	1485 Demolition				
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs				
18	1499 Development Activities				
19	1501 Collaterization or Debt Service				
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2 – 20)	$2,442,353	$2,442,353	$2,442,353	$2,442,353
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 compliance	$15,063.24	$15,063.24	$15,063.24	$15,063.24
24	Amount of line 21 Related to Security – Soft Costs	$400,000	$400,000	$400,000	$400,000
25	Amount of Line 21 Related to Security – Hard Costs				
26	Amount of line 21 Related to Energy Conservation Measures				

Approval Signature

4/1/09
Date

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

PHA Name: Housing Authority of Fresno County		Grant Type and Number Capital Fund Program Grant No: CA39P02850105 Replacement Housing Factor Grant No:				Federal FY of Grant: 2005		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
HA-Wide	Drug Abatement & Security	1408		$400,000	$400,000	$400,000	$400,000	
Mgmt.	Software	1408		$44,105.23	$38,522.89	$38,522.89	$38,522.89	
Improvements								
	Total			**$444,105.23**	**$438,522.89**	**$438,522.89**	**$438,522.89**	
HA-Wide	Non Technical Salaries	1410		$36,943.98	$35,953.55	$35,953.55	$35,953.55	
Administration	Technical Salaries	1410		$55,198.00	$61,120.11	$61,120.11	$61,120.11	
	Legal Services	1410		$1,000.00	$608.35	$608.35	$608.35	
	Employee Benefits	1410		$37,823.89	$34,098.38	$34,098.38	$34,098.38	
	Travel	1410		$8,780.53	$7,966.01	$7,966.01	$7,966.01	
	Telephone	1410		$100.00	$100.00	$100.00	$100.00	
	Sundry	1410		$985.60	$985.60	$985.60	$985.60	
	Total			**$140,832.00**	**$140,832.00**	**$140,832.00**	**$140,832.00**	
HA-Wide	A&E Services	1430		$201.55	$201.55	$201.55	$201.55	
Fees and Costs	Consultant Fees	1430		$5,670.00	$5,670.00	$5,670.00	$5,670.00	
	Permit Fees	1430		$3,648.50	$3,648.50	$3,648.50	$3,648.50	
	PHA Inspector	1430		$18,336.00	$18,336.00	$18,336.00	$18,336.00	
	Total			**$27,856.05**	**$27,856.05**	**$27,856.05**	**$27,856.05**	
HA-Wide	Computer Equipment	1475		$55,320.80	$50,879.33	$50,879.33	$50,879.33	
	Office Equipment	1475		$69,069.30	$69,069.30	$69,069.30	$69,069.30	
	Total			**$124,390.10**	**$119,948.63**	**$119,948.63**	**$119,948.63**	
HA-Wide	Relocation Cost	1495.1		$0.00	$0.00	$0.00	$0.00	

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

PHA Name: Housing Authority of Fresno County		Grant Type and Number Capital Fund Program Grant No: CA39P02850105 Replacement Housing Factor Grant No:				Federal FY of Grant: 2005		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
CA028007	Interior Paint / Wall Texture	1460	40	$0.00		$0.00	$0.00	Moved to 2008
Kerman	Replace Floors and Shower Walls	1460	40	$0.00		$0.00	$0.00	Moved to 2008
	Laundry/Utility Rooms	1460	40	$0.00		$0.00	$0.00	Moved to 2008
	Total For CA028007 Kerman			$0.00		$0.00	$0.00	
CA028008	Floors	1460	50	$0.00		$0.00	$0.00	Moved to 2003
Firebaugh	Cabinets	1460	50	$0.00		$0.00	$0.00	Moved to 2003
	Total For CA028008 Firebaugh			$0.00		$0.00	$0.00	
CA028009	Site Improvements	1450		$0.00		$0.00	$0.00	Moved to 2009
Mendota								
	Exterior Painting	1460		$0.00		$0.00	$0.00	Moved to 2009
	Bathroom Modernization	1460	24	$34,380.00		$34,380.00	$34,380.00	Moved From 2009
	Kitchen Modernization	1460	24	$51,570.00		$51,570.00	$51,570.00	Moved From 2009
	Electrical Service Panels	1460	24	$40,200.00		$40,200.00	$40,200.00	Emergency item exposed breakers
	General Requirements	1460	24	$32,530.00		$32,530.00	$32,530.00	
	Subtotal			$158,680.00		$158,680.00	$158,680.00	
	Stoves & Refrigerators	1465.1		$0.00		$0.00	$0.00	Moved to 2009
	Total for CA028009 Mendota			**$158,680.00**		**$158,680.00**	**$158,680.00**	

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

PHA Name: Housing Authority of Fresno County		Grant Type and Number Capital Fund Program Grant No: CA39P02850105 Replacement Housing Factor Grant No:				Federal FY of Grant: 2005		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
CA028014	Roofs	1460	40	$164,000.00		$164,000.00	$164,000.00	Moved from 2008
Mendota	Stucco	1460	40	$12,960.00		$12,960.00	$12,960.00	Moved From 2009
	Mechanical-Wall Heaters	1460	40	$108,108.00		$108,108.00	$108,108.00	Emergency Item carbon monoxide exposure
	General Requirements	1460	40	$79,877.00		$79,877.00	$79,877.00	
								Moved to 2007
	Total for CA028014 Mendota	**1460**		**$364,945.00**		**$364,945.00**	**$364,945.00**	
CA028010	Site Improvements	1450	28	$96,317.70		$96,317.70	$96,317.70	Moved from 2004, Moved Partial to 2006
San Joaquin	General Requirements	1460	28	$5,293.90		$5,293.90	$5,293.90	
	Total for CA028010 San Joaquin			**$101,611.60**		**$101,611.60**	**$101,611.60**	
CA028012	Exterior Paint	1460	40	$44,860.00	$44,860.00	$44,860.00	$44,860.00	Moved from 2008
Firebaugh	Bathroom Modernization	1460	40	$18,403.08	$18,403.08	$18,403.08	$18,403.08	Moved from 2006
	Mechanical Wall Furnaces	1460	40	$151,647.01	$151,640.42	$151,640.42	$151,640.42	Emergency item Carbon Monoxide exposure
	General Requirements	1460	40	$64,974.00	$64,974.00	$64,974.00	$64,974.00	
	Total for CA028012 Firebaugh			**$279,884.09**	**$279,877.50**	**$279,877.50**	**$279,877.50**	
CA028026	Windows	1460	48	$52,850.00		$52,850.00	$52,850.00	Moved from 2009
Mendota	Exterior Paint	1460	48	$78,592.00		$78,592.00	$78,592.00	Moved from 2007
	Mechanical-Coolers	1460	25	$53,517.77		$53,517.77	$53,517.77	Emergency item Health and Safety due to the valley heat
	General Requirements	1460	48	$46,508.00		$46,508.00	$46,508.00	
	Total for CA028026 Mendota			**$231,467.77**		**$231,467.77**	**$231,467.77**	
CA028022	Cabinets	1460		$0.00		$0.00	$0.00	Moved to 2007
Biola	Bathroom Modernization	1460		$0.00		$0.00	$0.00	Moved to 2007
	Total for CA028022 Biola	**1460**		**$0.00**		**$0.00**	**$0.00**	

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

PHA Name: Housing Authority of Fresno County		Grant Type and Number Capital Fund Program Grant No: CA39P02850105 Replacement Housing Factor Grant No:				Federal FY of Grant: 2005		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
CA028020	Exterior Painting	1460	20	$19,060.00		$19,060.00	$19,060.00	Moved from 2009
Laton	Stucco	1460		$0.00		$0.00	$0.00	Moved to 2009
	Bathroom Modernization	1460	20	$2,615.00		$2,615.00	$2,615.00	Moved from 2009
	General Requirements	1460	20	$7,225.00		$7,225.00	$7,225.00	
	Total for CA028020 Laton			**$28,900.00**		**$28,900.00**	**$28,900.00**	
CA28021	Concrete	1450	20	$37,500.00		$37,500.00	$37,500.00	Moved from 2009
San Joaquin	Roofing	1460	20	$37,600.00		$37,600.00	$37,600.00	Moved from 2010
	Doors	1460	20	$23,136.00		$23,136.00	$23,136.00	Moved from 2009
	Exterior Paint	1460	20	$23,091.60		$23,091.60	$23,091.60	Moved from 2007
	Mechanical – Coolers	1460	20	$17,892.47		$17,892.47	$17,892.47	Emergency item Health and Safety due to the valley heat
	General Requirements	1460	20	$41,740.40		$41,740.40	$41,740.40	
	Total for CA028021 San Joaquin			**$180,960.47**		**$180,960.47**	**$180,960.47**	
CA028030	Stoves & Refrigerators	1465.1		$0.00		$0.00	$0.00	Moved from 2003,Moved to 2007
Firebaugh								
	Total for CA28030 Firebaugh			**$0.00**		**$0.00**	**$0.00**	
CA028016	Interior Painting	1460		$0.00		$0.00	$0.00	Moved from 2003, moved to 2009
Orange Cove	Kitchen counter tops	1460		$0.00		$0.00	$0.00	Moved from 2003, moved to 2009
	Total for CA28016 Orange Cove			**$0.00**		**$0.00**	**$0.00**	

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

PHA Name: Housing Authority of Fresno County		Grant Type and Number Capital Fund Program Grant No: CA39P02850105 Replacement Housing Factor Grant No:				Federal FY of Grant: 2005		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
CA028019	Miscellaneous Materials	1460	30	$5,000.00		$5,000.00	$5,000.00	Moved from 2007
Firebaugh	Doors	1460	30	$28,000.00		$28,000.00	$28,000.00	Moved from 2007
	Exterior Paint	1460	30	$18,000.00		$18,000.00	$18,000.00	Moved from 2007
	Kitchen Modernization	1460		$0.00		$0.00	$0.00	Moved from 2007, Moved to 2010
	Stucco	1460	30	$17,500.00		$17,500.00	$17,500.00	Moved from 2007
	General Requirements	1460	30	$19,124.00		$19,124.00	$19,124.00	
	Total for CA28019 Firebaugh			**$87,624.00**		**$87,624.00**	**$87,624.00**	
CA028001	Roofs	1460		$0.00		$0.00	$0.00	Moved from 2003, moved to 2010
Selma								
	Total for CA028014 Mendota	**1460**		**$0.00**		**$0.00**	**$0.00**	

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

PHA Name: Housing Authority of Fresno County		Grant Type and Number Capital Fund Program Grant No: CA39P02850105 Replacement Housing Factor Grant No:				Federal FY of Grant: 2005		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
CA028033	Site Improvements	1450	As Needed	$27,923.19		$27,923.19	$27,923.19	Moved from 2006
Sanger								
	Roofs	1460	10	$6,598.25		$6,598.25	$6,598.25	Moved from 2010
	Interior Painting	1460	10	$9,270.00		$9,270.00	$9,270.00	Moved from 2010
	Miscellaneous Supplies	1460	10	$1,086.00		$1,086.00	$1,086.00	Moved from 2007
	Floor	1460	10	$18,720.00		$18,720.00	$18,720.00	Moved from 2007
	Bathroom Modernization	1460	10	$15,389.74		$15,389.74	$15,389.74	Moved from 2007
	Kitchen Modernization	1460	10	$22,630.61		$22,630.61	$22,630.61	Moved from 2007
	Stucco	1460	10	$8,462.50		$8,462.50	$8,462.50	Moved from 2010
	Mechanical A/C	1460	10	$38,603.09		$38,603.09	$38,603.09	Moved from 2006
	General Requirements	1460	10	$5,583.07		$5,583.07	$5,583.07	
	Subtotal			$126,343.26		$126,343.26	$126,343.26	
	Stoves & Refrigerators	1465.1		$11,230.24		$11,230.24	$11,230.24	Moved from 2006
	Total Sanger CA028033			**$165,496.69**		**$165,496.69**	**$165,496.69**	

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

PHA Name: Housing Authority of Fresno County	Grant Type and Number Capital Fund Program No: CA39P02850105 Replacement Housing Factor No:	Federal FY of Grant: 2005

Development Number Name/HA-Wide Activities	All Fund Obligated (Quarter Ending Date)			All Funds Expended (Quarter Ending Date)			Reasons for Revised Target Dates
	Original	Revised	Actual	Original	Revised	Actual	
Drug Abatement & Security	8/18/07		6/30/07	8/18/09		3/31/09	
Software	8/18/07		6/30/07	8/18/09		3/31/09	
CA028007 Kerman	8/18/07		6/30/07	8/18/09		3/31/09	
CA028008 Firebaugh	8/18/07		6/30/07	8/18/09		3/31/09	
CA028009 Mendota	8/18/07		6/30/07	8/18/09		3/31/09	
CA028014 Mendota	8/18/07		6/30/07	8/18/09		3/31/09	
CA028022 Biola	8/18/07		6/30/07	8/18/09		3/31/09	
CA028020 Laton	8/18/07		6/30/07	8/18/09		3/31/09	
CA028030 Firebaugh	8/18/07		6/30/07	8/18/09		3/31/09	
CA028016 Orange Cove	8/18/07		6/30/07	8/18/09		3/31/09	
CA028001 Selma	8/18/07		6/30/07	8/18/09		3/31/09	
CA028033 Sanger	8/18/07		6/30/07	8/18/09		3/31/09	
CA028019 Firebaugh	8/18/07		6/30/07	8/18/09		3/31/09	
CA028010 San Joaquin	8/18/07		6/30/07	8/18/09		3/31/09	
CA028012 Firebaugh	8/18/07		6/30/07	8/18/09		3/31/09	
CA028014 Mendota	8/18/07		6/30/07	8/18/09		3/31/09	
CA028021 San Joaquin	8/18/07		6/30/07	8/18/09		3/31/09	
CA028026 Mendota	8/18/07		6/30/07	8/18/09		3/31/09	

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

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/2011

Part I: Summary

PHA Name: Housing Authority of Fresno County	Grant Type and Number Capital Fund Program Grant No: CA39P02850106 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2006 FFY of Grant Approval: 2006

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

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised[2]	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) [3]	312,522.52		312,522.52	312,522.52
3	1408 Management Improvements	306,862.44		306,862.44	306,862.44
4	1410 Administration (may not exceed 10% of line 21)	109,768.37		109,768.37	109,768.37
5	1411 Audit	2,999.97		2,999.97	2,999.97
6	1415 Liquidated Damages	0.00		0.00	0.00
7	1430 Fees and Costs	17,071.40		17,071.40	17,071.40
8	1440 Site Acquisition	0.00		0.00	0.00
9	1450 Site Improvement	160,947.54		160,947.54	160,947.54
10	1460 Dwelling Structures	1,354,699.73		1,354,699.73	1,354,699.73
11	1465.1 Dwelling Equipment—Nonexpendable	0.00		0.00	0.00
12	1470 Non-dwelling Structures	0.00		0.00	0.00
13	1475 Non-dwelling Equipment	14,238.88		14,238.88	14,238.88
14	1485 Demolition	0.00		0.00	0.00
15	1492 Moving to Work Demonstration	0.00		0.00	0.00
16	1495.1 Relocation Costs	22,265.15		22,265.15	22,265.15
17	1499 Development Activities [4]	0.00		0.00	0.00

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

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

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/2011

Part I: Summary

PHA Name: Housing Authority of Fresno County	Grant Type and Number Capital Fund Program Grant No: CA39P02850106 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant:2006 FFY of Grant Approval: 2006

Type of Grant

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)

☐ Performance and Evaluation Report for Period Ending: ☒ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [2]	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA	0.00		0.00	0.00
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment	0.00		0.00	0.00
19	1502 Contingency (may not exceed 8% of line 20)	0.00		0.00	0.00
20	Amount of Annual Grant:: (sum of lines 2 - 19)	2,301,376.00		2,301,376.00	2,301,376.00
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs	298,080.69		298,080.69	298,080.69
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				

Signature of Executive Director	Date	Signature of Public Housing Director	Date
[signature]	10/8/07		

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

Part II: Supporting Pages

PHA Name: Housing Authority of Fresno County	**Grant Type and Number** Capital Fund Program Grant No: CA39P02850106 CFFP (Yes/ No): Replacement Housing Factor Grant No:	**Federal FFY of Grant: 2006**

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
HA-Wide	Security, Youth Mentor, Software	1408		306,862.44		306,862.44	306,862.44	
Mgmt. Improvements								
HA-Wide	Salaries, Benefits, Legal, Travel, Sundry	1410		109,768.37		109,768.37	109,768.37	
Administration								
HA-Wide	A&E Fees, Consultants, Permits	1430		17,071.40		17,071.40	17,071.40	
Fees and Costs								
HA-Wide Equipment	Computer Equipment	1475		14,238.88		14,238.88	14,238.88	
CA028000001	Site improvements	1450		7,676.00		7,676.00	7,676.00	
Pinedale Complex								
CA028000002	Site improvements, parking lots	1450		33,582.49		33,582.49	33,582.49	
Sanger Elderly/	Roofing, painting, mechanical	1460		141,962.37		141,962.37	141,962.37	
Wedgewood								
	Total CA028000002 Sanger Elderly			175,544.86		175,544.86	175,544.86	

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Part II: Supporting Pages

PHA Name: Housing Authority of Fresno County	**Grant Type and Number** Capital Fund Program Grant No: CA39P02850106 CFFP (Yes/ No): Replacement Housing Factor Grant No:	**Federal FFY of Grant: 2006**

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
CA028000003	Site improvements, parking lots	1450		118,430		118,430	118,430	
Parlier Complex	Dwelling structures, painting, doors,	1460		994,648.75		994,648.75	994,648.75	
	mechanical, countertops, bathrooms,							
	kitchens, floors							
	Relocation	1495.1		22,265.15		22,265.15	22,265.15	
	Total CA028000003 Parlier Complex			1,135,343.90		1,135,343.90	1,135,343.90	
CA028000004	Wall heaters	1460		93,505.38		93,505.38	93,505.38	
Mendoza Terrace								
CA028000005	Site improvements	1450		1,259.05		1,259.05	1,259.05	
Mendota Scattered	Wall heaters	1460		124,583.23		124,583.23	124,583.23	
	Total CA028000005 Mendota Scattered			125,842.28		125,842.28	125,842.28	

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Part III: Implementation Schedule for Capital Fund Financing Program

PHA Name: Housing Authority of Fresno County

Federal FFY of Grant: 2006

Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
Mgmts. Improvements	07/18/2008		07/18/2010		
CA028000001	07/18/2008		07/18/2010		
Pinedale Complex					
CA028000002	07/18/2008		07/18/2010		
Sanger Elderly/Wedgewood					
CA028000003	07/18/2008		07/18/2010		
Parlier Complex					
CA028000004	07/18/2008		07/18/2010		
Mendoza Terrace-Firebaugh					

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/2011

Part III: Implementation Schedule for Capital Fund Financing Program

PHA Name: Housing Authority of the Fresno County					**Federal FFY of Grant: 2006**
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
CA028000005	07/18/2008		07/18/2010		
Mendota Scattered					

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

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

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 8/31/2011

Part I: Summary

PHA Name: Fresno Housing Authority of the County of Fresno	Grant Type and Number Capital Fund Program Grant No: CA39P028501-12 Replacement Housing Factor Grant No: Date of CFFP: N/A	FFY of Grant: 2012 FFY of Grant Approval: 2012

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

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised[2]	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) [3]				
3	1408 Management Improvements	343,160.00			
4	1410 Administration (may not exceed 10% of line 21)	171,580.00			
5	1411 Audit	3,000.00			
6	1415 Liquidated Damages				
7	1430 Fees and Costs	140,000.00			
8	1440 Site Acquisition				
9	1450 Site Improvement	376,958.00			
10	1460 Dwelling Structures	669,102.00			
11	1465.1 Dwelling Equipment—Nonexpendable	12,000.00			
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities [4]				

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

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

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 08/31/2011

Part I: Summary

PHA Name: Housing Authority of the County of Fresno	Grant Type and Number Capital Fund Program Grant No: CA39P028501-12 Replacement Housing Factor Grant No: Date of CFFP: N/A	FFY of Grant:2012 FFY of Grant Approval: 2012

Type of Grant

☒ **Original Annual Statement** ☐ **Reserve for Disasters/Emergencies** ☐ **Revised Annual Statement (revision no:)**

☐ **Performance and Evaluation Report for Period Ending:** ☐ **Final Performance and Evaluation Report**

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [2]	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	1,715,800.00			
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs	100,000.00			
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				

Signature of Executive Director	Date	Signature of Public Housing Director	Date
[signature]	1/31/12		

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.
[4] RHF funds shall be included here.

Part II: Supporting Pages

PHA Name: Housing Authority of the County of Freso	**Grant Type and Number** Capital Fund Program Grant No: CA39P028501-12 CFFP (Yes/ No): No Replacement Housing Factor Grant No:	**Federal FFY of Grant: 2012**

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
HA-Wide	Drug abatement, youth mentor, security	1408		343,160.00				
Mgmt. Improvements								
HA-Wide	Admin/Management Fees	1410		171,580.00				
Administration								
HA-Wide	A&E services, consultants, permits	1430		140,000.00				
Fees and Costs								

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Part II: Supporting Pages		
PHA Name: Housing Authority of the County of Fresno	**Grant Type and Number** Capital Fund Program Grant No: CA39P028501-12 CFFP (Yes/ No): No Replacement Housing Factor Grant No: N/A	**Federal FFY of Grant: 2012**

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
CA028000001P								
Pinedale Complex	**Site Improvements:**	1450						
	Trees		All AMP	10,000.00				
	Sidewalks		All AMP	10,000.00				
	Parking Lots		All AMP	20,000.00				
	Fencing		120 Units	15,000.00				
	Dwelling Structures:	1460						
	HVAC		30 Units	50,000.00				
	Dwelling Equipment:	1465						
	Appliances		24 Units	12,000.00				
	TOTAL CA028000001P			**117,000.00**				
CA028000002P								
Sanger Elderly/	**Site Improvement:**	1450						
Wedgewood	Trees		All AMP	10,000.00				
	Sidewalks		All AMP	10,000.00				
	Sewer Line		30 Units	20,000.00				
	Water Valves		30 Units	30,000.00				
	Dwelling Structure:	1460						
	Bath Renovation		30 Units	40,000.00				
	Roofs		10 Units	40,000.00				
	HVAC		20 Units	100,000.00				
	TOTAL CA028000002P			**250,000.00**				

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

[2] To be completed for the Performance and Evaluation Report

Part II: Supporting Pages

PHA Name: Housing Authority of the County of Fresno	**Grant Type and Number** Capital Fund Program Grant No: CA39P028501-12 CFFP (Yes/ No): No Replacement Housing Factor Grant No: N/A	**Federal FFY of Grant: 2012**

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
CA028000003P								
Parlier Complex	**Site Improvements:**	1450						
	Trees		All AMP	10,027.00				
	Fencing		30 Units	10,000.00				
	Dwelling Structures:	1460						
	Bath Renovation		20 Units	50,000.00				
	Doors		20 Units	20,000.00				
	TOTAL CA028000003P			**90,027.00**				
CA028000004P								
Mendoza Terrace	**Site Improvements:**	1450						
	Trees		All AMP	10,000.00				
	Sidewalks		112 Units	15,000.00				
	Parking Lot		32 Units	14,948.00				
	Dwelling Structures:	1460						
	Floors		40 Units	30,000.00				
	Bath Renovation		30 Units	40,000.00				
	Water Valves		30 Units	33,000.00				
	Roofs		32 Units	80,000.00				
	Gutters		32 Units	10,000.00				
	Security Doors		32 Units	10,000.00				
	TOTAL CA028000004P			**242,948.00**				

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

[2] To be completed for the Performance and Evaluation Report

Part II: Supporting Pages

PHA Name: Housing Authority of the County of Fresno	**Grant Type and Number** Capital Fund Program Grant No: CA39P028501-12 CFFP (Yes/ No): No Replacement Housing Factor Grant No: N/A	**Federal FFY of Grant: 2012**

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
CA028000005P								
Mendota Scattered	**Site Improvements:**	1450						
Sites	Trees		All AMP	15,000.00				
	Sidewalks		60 Units	17,114.00				
	Dwelling Structures:	1460						
	Paint		64 Units	38,502.00				
	Lighting		60 Units	10,000.00				
	Water Heaters		60 Units	10,000.00				
	Roofs		12 Units	50,000.00				
	TOTAL CA028000005P			**140,616.00**				
CA028000006P								
Cazares Terrace	**Site Improvements:**	1450						
	Trees		All AMP	19,869.00				
	Sidewalks		112 Units	140,000.00				
	Dwelling Structures:	1460						
	Security Doors		24 Units	12,600.00				
	Fascias		24 Units	10,000.00				
	Water Valves		20 Units	15,000.00				
	Windows		20 Units	20,000.00				
	TOTAL CA028000006P			**217,469.00**				

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

[2] To be completed for the Performance and Evaluation Report

Part III: Implementation Schedule for Capital Fund Financing Program

PHA Name: Housing Authority of the County of Fresno

Federal FFY of Grant: 2012

Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
HA – Wide					
Management Improvement	08/31/2014		08/31/2016		
CA028000001P					
Pinedale Complex	08/31/2014		08/31/2016		
CA028000002P					
Sanger Elderly/					
Wedgewood	08/31/2014		08/31/2016		
Ca028000003P					
Parlier Complex	08/31/2014		08/31/2016		
CA028000004P					
Mendoza Terrace	08/31/2014		08/31/2016		
CA028000005P					
Mendota Scattered Sites	08/31/2014		08/31/2016		
CA028000006P					
Cazares Terrace	08/31/2014		08/31/2016		

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

CA028

ATTACHMENT B

SECTION 8.2

CAPITAL FUND PROGRAM FIVE YEAR ACTION PLAN
(FORM HUD-50075.2)

Part I: Summary

PHA Name/Number Housing Authority of the County of Fresno			Locality (City/County & State) Fresno, California		☒Original 5-Year Plan ☐Revision No:	
A.	Development Number and Name	Work Statement for Year 1 FFY 2012	Work Statement for Year 2 FFY 2013	Work Statement for Year 3 FFY 2014	Work Statement for Year 4 FFY 2015	Work Statement for Year 5 FFY 2016
		Annual Statement				
	CA028000001 Pinedale Complex		190,000	439,000	10,000	60,000
	CA028000002 Sanger Elderly/Wedgewood		165,000	10,000	10,000	110,000
	CA028000003 Parlier Complex		310,243	10,000	435,600	285,000
	CA028000004 Mendoza Terrace-Firebaugh		169,869	537,112	10,000	261,112
	CA028000005 Mendota Scattered Sites		62,000	10,000	10,000	340,000
	CA028000006 Cazares Terrace-Huron		179,000	70,000	600,512	20,000
B.	Physical Improvements Subtotal		1,076,112	1,076,112	1,076,112	1,076,112
C.	Management Improvements		357,461	357,461	357,461	357,461
D.	PHA-Wide Non-dwelling Structures and Equipment					
E.	Administration		178,730	178,730	178,730	178,730
F.	Other-Fees & Costs-Audit		160,000	160,000	160,000	160,000
G.	Operations					
H.	Demolition					
I.	Development					
J.	Capital Fund Financing – Debt Service					
K.	Total CFP Funds	Annual Statement	1,787,303	1,787,303	1,787,303	1,787,303
L.	Total Non-CFP Funds					
M.	Grand Total		1,787,303	1,787,303	1,787,303	1,787,303

Part II: Supporting Pages – Physical Needs Work Statement(s)

Work Statement for Year 1 FFY 2012	Work Statement for Year 2013 FFY 2013			Work Statement for Year: 2013 FFY 2013		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
See	**CA028000001P**			**CA028000003P**		
Annual	**Pinedale Complex**			**Parlier Complex**		-
Statement	Trees	All AMP	10,000	Trees	All AMP	10,000
	Clean-outs	24 units	15,000	Landscaping	20 units	17,243
	Sewers	30 units	30,000	Fencing	110 units	13,000
	Lighting	80 units	10,000	Irrigation	90 units	10,000
	Doors	80 units	10,000	Painting	20 units	20,000
	HVAC	30 units	50,000	Trim, Fascia	20 units	15,000
	Roof's	40 units	40,000	Bath Renovation	20 units	30,000
	Floors	40 units	25,000	Kitchen Renovation	20 units	40,000
	Total CA028000001P		**190,000**	Coolers	20 units	40,000
				Heaters	110 units	10,000
	CA028000002P			Water Heaters	40 units	20,000
	Sanger Elderly/Wedgewood			Storage/Water Heater Closets	20 units	20,000
	Trees	All AMP	20,000	HVAC	15 units	40,000
	HVAC	70 units	40,000	Appliances	70 units	25,000
	Cabinets	35 units	25,000	**Total CA028000003**		**310,243**
	Bath Renovation	20 units	40,000			
	Kitchen Counters	20 units	40,000	**CA028000004 P**		
	Total CA028000002P		**165,000**	**Mendoza Terrace-Firebaugh**		
				Trees	All AMP	10,000
				Sidewalks	112 units	15,000
				Parking Lots	32 units	10,000
				Water Valves	30 units	10,000
				Bath Renovation	30 units	50,000
				Cool Roof's	32 units	59,869
				Gutters	32 units	15,000
				Total CA028000004P		**169,869**
	Subtotal of Estimated Cost		**355,000**	Subtotal of Estimated Cost		**480,112**

Part II: Supporting Pages – Physical Needs Work Statement(s)

Work Statement for Year 1 FFY 2012	Work Statement for Year 2013 FFY 2013			Work Statement for Year: 2014 FFY 2014		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
See	**CA028000005P**			**CA028000001P**		
Annual	**Mendota Scattered Sites**			**Pinedale Complex**		
Statement	Trees	All AMP	10,000	Trees	All AMP	10,000
	Parking Lot	24 units	10,000	Garbage Enclosure	2 EA	15,000
	Sidewalk	60 units	15,000	Landscape	24 units	15,000
	Doors	24 units	2,000	Site Water Main	24 units	15,000
	Range Hood	24 units	3,000	Irrigation	114 units	15,000
	Water Heater	54 units	10,000	Under Ground Utilities	50 units	10,000
	Appliances	24 units	12,000	Fencing	80 units	10,000
	Total CA028000005P		**62,000**	Parking Lots	40 units	10,000
				Laundry Rooms	24 units	20,000
	CA028000006			Clothes Lines	24 units	5,000
	Cazares Terrace-Huron			Mow Strips	24 units	20,000
	Trees	All AMP	10,000	Doors	24 units	10,000
	Parking Lot	95 units	10,000	Windows	104 units	20,000
	Sidewalks	40 units	10,000	Security Doors	74 units	20,000
	Landscaping	20 units	15,000	Kitchen Renovation	24 units	50,000
	Painting	20 units	46,000	Bath Renovation	24 units	40,000
	Countertops	20 units	20,000	Floors	64 units	20,000
	Floors	20 units	20,000	Roof's	64 units	40,000
	Clothes Lines	20 units	3,000	Paint	24 units	25,000
	Stucco	20 units	15,000	Accessibility Upgrades	24 units	30,000
	Bath Renovation	20 units	30,000	Stucco	80 units	20,000
	Total CA028000006P		**179,000**	Countertops	50 units	15,000
				Lighting	50 units	4,000
				Total CA028000001P		**439,000**
	Subtotal of Estimated Cost		**241,000**	Subtotal of Estimated Cost		**439,000**

Part II: Supporting Pages – Physical Needs Work Statement(s)

Work Statement for Year 1 FFY 2012	Work Statement for Year 2014 FFY 2014			Work Statement for Year: 2014 FFY 2014		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
See	**CA028000002P**			**CA028000004 P**		
Annual	**Sanger Elderly/Wedgewood**			**Mendoza Terrace-Firebaugh**		
Statement	Trees	All AMP	10,000	Bath Renovation	30 units	65,000
	Total CA028000002P		**10,000**	Floors	30 units	20,000
				Roof's	30 units	79,060
	CA028000003P			Solar	30 units	50,000
	Parlier Complex			Stucco	30 units	20,000
	Trees	All AMP	10,000	Asbestos Removal	30 units	58,252
	Total CA028000003P		**10,000**	**Total CA028000004P**		**292,312**
	CA028000004 P			**CA028000005P**		
	Mendoza Terrace-Firebaugh			**Mendota Scattered Sites**		
	Trees	All AMP	10,000	Trees	All AMP	10,000
	Sidewalk	30 units	10,000	**Total CA028000005P**		**10,000**
	Fencing	30 units	10,000			
	Landscaping	30 units	10,000	**CA028000006**		
	Irrigation	30 units	15,000	**Cazares Terrace-Huron**		
	Trash Enclosure	30 units	15,000	Trees	All AMP	10,000
	Under Ground Utilities	30 units	25,000	Laundry Room	28	60,000
	Water Main Valves	30 units	25,000	**Total CA028000006P**		**70,000**
	Site Lighting	30 units	2,400			
	Laundry Rooms	30 units	50,000			
	Doors	30 units	2,400			
	Windows	30 units	20,000			
	Painting	30 units	20,000			
	Kitchen Renovation	30 units	30,000			
	Total CA028000004P		**244,800**			
	Subtotal of Estimated Cost		**264,800**	Subtotal of Estimated Cost		**372,312**

Part II: Supporting Pages – Physical Needs Work Statement(s)

Work Statement for Year 1 FFY 2012	Work Statement for Year 2015 FFY 2015			Work Statement for Year: 2015 FFY 2015		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
See	**CA028000001P**			**CA028000005P**		
Annual	**Pinedale Complex**			**Mendota Scattered Sites**		
Statement	Trees	All AMP	10,000	Trees	All AMP	10,000
	Total CA028000001P		**10,000**	**Total CA028000005P**		**10,000**
	CA028000002P			**CA028000006**		
	Sanger Elderly/Wedgewood			**Cazares Terrace-Huron**		
	Trees	All AMP	10,000	Trees	All AMP	10,000
	Total CA028000002P		**10,000**	Sidewalks	112 units	10,000
				Lighting	72 units	36,451
	CA028000003P			HVAC	112 units	233,461
	Parlier Complex			Security Doors	48 units	25,000
	Trees	All AMP	10,000	Floors	48 units	50,000
	Fencing	30 units	40,000	Painting	68 units	125,000
	Paint	20 units	40,000	Doors	20 units	10,600
	Security Screens	20 units	200,000	Roofs	20 units	80,000
	Security Screen Doors	40 units	25,000	Appliances	28 units	20,000
	Roofs	40 units	100,000	**Total CA028000006P**		**600,512**
	Closet Doors	20 units	20,600			
	Total CA028000003P		**435,600**			
	CA028000004P					
	Mendoza Terrace-Firebaugh					
	Trees	All AMP	10,000			
	Total CA028000004P		**10,000**			
	Subtotal of Estimated Cost		**465,600**	Subtotal of Estimated Cost		**610,512**

Part II: Supporting Pages – Physical Needs Work Statement(s)

Work Statement for Year 1 FFY 2012	Work Statement for Year 2016 FFY 2016			Work Statement for Year: 2016 FFY 2016		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
See	**CA028000001P**			**CA028000005P**		
Annual	**Pinedale Complex**			**Mendota Scattered Sites**		
Statement	Trees	All AMP	10,000	Trees	All AMP	20,000
	Sidewalks	144 units	50,000	Floors	124 units	145,000
	Total CA028000001P		**60,000**	Bath Renovation	40 units	60,000
				Kitchen Renovation	40 units	80,000
	CA028000002P			Paint	60	35,000
	Sanger Elderly/Wedgewood			**Total CA028000005P**		**340,000**
	Trees	All AMP	10,000			
	Paint	194 units	100,000	**CA028000006**		
	Total CA028000002P		**110,000**	**Cazares Terrace-Huron**		
				Trees	All AMP	20,000
	CA028000003P			**Total CA028000006P**		**20,000**
	Parlier Complex					
	Trees	All AMP	20,000			
	Floors	180 units	110,000			
	Paint	180 units	90,000			
	Roofs	20 units	65,000			
	Total CA028000003P		**285,000**			
	CA028000004P					
	Mendoza Terrace-Firebaugh					
	Trees	All AMP	20,000			
	Paint	50 units	55,000			
	HVAC	50 units	186,112			
	Total CA028000004P		**261,112**			
	Subtotal of Estimated Cost		**716,112**	Subtotal of Estimated Cost		**360,000**

CA028

ATTACHMENT C

SECTION 11.0

- **Form HUD-50070 Certification for a Drug – Free Workplace**
- **Form HUD-50071, Certification of Payments to Influence Federal Transactions**
- **Form HUD -50077 PHA Certification of Compliance with the PHA Plans and Related Regulations**
- **Form HUD 50077-SL, Certification by State or Local Official of PHA Plans Consistency with the Consolidated Plan**
- **Form SF-LLL, Disclosure of Lobbying Activities (PHAs receiving CFP grants only)**
- **Resident Advisory Board (RAB) Comments.**

Certification for a Drug-Free Workplace

U.S. Department of Housing and Urban Development

Applicant Name

Housing Authority of Fresno County

Program/Activity Receiving Federal Grant Funding

2012 Annual Plan - Capital Fund Program

Acting on behalf of the above named Applicant as its Authorized Official, I make the following certifications and agreements to the Department of Housing and Urban Development (HUD) regarding the sites listed below:

I certify that the above named Applicant will or will continue to provide a drug-free workplace by:

a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Applicant's workplace and specifying the actions that will be taken against employees for violation of such prohibition.

b. Establishing an on-going drug-free awareness program to inform employees ---

(1) The dangers of drug abuse in the workplace;

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

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

(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph a.;

d. Notifying the employee in the statement required by paragraph a. that, as a condition of employment under the grant, the employee will ---

(1) Abide by the terms of the statement; and

(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

e. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph d.(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federalagency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

f. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph d.(2), with respect to any employee who is so convicted ---

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs a. thru f.

2. **Sites for Work Performance.** The Applicant shall list (on separate pages) the site(s) for the performance of work done in connection with the HUD funding of the program/activity shown above: Place of Performance shall include the street address, city, county, State, and zip code. Identify each sheet with the Applicant name and address and the program/activity receiving grant funding.)

Check here ☐ if there are workplaces on file that are not identified on the attached sheets.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.
Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties.
(18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official	Title
Preston Prince	CEO/Executive Director
Signature X	Date 8/6/11

form **HUD-50070** (3/98)
ref. Handbooks 7417.1, 7475.13, 7485.1 & .3

OMB Approval No. 2577-0157 (Exp. 3/31/2010)

Certification of Payments to Influence Federal Transactions

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

Applicant Name

Housing Authority of Fresno County

Program/Activity Receiving Federal Grant Funding

2012 Annual Plan - Capital Fund Program

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official	Title
Preston Prince	CEO/Executive Director
Signature	**Date (mm/dd/yyyy)**
	8/6/11

Previous edition is obsolete

form HUD 50071 (3/98)
ref. Handboooks 7417.1, 7475.13, 7485.1, & 7485.3

PHA Certifications of Compliance with PHA Plans and Related Regulations

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 06/30/2011

PHA Certifications of Compliance with the PHA Plans and Related Regulations: Board Resolution to Accompany the PHA 5-*Year and Annual* PHA Plan

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the___ 5-Year and/or__X Annual PHA Plan for the PHA fiscal year beginning 2012 hereinafter referred to as" the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

1. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
2. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
3. The PHA certifies that there has been no change, significant or otherwise, to the Capital Fund Program (and Capital Fund Program/Replacement Housing Factor) Annual Statement(s), since submission of its last approved Annual Plan. The Capital Fund Program Annual Statement/Annual Statement/Performance and Evaluation Report must be submitted annually even if there is no change.
4. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Board or Boards in developing the Plan, and considered the recommendations of the Board or Boards (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the manner in which the Plan addresses these recommendations.
5. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment.
6. The PHA certifies that it will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
7. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
8. For PHA Plan that includes a policy for site based waiting lists:
   - The PHA regularly submits required data to HUD's 50058 PIC/IMS Module in an accurate, complete and timely manner (as specified in PIH Notice 2006-24);
   - The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
   - Adoption of site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
   - The PHA shall take reasonable measures to assure that such waiting list is consistent with affirmatively furthering fair housing;
   - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR part 903.7(c)(1).
9. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
10. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
11. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
12. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.

13. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
14. The PHA will provide the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
15. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under Section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
16. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
17. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35.
18. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments), 2 CFR Part 225, and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
19. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
20. All attachments to the Plan have been and will continue to be available at all times and all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary business office of the PHA.
21. The PHA provides assurance as part of this certification that:
    (i) The Resident Advisory Board had an opportunity to review and comment on the changes to the policies and programs before implementation by the PHA;
    (ii) The changes were duly approved by the PHA Board of Directors (or similar governing body); and
    (iii) The revised policies and programs are available for review and inspection, at the principal office of the PHA during normal business hours.
22. The PHA certifies that it is in compliance with all applicable Federal statutory and regulatory requirements.

PHA Name: Housing Authority of Fresno County

PHA Number/HA Code: CA028

Annual PHA Plan for Fiscal Year 2012

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official	Title
Preston Prince	CEO/Executieve Director
Signature:	Date: 8/6/11

Certification by State or Local Official of PHA Plans Consistency with the Consolidated Plan	U.S. Department of Housing and Urban Development Office of Public and Indian Housing Expires 4/30/2011

Certification by State or Local Official of PHA Plans Consistency with the Consolidated Plan

I, Alan Weaver the Director of Public Works & Planning certify that the Five Year and Annual PHA Plan of the Fresno Housing Authorities is consistent with the Consolidated Plan of Fresno County prepared pursuant to 24 CFR Part 91.

Alan Weaver 7/21/11

Signed / Dated by Appropriate State or Local Official

DISCLOSURE OF LOBBYING ACTIVITIES

Approved by OMB
0348-0046

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure.)

1. Type of Federal Action:	2. Status of Federal Action:	3. Report Type:
[b] a. contract b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance	[b] a. bid/offer/application b. initial award c. post-award	[a] a. initial filing b. material change **For Material Change Only:** year _____ quarter _____ date of last report _____

4. Name and Address of Reporting Entity:	5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime:
[x] Prime [ ] Subawardee Tier _____, *if known*: **Congressional District**, *if known*: 4c 19 &20	Housing Authority of Fresno County 1331 Fulton Mall Fresno, CA 93721 **Congressional District**, *if known*:
6. Federal Department/Agency: Department of Housing & Urban Development (HUD)	**7. Federal Program Name/Description:** CFDA Number, *if applicable*: N/A
8. Federal Action Number, *if known*:	**9. Award Amount**, *if known*: $ N/A
10. a. Name and Address of Lobbying Registrant (*if individual, last name, first name, MI*): None	**b. Individuals Performing Services** (*including address if different from No. 10a*) (*last name, first name, MI*):

11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Signature: [signature]
Print Name: Preston Prince
Title: CEO/Executive Director
Telephone No.: (559) 443-8475 Date: 8/6/16

Federal Use Only:

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Standard Form LLL (Rev. 7-97)

Resident Advisory Board (RAB) Meeting
Minutes

The RAB members of HACCF met on Monday, June 20, 2011, at 1331 Fulton Mall, Fresno, California.

RAB Member Present:
Hyasha Anderson
Angelo Burton
Elaine Mitchell
Sandra Mosley
Frances Pena
Marsha Simpson
Maxine Smethers
Francisca Varela
Otis W. Davis

HACCF Personnel Present:
Joann Bliss, Program Technician Analyst
Sheng Xiong, Administrative Assistant

The following proposed changes to the Administrative Plan were reviewed at the meeting; there were no concerns or objection to the proposed changes.

Eligibility-Related Policies

- **Expanded Definition of Family**

  Expands definition of family at intake to include "grandchild" and "uncle" (*currently: mother, father, children, cousin, niece, nephew, aunt grandfather, grandmother,*) as blood relations who are eligible.

- **When Child placed in Foster Care**

  Establishes the time limit for how long a child can be temporarily out of the home due to placement in foster care as 180 days. After 180 days the child is considered out of the home for purposes of reducing the voucher size. This is implemented at the time of the annual recertification o f family size and income.

- **Portability and Insufficient Funding**

  Establishes the procedure Housing Authority will follow if it becomes necessary to disapprove moves to a higher cost unit or higher cost area due to insufficient funding:

  1) This will be announced to all owners and participants;

2) A list of families wanting to move under portability will be retained for 60 days after which time the list will expire; and

3) Families who were on this list at the time it expired and who still want to move will have to initiate a new request.

Disapproval/Termination Policies

❖ Duration of an Owner Disapproval

Adds clarification that if Housing Authority disapproves an owner, the duration of the disapproval will be for three years.

❖ Termination Methodology for HCV Program

Should funding no longer be available under the Annual Contributions Contracts (ACC) and the Housing Authority has to terminate housing assistance due to the lack of Housing assistance Payments (HAP) funding, terminations will be applied as follow:

1) Housing Authority will apply random selection methodology, excluding elderly and disabled families and veterans of U.S. Armed Forces as well as those families that participate in Family Self-Sufficiency, Project-Based Vouchers, and the Section 8 Homeownership Programs.

2) A priority list for reinstatement of the households terminated due to the lack of funding will be established; the list will be valid for two years from the date of establishment.

3) The affected households must complete the income eligibility process for reinstatement.

4) Application of income limits will be waived for the affected households.

5) Criminal background screening may be waived for the affected households.

❖ Definition Related to Termination of Assistance

Regulations require that Housing Authority must terminate assistance if the family is *evicted* from HCV assisted housing for "*serious violation of the lease*". HUD does not define this term. Therefore to ensure fair and equal treatment in regards to these terminations, Housing Authority is adding the following definition: "*Serious violation of*

the lease" includes, but is not limited to, a history of non-payment of rent, criminal or drug-related activity, and serous or repeated lease infractions.

While not mandatory, Housing Authority *may* terminate program assistance for a participant if the family has a pattern of lease violations, because the latter constitutes a failure to meet their Family Obligations. To ensure fair and equal treatment in regards to these terminations, Housing Authority is adding the following definition: *"Pattern/history of lease violations*" is defined as 3 or more notices from the owners and or property managers for serious or repeated lease infractions within a 24-month period.

Policies Related to Family responsibilities

- **Participant Deadlines for Reporting**

  Modifies deadlines, which families must meet when they are required to report a change to Housing Authority, (*currently: "within 10 calendar days"*) to read "within 10 calendar days or the next day the agency is open after the 10th calendar day".

- **All Mandatory Reporting by Family Must Be in Writing**

  Modifies method of mandatory reporting of changes by the family to Housing Authority from *"orally or in writing"* to "all reporting must be in writing".

Policies Related to Project-Based Voucher Program (PBV)

- **Preference Under Project-Based Voucher (PBV) Program: U.S. Veterans**

  Adds to the Project-Based Boucher program a preference for U.S. Veterans who are protected by State law.

- **Project-Based Vouchers (PBV) and Excepted Units**

  Programs regulations place a 25% per project cap on the number of units that can have project-based assistance attached. Any unit over that amount may only have PBV attached if the units are "excepted units". "Excepted units" are those made available for "qualifying families and individuals" "Qualifying families and individuals" are 1) elderly or disabled, or 2) receiving supportive services.

  Regulations require Housing Authority to define in its Administrative Plan the types of supportive services offered at Project-Based Voucher units which are designated as

excepted units for qualifying families. These supportive services include, but are not limited, to:

1) After school programs; and

2) Educational and computer programs

- **Monitoring Compliance for Excepted Units**

Adds procedure, as required by regulations, as to how the project Management Agent and Housing authority will ensure monitoring compliance of mandatory family participation in supportive services for excepted units.

The HACF also held the following RAB Meeting at the following Low Income Public Housing Sites:

- August 11, 2011, RAB Meeting held at the Yosemite Village Community Enrichment Center, located at 709 West California Avenue, Fresno, California. There were 40 LIPH residents in attendance.

- August 10, 2011, RAB meeting was held at the Firebaugh Computer Learning Center, located at, 1610 Allardt Drive, Firebaugh, California. There were 43 LIPH residents in attendance.

- August 9, 2011, RAB meeting was held at the Wedgewood Commons Senior Center, located at 2415 5th Street, Sanger, California. There were 42 LIPH residents in attendance.

- **Tobacco Smoke-Free Policy**

Beginning January 1, 2012, the LIPH Admission and Continued Occupancy Policy will include the following additions or modifications:

HACF will begin implementation of a Smoke free policy All residents, their guests, Housing Authority employees and vendors must refrain from smoking inside the apartments, balconies, patios and in common areas of the complex. Smoking is only allowed in specifically designated areas, which will be clearly identified and residents who choose to smoke must do so only within the posted area(s).

HOUSING AUTHORITY OF FRESNO COUNTY

LOW INCOME PUBLIC HOUSING PROGRAM

ADMISSION AND CONTINUED OCCUPANCY POLICY

FYB: JANUARY 1, 2012

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CHAPTER 1 – STATEMENT OF POLICIES AND OBJECTIVES

INTRODUCTION

The Housing Authority of the County of Fresno (herein referred to as HACF) is responsible for public and affordable housing stock located throughout Fresno County. The HACF is not a federal department or agency. The HACF is a governmental or public body, created and authorized by state law to develop and operate housing and housing programs for low-income families. The HACF enters into an Annual Contributions Contract with HUD to administer the public housing program. The HACF must ensure compliance with federal laws, regulations and notices and must establish policy and procedures to clarify federal requirements and to ensure consistency in program operation.

1.0 HOUSING AUTHORITY OVERVIEW & MISSION

The primary objective of the HACF is to provide decent, safe and sanitary housing to low-income families at an affordable cost. Our mission is to provide this housing within an environment that fosters the advancement of low-income families from a position of dependency to one of self-sufficiency.

The City and County Housing Authorities function as separate public agencies with separate governing bodies. Through a unique arrangement, the two Housing Authorities share a single Executive Director and staff, thus making it possible to draw on a more comprehensive staff while realizing the cost advantages that result from avoiding duplication, ordering in larger quantities, and sharing equipment and services. Both Housing Authorities are public housing agencies as defined in the United States Housing Act of 1937, as amended, and in 24 C.F.R. Chapter VIII. Both agencies have been organized under Section 31000, et a seq., of the California Health and Safety Code.

The Housing Authority of the City of Fresno and the Housing Authority of Fresno County are each governed by a seven-member Board of Commissioners. The City Board is appointed by the Mayor. Five of the seven commissioners are appointed to four-year, staggered terms. The other two members are appointed to two-year terms from among both the HCV and Public Housing programs. County Board of Commissioners is structured in the same manner, except that the County Commissioners are appointed by the Board of Supervisors.

1.1 ORGANIZATION AND STRUCTURE OF THE HACF

The administration of the public housing program and the functions and responsibilities of the HACF shall be in compliance with the Annual Contributions Contract (ACC), and this Admissions and Continued Occupancy Policy (herein referred as ACOP). The administration of the HACF's housing program will also meet the requirements set forth by the U.S. Department of Housing and Urban Development (HUD). Such requirements include any Public Housing Regulations, Handbooks, and applicable Notices. All applicable Federal, State and local laws, including Fair Housing Laws and regulations

also apply. Changes in applicable federal laws or regulations shall supersede provisions in conflict with this policy. Federal regulations shall include those found in Volume 24 Code of Federal Regulations (CFR), Parts V, VII and IX.

1.2 LOCAL OBJECTIVES

The ACOP demonstrates that the HACF manages its program in a manner that reflects its commitment to improving the quality of housing available to the public, and its capacity to manage that housing in a manner that demonstrates its responsibility to the public trust. In addition, the ACOP is designed to achieve the following objectives:

- To provide improved living conditions for very-low and low-income families while maintaining their rent payments at an affordable level.
- To operate a public housing authority that provides decent, safe, and sanitary housing within a suitable living environment for residents and their families.
- To provide opportunities for upward mobility for families who desire to achieve self-sufficiency.

1.3 PURPOSE OF THE POLICY

The purpose of the ACOP is to establish guidelines for the Housing Authority staff to follow in determining eligibility for admission and continued occupancy. These guidelines are governed by the requirements set forth by HUD with latitude for local policies and procedures. These policies and procedures for admissions and continued occupancy are binding upon applicants, residents, and the HACF.

1.4 UPDATING AND REVISING THE POLICY

The HACF will review and update the ACOP at least once a year, and more often if needed, to reflect changes in regulations, HACF operations, or when needed to ensure staff consistency in operation.

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

1.5 FAMILY OUTREACH

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

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

1.6 POSTING OF REQUIRED INFORMATION

The HACF will maintain a bulletin board in a conspicuous area of the management offices which will contain:

- Current schedule of routine maintenance charges
- A Fair Housing Poster
- An Equal Opportunity in Employment poster
- Current Resident Notices
- Required public notices
- Utility Allowance Survey Results
- A VAWA Poster

1.7 CONFIDENTIALITY

It is the policy of the HACF to comply fully with all Federal, State, and local laws and with rules and regulations governing Confidentiality in housing. Each HACF staff signs a "Confidentiality Agreement" at the commencement of their employment and participates in an annual Confidentiality training. Each HACF staff agrees not to disclose any applicant/resident information, directly or indirectly, that is of a personal, private, and confidential nature, to any person or use such information in any way, either during the term of their employment or at any other time thereafter, except as follows:

- To an officer, employee, or authorized representative of the HACF who has a job related need to have access to the information in connection with admission of applicants, eviction of tenants, or termination of assistance;
- If the resident/applicant (or resident's/applicant's parent/guardian, if resident is a minor) consents in writing;
- If disclosure is allowed by Court Order;
- If disclosure is made to medical personnel in a medical emergency;
- To the duly appointed guardian or conservator of the individual;
- To a law enforcement or regulatory agency, if the use of the information requested is in an investigation of unlawful activity under the jurisdiction of the requesting agency or for Licensing, certification, or regulatory purposes by that agency;
- To any person pursuant to a subpoena, court order, or other compulsory legal process if, before the disclosure, the HACF reasonably attempts to notify the individual to whom the record pertains, and if the notification is not prohibited by law;
- Disclosure of any information about suspected child or elder abuse and/or neglect reported to appropriate state local authorities pursuant to state law.
- To share resident information that is necessary to determine eligibility for County

welfare department programs or services for which the client has applied or is receiving, as authorized by the State of California Health and Safety Code, section 34217.

By signing the *"Confidentiality Agreement",* the HACF staff agrees that all files, records, documents and similar items relating to their employment, whomever prepared by, are and shall remain exclusively the property of the HACF and that said files shall be removed from the premises only with the express prior written consent of the Executive Director or his/her designee. A violation of the *"Confidentiality Agreement"* may result in disciplinary action up to and including termination of employment. The unauthorized release of information may subject the HACF and the HACF staff to civil action under the Quality Housing and Work Responsibility Act of 1998.

1.8 VIOLENCE AGAINST WOMEN ACT

The HACF's policy is to comply with the 2005 Violence Against Women Act (VAWA) Pub. L. 109-162; Stat.2960 signed into law on January 5, 2005. The HACF shall not discriminate against an applicant, or public housing resident on the basis of the rights or privileges provided under the VAWA.

On an annual basis, the HACF will notify residents of their rights under VAWA during the annual re-certification process. Additionally, the HACF will enclose in each application packet a notice advising applicants of their rights under VAWA.

1.9 VAWA CONFIDENTIALITY

All VAWA information provided to the HACF, including the fact that an individual is a victim of domestic violence, dating violence, or stalking, shall be retained in confidence, and will not be entered into any shared database or provided to any related entity, except to the extent that disclosure is:

- Requested or consented to by the individual in writing;
- Required for use in an eviction proceeding under subsection (1)(5) or (6) of Public Law 109-162 referencing amendments made to Section 6 of the United States Housing Act of 1937 (42 U.S.C. 1437d);
- Otherwise required by applicable law.

CHAPTER 2 – FAIR HOUSING & EQUAL OPPORTUNITY

INTRODUCTION

This chapter explains the laws and HUD regulations requiring the HACF to affirmatively further civil rights and fair housing in all federally-assisted housing programs. The letter and spirit of these laws are implemented through consistent policy and processes. The responsibility to further nondiscrimination pertains to all areas of the HACF's public housing operations.

This chapter describes HUD regulations and HACF policies related to these topics in three parts:

Part I: Nondiscrimination. This part presents the body of laws and regulations governing the responsibilities of the PHA regarding nondiscrimination.

Part II: Policies Related to Persons with Disabilities. This part discusses the rules and policies of the public housing program related to reasonable accommodation for persons with disabilities. These rules and policies are based on the Fair Housing Act (42.U.S.C.) and Section 504 of the Rehabilitation Act of 1973, and incorporate guidance from the Joint Statement of The Department of Housing and Urban Development and the Department of Justice (DOJ), issued May 17, 2004.

Part III: Prohibition of Discrimination Against Limited English Proficiency Persons. This part details the obligations of the PHA to ensure meaningful access to the public housing program and its activities by persons with limited English proficiency (LEP). This part incorporates the Final Guidance to Federal Financial Assistance Recipients regarding Title VI Prohibition against National Origin Discrimination Affecting Limited English Proficient Persons published January 22, 2007in the *Federal* Register

PART I: NONDISCRIMINATION

2.0 OVERVIEW

It is the policy of the HACF to comply fully with all Federal, State, and local nondiscrimination laws and with rules and regulations governing Fair Housing and Equal Opportunity in housing and employment. The HACF will comply with all laws relating to Civil Rights, including:

- Title VI of the Civil Rights Act of 1964
- Title VIII of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974 and the Fair Housing Amendments Act of 1988)
- Executive Order 11063
- Section 504 of the Rehabilitation Act of 1973
- The Age Discrimination Act of 1975

- Title II of the Americans with Disabilities Act (to the extent that it applies, otherwise Section 504 and the Fair Housing Amendments govern)

- Violence Against Women Reauthorization Act of 2005 (VAWA)

- Any applicable State laws or local ordinances and any legislation protecting individual rights of residents, applicants or staff that may subsequently be enacted.

When more than one civil rights law applies to a situation, the laws will be read and applied together.

2.1 NONDISCRIMINATION

The HACF shall not discriminate on the basis of race, color, sex, religion, familial status, disability, national origin, marital status, in the leasing, rental, or other disposition of housing or related facilities, including land, that is part of any development or developments under the HACF's jurisdiction covered by a contract for annual contributions under the United States Housing Act of 1937, as amended, or in the use or occupancy, thereof.

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

The HACF's facilities are accessible to persons with disabilities. Accessibility for the hearing impaired is provided by the TDD telephone service provider.

The HACF shall not, on account of race, color, sex, religion, familial status, disability, national origin, marital status:

- Deny to any family the opportunity to apply for housing, nor deny to any qualified applicant the opportunity to lease housing suitable to its needs;

- Provide housing that is different from that provided to others;

- Subject a person to segregation or disparate treatment;

- Restrict a person's access to any benefit enjoyed by others in connection with the housing program;

- Treat a person differently in determining eligibility or other requirements for admission;

- Deny a person access to the same level of services;

- Steer an applicant or resident toward or away from a particular area based on any of these factors;

- Deny anyone the opportunity to participate in a planning or advisory group that is

an integral part of the housing program;

- Discriminate in the provision of residential real estate transactions;
- Discriminate against someone because they are related to or associated with a member of a protected class; or
- Publish or cause to be published an advertisement or notice indicating the availability of housing that prefers or excludes persons who are members of a protected class.

The HACF shall not automatically deny admission to a particular group or category of otherwise qualified applicants (e.g., families with children born to unmarried parents, elderly families with pets).

2.2 DISCRIMINATION COMPLAINTS

If an applicant or resident family believes that any family member has been discriminated against by the HACF, the family should advise the HACF. HUD requires the HACF to make every reasonable attempt to determine whether the applicant's or resident family's assertions have merit and take any warranted corrective action.

- Applicants or resident families who believe that they have been subject to unlawful discrimination may notify the HACF either orally or in writing.
- The HACF will attempt to remedy discrimination complaints made against the HACF.
- The HACF will provide a copy of a discrimination complaint form to the complainant and provide them with information on how to complete and submit the form to HUD's Office of Fair Housing and Equal Opportunity (FHEO).

PART II: POLICIES RELATED TO PERSONS WITH DISABILITIES

2.3 POLICIES RELATED TO PERSONS WITH DISABILITIES

The HACF'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. All requests for a reasonable accommodation will be verified so that the HACF can properly accommodate the need presented by the disability.

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

The HACF will ask all applicants and resident families if they require any type of accommodations, in writing, on the intake application, reexamination documents, and notices of adverse action by the HACF, by including the following language:

"If you or anyone in your family is a person with disabilities, and you require a specific accommodation in order to fully utilize our programs and services, please contact the housing authority."

An applicant or resident can contact the local property management office for request for accommodation for person with disabilities.

2.4 DEFINITION OF REASONABLE ACCOMMODATION

A "reasonable accommodation" is a change, exception, or adjustment to a policy, practice or service that may be necessary for a person with a disability to have an equal opportunity to use and enjoy a dwelling, including public and common use spaces. Exhibit 2-2 Definition of Person With a Disability Under Federal Civil Rights Laws (24 CFR Parts 8.3 and 100.201, is located at the end of this ACOP under "Exhibits". Since policies and services may have a different effect on persons with disabilities than on other persons, treating persons with disabilities exactly the same as others will sometimes deny them an equal opportunity to use and enjoy a dwelling. [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act]

Federal regulations stipulate that requests for accommodations will be considered reasonable if they do not create an "undue financial and administrative burden" for the HACF, or result in a "fundamental alteration" in the nature of the program or service offered. A *fundamental alteration* is a modification that alters the essential nature of a provider's operations.

2.5 TYPES OF REASONABLE ACCOMMODATIONS

When it is reasonable the HACF shall accommodate the needs of a person with disabilities. Examples include but are not limited to:

- Permitting applications and reexaminations to be completed by mail
- Conducting home visits
- Permitting a higher utility allowance for the unit if a person with disabilities requires the use of specialized equipment related to the disability
- Modifying or altering a unit or physical system if such a modification or alteration is necessary to provide equal access to a person with a disability
- Installing a ramp into a dwelling or building
- Installing grab bars in a bathroom
- Installing visual fire alarms for hearing impaired persons
- Allowing a HACF-approved live-in aide to reside in the unit if that person is determined to be essential to the care of a person with disabilities, is not obligated for the support of the person with disabilities, and would not be otherwise living in the unit.
- Providing a designated handicapped-accessible parking space

- Allowing an assistance animal
- Permitting an authorized designee or advocate to participate in the application or certification process and any other meetings with HACF staff
- Displaying posters and other housing information in locations throughout the HACF's office in such a manner as to be easily readable from a wheelchair

2.6 REQUESTS FOR AN ACCOMMODATION

If an applicant or participant indicates that an exception, change, or adjustment to a rule, policy, practice, or service is needed because of a disability the HACF will treat the information as a request for a reasonable accommodation, even if no formal request is made [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].

The family must explain what type of accommodation is needed to provide the person with the disability full access to the HACF's programs and services.

If the need for the accommodation is not readily apparent or known to the HACF, the family must explain the relationship between the requested accommodation and the disability.

The HACF will encourage the family to make its request in writing using a reasonable accommodation request form. However, the HACF will consider the accommodation any time the family indicates that an accommodation is needed whether or not a formal written request is submitted.

2.7 VERIFICATION OF A REQUEST FOR A REASONABLE ACCOMMODATION

A request for an accommodation can be made at any time.

Any resident that requests an accommodation will be given a packet that contains the following:

Form 1: Notice of the Right to Reasonable Accommodation
Form 2: Request for a Reasonable Accommodation
Form 3: Verification of Need for Reasonable Accommodation

All requests for an accommodation must be in writing. A resident may request an accommodation for this requirement.

All residents that request a reasonable accommodation must submit Forms 2 and 3 to the management office.

The management office has a Reasonable Accommodation binder that includes the Reasonable Accommodation Log and all supporting documentation.

The Housing Management staff will forward the reasonable accommodation request to the ADA Coordinator at the HACF's administrative office for processing.

The ADA Coordinator will evaluate the request and consult with the designated before

rendering a decision. Except in cases involving an imminent emergency, decisions on a request for reasonable accommodation or modification shall be made by the ADA Coordinator as soon as practicable but in no event later than thirty (30) business days after the request form(s) is completed and the HACF has received all information needed to make a decision.

The Reasonable Accommodation Request form will include an approval or a denial of the request. If denied, the form will include reasons for denial and possible alternative accommodations. Copies of the Decision on Reasonable Accommodation Request will be sent to the housing development site to be placed in the Reasonable Accommodation binder.

PART III: IMPROVING ACCESS TO SERVICES FOR PERSONS WITH LIMITED ENGLISH PROFICIENCY (LEP)

2.8 LIMITED ENGLISH PROFICIENCY (LEP) TRANSLATION SERVICES

Language for Limited English Proficiency Persons (LEP) can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities, or understanding other information provided by the public housing program. In certain circumstances, failure to ensure that LEP persons can effectively participate in or benefit from federally-assisted programs and activities may violate the prohibition under Title VI against discrimination on the basis of national origin. This part incorporates the Final Guidance to Federal Assistance Recipients Regarding Title VI Prohibition against National Origin Discrimination Affecting Limited English Proficient Persons, published January 22, 2007, in the *Federal Register.*

The HACF will take affirmative steps to communicate with people who need services or information in a language other than English. These will be referred to as Persons with Limited English Proficiency (LEP). LEP is defined as persons who do not speak English as their primary language and who have a limited ability to read, write, speak or understand English. For the purposes of this Admissions and Continued Occupancy Policy, LEP persons are public housing applicants and resident families, and parents and family members of applicants and resident families.

The HACF is committed to providing meaningful access to the Authority's programs and services to all eligible persons, including those who have limited English proficiency because of their national origin. The HACF has analyzed its operations and the populations it serves, and has developed a Language Assistance Plan which is part of our Five-Year Plan/Annual Plan. The plan details the steps the HACF will take to provide meaningful access in connection with our programs and services to these populations. The two primary language assistance needs in the Fresno area are for persons speaking Spanish and Hmong.

2.9 ORAL TRANSLATION

The Housing Authority has bilingual staff to assist non-English speaking families in Spanish and Hmong and orally translates documents into Spanish and Hmong. Where bilingual staff is not available to interpret for these families, the HACF will use a telephone language interpretation service, which offers translation in over 100 languages, to communicate effectively with clients.

2.10 WRITTEN TRANSLATION

In determining whether it is feasible to provide translation of documents written in English into other languages, the HACF will consider the following factors:

- Number of applicants and participants in the jurisdiction who do not speak English and speak the other language.
- Estimated cost to HACF per client of translation of English written documents into the other language.
- The availability of local organizations to provide translation services to non English -speaking families.
- Availability of bi-lingual staff to provide translation for non English -speaking families.

2.11 PRIVACY STATEMENT

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

The HACF’s policy regarding release of information is in accordance with State and local laws which may restrict the release of family information.

Any and all information, which would lead one to determine the nature and/or severity of a person’s disability, must be kept in a separate folder and marked “confidential.” The personal information in this folder must not be released except on an “as needed” basis in cases where an accommodation is under consideration.

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CHAPTER 3 – ELIGIBILITY AND SUITABILITY FOR ADMISSION TO PUBLIC HOUSING [24 CFR PART 960, SUBPART B]

INTRODUCTION

This chapter describes the definitions of family and household members, eligibility and suitability criteria for admission to the public housing program. The policy of the HACF is to apply these criteria to evaluate the qualifications of families who apply. The HACF will review all information provided by the family carefully and without regard to factors other than those defined in this chapter. Families will be provided the opportunity to explain their circumstances, to furnish additional information, if needed, and to receive an explanation of the basis for any decision made by the HACF pertaining to their eligibility and suitability. This chapter contains three parts:

Part I: Definitions of Family and Household Members. This part contains HUD and HACF definitions of family and household members and explains initial and ongoing eligibility issues related to these members.

Part II: Basic Eligibility Criteria. This part discusses income eligibility, and rules regarding citizenship, social security numbers, and family consent.

Part III: Screening & Denial of Admission. This part covers factors related to an applicant's past or current conduct (e.g. criminal activity) that can cause the HACF to deny admission.

3.0 ELIGIBILITY & SUITABILITY CRITERIA FOR ADMISSION

In order to be deemed eligible for admission to public housing, an applicant must meet the following criteria:

a. Meets the definition of a family as defined by HUD and the HACF

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

c. Has an annual income at the time of admission that does not exceed the low-income limits for occupancy established by HUD and posted separately at the HACF

d. Provides a Social Security number for all family members, or will provide written certification that they legally cannot obtain Social Security numbers at this time and will notify the HACF upon receipt of a Social Security number

e. Meets the Suitability Criteria as set forth in this chapter

f. Has no outstanding debt to any housing authority

g. Sign consent authorization documents for each adult in the household.

h. The HACF must determine that the current or past behavior of household members does not include activities that are prohibited by HUD or the HACF.

In addition to the above, in order for a family to be determined eligible the HACF will conduct criminal background checks using but not limited to FBI finger printing, DOJ Lifetime Sex Offender, and County and Statewide Criminal searches. A family may be denied assistance if the results show evidence which would prohibit admission to public housing.

3.1 TIMING FOR THE VERIFICATION OF QUALIFYING FACTORS

The HACF shall not verify eligibility factors until the HACF "draws" applicant files from the waiting list after determining that a sufficient number of vacancies warrant a pool of eligible applicants.

Part I: Definitions of Family and Household Members

3.2 FAMILY AND HOUSEHOLD [24 CFR 5.403 AND HUD-50058 IB, P. 13]

The terms *family* and *household* have different meanings in the public housing program.

1. The term ***"family"*** includes, but is not limited to:

   A family with or without children;

   An elderly family;

   A disabled family;

   A displaced family;

   The remaining member of a resident family;

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

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

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

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

   Other families are defined by the HACF as follows:

   A family also includes two or more individuals who are not related by blood, marriage, adoption, or other operation of law, but who either can demonstrate that they have lived together previously or certify that each individual's income and other resources will be available to meet the needs of the family.

   Each family must identify the individuals to be included in the family at the time of application, and must update this information if the family's composition changes.

2. ***Household*** is a broader term that includes additional people who, with the HACF's permission lives in a public housing unit, such as live-in aides, foster children, and foster adults.

3.3 FAMILY BREAK-UP AND REMAINING MEMBER OF RESIDENT FAMILY

1. Family Break-up

When a family on the waiting list breaks up into two otherwise eligible families, only one of the new families may retain the original application date. Other former family members may make a new application with a new application date if the waiting list is open.

If a court determines the disposition of property between members of the applicant in a divorce or separation decree, the HACF will abide by the court's determination.

In the absence of a judicial decision or an agreement among the original family members, the HACF will determine which family retains their placement on the waiting list by taking into consideration the following factors:

(1) The interest of any minor children, including custody arrangements;

(2) The interest of any ill, elderly, or disabled family members;

(3) Any possible risks to family members as a result of domestic violence or criminal activity;

(4) The recommendations of social service professionals.

2. Remaining Member of a Resident Family [24 CFR 5.403]

The HUD definition of family includes the *remaining member of a resident family,* which is a member of a resident family who remains in the unit when other members of the family have left the unit [PH Occ GB, p. 26]. Household members such as live-in aides, foster children, and foster adults do not qualify as remaining members of a family.

If dependents are the only "remaining members of a resident family" and there is no family member able to assume the responsibilities of the head of household, see Section 9.30, "Remaining Member of Resident Family-Retention of Unit" & "Absence of Adult".

3.4 HEAD OF HOUSEHOLD

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

3.5 SPOUSE, COHEAD, AND OTHER ADULT

"Spouse" means the ***marriage partner*** of the head of household.

A ***marriage partner*** includes the partner in a "common law" marriage as defined in state law. The term ***"spouse"*** does not apply to friends, roommates, or significant others who are not marriage partners. A minor who is emancipated under state law may be designated as a spouse.

A ***cohead*** is an individual in the household who is equally responsible with the head of household for ensuring that the family fulfills all of its responsibilities under the program, but who is not a spouse. A family can have only one cohead.

For proper application of the Noncitizens Rule, the definition of "spouse" is the marriage partner who, in order to dissolve the relationship, would have to be divorced. It includes the partner in a common-law marriage. The term "spouse" does not apply to boyfriends, girlfriends, significant others, or co-heads. Minors who are emancipated under state law may be designated as a cohead.

Other adult means a family member, other than the head, spouse, or cohead, who is 18 years of age or older. Foster adults and live-in aides are not considered other adults [HUD-50058 IB, p. 14].

3.6 DEPENDENT [24 CFR 5.603]

A ***dependent*** is a family member who is under 18 years of age or a person of any age who is a person with a disability or a full-time student, except that the following persons can never be dependents: the head of household, spouse, cohead, foster children/adults and live-in aides. Identifying each dependent in the family is important because each dependent qualifies the family for a deduction from annual income.

3.7 JOINT CUSTODY OF DEPENDENTS

Dependents that are subject to a joint custody arrangement will be considered a member of the family, if they live with the applicant or resident family 50 percent or more of the time.

When more than one applicant or assisted family (regardless of program) are 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 HACF will make the determination based on available documents such as court orders, or an IRS return showing which family has claimed the child for income tax purposes.

3.8 FULL-TIME STUDENT [24 CFR 5.603]

A *full-time student* (FTS) is a person who is attending school or vocational training on a full-time basis. The time commitment or subject load that is needed to be full-time is defined by the educational institution.

(1) Each family member that is an FTS, other than the head, spouse, or cohead, qualifies the family for a dependent deduction and

(2) The income of such an FTS is treated differently from the income of other family

members.

3.9 ELDERLY AND NEAR-ELDERLY PERSONS, AND ELDERLY FAMILY

Elderly Persons
An *elderly person* is a person who is at least 62 years of age [24 CFR 5.100].

Near-Elderly Persons
A *near-elderly person* is a person who is 50-61 years of age [24 CFR 945.105].

Elderly Family
An *elderly family* is one in which the head, spouse, cohead, or sole member is an elderly person [24 CFR 5.403]. Identifying elderly families is important because these families qualify for special deductions from income.

3.10 PERSONS WITH DISABILITIES AND DISABLED FAMILY [24 CFR 5.403]

Persons with Disabilities
Under the public housing program, special rules apply to persons with disabilities and to any family whose head, spouse, or cohead is a person with disabilities. The technical definitions of individual with handicaps and persons with disabilities are provided in Exhibit 3-1 at the end of this ACOP. These definitions are used for a number of purposes including ensuring that persons with disabilities are not discriminated against based upon disability.

The HACF must make all aspects of the public housing program accessible to persons with disabilities and consider reasonable accommodations requested based upon a person's disability.

Disabled Family
A *disabled family* is one in which the head, spouse, or cohead is a person with disabilities. Identifying disabled families is important because these families qualify for special deductions from income and may qualify for a particular type of development.

Even though persons with drug or alcohol dependencies are considered persons with disabilities for the purpose of non-discrimination, this does not prevent the HACF from denying admission for reasons related to alcohol and drug abuse.

3.11 GUESTS [24 CFR 5.100]

A *guest* is defined as a person temporarily staying in the unit with the consent of a resident or other member of the household who has express or implied authority to so consent on behalf of the resident.

The lease provides that the resident has the right to exclusive use and occupancy of the leased unit by the members of the household authorized to reside in the unit in accordance with the lease, including reasonable accommodation of their guests [24 CFR 966.4(d)]. The head of household is responsible for the conduct of visitors and guests, inside the unit as well as anywhere on or near HACF premises [24 CFR 966.4(f)].

A resident family must notify the HACF when overnight guests will be staying in the unit for more than **seven (7) days**. A guest can remain in the unit no longer than **14** consecutive days or a total of **30** cumulative calendar days during any 12 month period.

A family may request an exception to this policy for valid reasons (e.g., care of a relative recovering from a medical procedure expected to last 20 consecutive days). An exception will not be made unless the family can identify and provide documentation of the residence to which the guest will return.

Children who are subject to a joint custody arrangement or for whom a family has visitation privileges, that are not included as a family member because they live outside of the public housing unit more than 50 percent of the time, are not subject to the time limitations of guests as described above.

Former residents who have been evicted are not permitted as overnight guests.

Guests who represent the unit address as their residence address for receipt of benefits or other purposes will be considered unauthorized occupants. In addition, guests who remain in the unit beyond the allowable time limit will be considered unauthorized occupants, and their presence constitutes violation of the lease.

3.12 FOSTER CHILDREN AND FOSTER ADULTS

Foster adults are usually persons with disabilities, unrelated to the resident family, who are unable to live alone [24 CFR 5.609(c)(2)].

The term *foster child* is not specifically defined by the regulations.

Foster children and foster adults that are living with an applicant or resident family are considered household members but not family members. The income of foster children/adults is not counted in family annual income and foster children/adults do not qualify for a dependent deduction [24 CFR 5.603 and HUD-50058 IB, pp. 13-14].

A ***foster child*** is a child that is in the legal guardianship or custody of a state, county, or private adoption or foster care agency, yet is cared for by foster parents in their own homes, under some kind of short-term or long-term foster care arrangement with the custodial agency.

Children that are temporarily absent from the home as a result of placement in foster care are discussed in Section 3.13.3.

3.13 ABSENT FAMILY MEMBERS

Individuals may be absent from the family, either temporarily or permanently, for a variety of reasons including educational activities, placement in foster care, employment, and illness.

1. Definitions of Temporarily and Permanently Absent

The HACF must compute all applicable income of every family member who is on the lease, including those who are temporarily absent.

Income of persons permanently absent will not be counted. If the spouse is temporarily absent and in the military, all military pay and allowances (except hazard

duty pay when exposed to hostile fire and any other exceptions to military pay HUD may define) is counted as income.

It is the responsibility of the head of household to report changes in family composition. The HACF will evaluate absences from the unit in accordance with this policy.

Generally an individual who is or is expected to be absent from the public housing unit for 60 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 public housing unit for more than 60 consecutive days is considered permanently absent and no longer a family member. (see Chapter 10 for Absence of Entire Family)

2. Absent of Any Member

Any member of the household will be considered permanently absent and removed from the lease if s/he is away from the unit for 60 days in a 12 month-period except as otherwise provided in this chapter.

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 HACF indicating that the student has established a separate household or the family declares that the student has established a separate household.

If the sole member is incarcerated for more than 60 consecutive days, s/he will be considered permanently absent. Any member of the household, other than the sole member will be considered permanently absent if s/he is incarcerated for 60 consecutive days. The rent and other charges must remain current during this period.

3. Absences Due to Placement in Foster Care [24 CFR 5.403]

If the family includes a child or children temporarily absent from the home due to placement in foster care, the HACF will determine from the appropriate agency when the child/children will be returned to the home.

If the time period is to be greater than 120 days from the date of removal of the child(ren), the family will be required to move to a smaller size unit. If all children are removed from the home permanently, the unit size will be reduced in accordance with the HACF's occupancy guidelines.

4. Absent Head, Spouse, or Cohead

An employed head, spouse, or cohead absent from the unit more than 60 consecutive days due to employment will continue to be considered a family member.

If neither parent remains in the household refer to Chapter 10 section "Absence of

Adult" for guidance.

5. Individuals Confined for Medical Reasons

If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, the HA will seek advice from a reliable qualified source as to the likelihood and timing of their return. If the verification indicates that the family member will be permanently confined to a nursing home, the family member will be considered permanently absent. If the verification indicates that the family member will return in less than 120 consecutive days, the family member will not be considered permanently absent, as long as rent and other charges remains current. A resident may request in writing to have a longer absence approved. The HA has full discretion of approval, and will make determinations on a case by case basis.

If the person who is determined to be permanently absent is the sole member of the household, assistance will be terminated in accordance with the HA's "Absence of Entire Family" policy.

6. Return of Permanently Absent Family Members

The family must request HACF approval for the return of any adult family members that the HACF has determined to be permanently absent. The individual is subject to the eligibility and screening requirements discussed elsewhere in this policy.

3.14 LIVE-IN AIDE

Live-in aide means a person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who:

(1) Is determined to be essential to the care and well-being of the persons,
(2) Is not obligated for the support of the persons, and
(3) Would not be living in the unit except to provide the necessary supportive services [24 CFR 5.403].

The HACF must approve a live-in aide if needed as a reasonable accommodation in accordance with 24 CFR 8, to make the program accessible to and usable by a family member with disabilities.

A live-in aide is a member of the household, not the family, and the income of the aide is not considered in income calculations [24 CFR 5.609(c)(5)]. Relatives may be approved as live-in aides if they meet all of the criteria defining a live-in aide. However, a relative who serves as a live-in aide is not considered a family member and would not be considered a remaining member of a resident family.

A family's request for a live-in aide must be made in writing. Written verification will be required from a reliable, knowledgeable professional of the family's choosing, such as a doctor, social worker, or case worker, that the live-in aide is essential for the care and well-being of the elderly, near-elderly, or disabled family member. For continued

approval, the family must submit a new, written request—subject to the HACF verification—at each annual reexamination.

In addition, the family and live-in aide will be required to submit a certification stating that the live-in aide is

(1) Not obligated for the support of the person(s) needing the care, and
(2) Would not be living in the unit except to provide the necessary supportive services.

The HACF has the discretion not to approve a particular person as a live-in aide, and may withdraw such approval, if [24 CFR 966.4(d)(3)(i)]:

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

(2) The person has a history of drug-related criminal activity or violent criminal activity; or

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

Within 10 business days of receiving a request for a live-in aide, including all required documentation related to the request, the HACF will notify the family of its decision in writing.

PART II: BASIC ELIGIBILITY CRITERIA

3.15 INCOME ELIGIBLITY AND TARGETING

Income eligibility for the public housing program is based on the total anticipated income from all sources received by any family member 18 years of age or older. Income limits are determined by HUD and subject to periodic change. The HACF shall use income guidelines provided by HUD to determine program eligibility for the public housing program. These income guidelines will be posted at all times at the HACF's site management offices.

Using Income Limits for Eligibility [24 CFR 960.201]
Income limits are used for eligibility only at admission. Eligibility is established by comparing a family's annual income with HUD's published income limits. To be income-eligible, a family must be a *low-income* family.

Using Income Limits for Targeting [24 CFR 960.202(b)]
At least 40 percent of the families admitted to the HACF's public housing program during a HACF fiscal year from the HACF waiting list must be *extremely low-income* families. This is called the "basic targeting requirement".

If admissions of extremely low-income families to the HACF's housing choice voucher program during a HACF fiscal year exceed the 75 percent minimum targeting requirement for that program, such excess shall be credited against the HACF's public housing basic targeting requirement for the same fiscal year.

The fiscal year credit for housing choice voucher program admissions that exceed the minimum voucher program targeting requirement must not exceed the lower of:

- Ten percent of public housing waiting list admissions during the HACF fiscal year
- Ten percent of waiting list admission to the HACF's housing choice voucher program during the HACF fiscal year
- The number of qualifying low-income families who commence occupancy during the fiscal year of public housing units located in census tracts with a poverty rate of 30 percent or more. For this purpose, qualifying low-income family means a low-income family other than an extremely low-income family.

3.16 CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS [24 CFR 5, SUBPART E]

In order to receive assistance, a family member must be a U.S. citizen, a citizen of the Freely Associated States of the Marshall Islands, the Federated States of Micronesia, and Palau, or an eligible immigrant. Individuals who are neither may elect not to contend their status. Eligible immigrants are persons who are in one of the six immigrant categories as specified by HUD.

For the Citizenship/Eligible Immigration requirement, the status of each member of the family is considered individually before the family's status is defined. [24 CFR 5.508]

Mixed Families: A family is eligible for assistance as long as at least one member is a citizen or eligible immigrant. Families that include eligible and ineligible individuals are called "mixed." Such applicant families will be given notice that their assistance will be pro-rated and that they may request a hearing if they contest this determination.

Non-eligible members: Applicant families that include only non-eligible members will be ineligible for assistance. Such families will be denied admission and offered an opportunity for a hearing.

Non-citizen students: As defined by HUD in the non-citizen regulations, non-citizen students are not eligible for assistance.[24 CFR 5.522]

The HACF will establish and verify eligibility status of applicants at the time other eligibility factors are determined.

3.17 SOCIAL SECURITY NUMBERS [24 CFR 5.216 AND 5.218, NOTICE PIH 2010-3]

In accordance with 24 CFR 5.216, applicants and participants (including each member of the household) are required to disclose his/her assigned SSN, with the exception of the following individuals:

1. Those individuals who do not contend to have eligible immigration status (individuals who may be unlawfully present in the United States). These individuals in most instances would not be eligible for a SSN.

(a) A family that consists of a single household member (including a pregnant individual) who does not have eligible immigration status is **not eligible** for housing assistance and cannot be housed.

(b) A family that consists of two or more household member **and at least one** household member that has eligible immigration status, is classified as a mixed family, and **is eligible** for prorated assistance in accordance with 24 CFR 5.520. The HACF **will not** deny assistance to mixed families due to nondisclosure of an SSN by an individual who does not contend to have eligible immigration status.

2. Existing program participants as of January 31, 2010, who have previously disclosed their SSN and HUD has determined the SSN to be valid. The HACF will confirm HUD's validation of the participant's SSN by viewing the household's ***Summary Report*** or the ***Identity Verification Report*** in the EIV system.

3. Existing program participants as of January 31, 2010, who are 62 years of age or older, and had not previously disclosed a valid SSN. This exemption continues even if the individual moves to a new assisted unit.

3.18 TIMEFRAME FOR PROVIDING SSN

Applicants currently on or applying to waiting list:
Applicants do not need to disclose or provide verification of a SSN for all non-exempt household members at the time of application and for placement on the waiting list. However, applicants must disclose and provide verification of a SSN for all non-exempt household members at the time the applicant family is selected for the full application/intake process.

Housing Applicants from the waiting list:
If all non-exempt household members have not disclosed and/or provided verification of their SSNs at the time a unit becomes available, the next eligible applicant must be offered the available unit.

The applicant who has not disclosed and/or provided verification of SSNs for all non-exempt household members has **60 days** from the date they are first offered an available unit to disclose and/or verify the SSNs. During this **60 day** period, the applicant may, at its discretion, retain its place on the waiting list. After the **60 days**, if the applicant is unable to disclose and/or verify the SSNs of all non-exempt household members, the applicant should be determined ineligible and removed from the waiting list.

An individual who has never been issued a SSN card or who has lost their SSN card will be instructed to complete Form SS-*5 Application for Social Security Card* to request an original or replacement SSN Card, or change information on his/her SSA record.

Resident
All residents, except those individual age 62 or older as of January 31, 2010, and those individuals who do not contend eligible immigration status, must disclose and provide verification of their SSN at the time of their next interim or annual recertification if:

- They have not previously disclosed a SSN;
- Previously disclosed a SSN that HUD or the SSA determined was invalid; or
- Been issued a new SSN.

If a resident fails to provide a valid and verified SSN, the household is subject to terminate of tenancy in accordance with 24 CFR 5.218.

SSN Not Previously Disclosed
The head of household must bring SSN verification, through one or more of the Documents listed in Section 3.19, to the recertification meeting for any household member who has not disclosed and provided verification of their SSN.

Invalid SSN Disclosed
The Head of household must be notified when EIV pre-screening or the SSA validation determines that a household member has provided an invalid SSN. In such cases the HACF will explain the reason for the rejection and request that acceptable documentation be provided within ten business days of the request date.

Assignment of a New SSN
If a resident or any member of a resident's household is or has been assigned a new SSN, the resident must provide the SSN and documentation to verify the SSN to the HACF at:

- The time of receipt of the new SSN; or
- The next interim or regularly scheduled recertification; or
- Such earlier time as specified by the HACF

Adding a Household Member
(a) Age Six or Older

When a resident request to add a household member who is age six or older, the documentation listed in Section 3.19 must be provided to the HACF at the time of the request or at the time of the recertification that includes the new household member is processed. The HACF must not add the new household member until such time as the documentation is provided.

(b) Child Under the Age of Six

With a SSN – When adding a household member who is a child under the age of six with a SSN, the child's SSN must be disclosed and verification provided at the time of processing the recertification of family composition that includes the new household member.

Without a SSN – if the child does not have a SSN, the HACF will give the household 90 days in which to provide documentation of a SSN for the child. An additional 90-

day period will be granted by the HACF if the failure to provide documentation of a SSN is due to circumstances that are outside the control of the resident.

Examples include but are not limited to:

- Delayed processing of the SSN application by the SSA
- Natural disaster or fire
- Death in family, etc.

During this time period, the child is to be included as part of the household and will receive all of the benefits of the program in which the resident is involved, including the dependent deduction. A PIC-Alternate ID will be assigned to the child until the documentation of the SSN is required to be provided. At the time of the disclosure of the SSN, an interim recertification must be processed changing the child's Alternate ID to the child's verified SSN. If the SSN is not provided, the household is subject to penalties described in Penalties for a Resident's non-disclosure of SSN.

3.19 ACCEPTABLE SSN DOCUMENTION

Most applicants and participants should be able to verify all SSNs with a Social Security Card. However, if the applicant/participant cannot produce the Social Security card for any or all non-exempt household members, other documents showing the household member's SSN may be used for verification. The applicant/participant may be required to provide one or more of the following alternative documents to verify his or her SSN.

- An original SSN card issued by the Social Security Administration (SSA) (Refer to PIH Notice 2010-3, Section 6 for a description of the three types of SS cards that SSA issues.)
- An original SSA-issued document with the individual's name and SSN
- An original document issued by a federal, state, or local government agency with the individual's name and SSN
- SSA benefit award letter
- Retirement benefit letter
- Life insurance policy
- Court records

Verification

The HACF will verify and document each disclosed SSN by:

(a) Obtaining the documentation listed above for each member of the applicant/participant's household.

(b)Make a copy of the original documentation submitted, returning the original to the individual and retaining the copy in the file folder;

(c) Recording the SSN on line 3n of the form HUD-50058 and transmitting the data to HUD in a timely manner. The HACF will transmit the form HUD-50058 data within 30 calendar days, to HUD to initiate its computer matching efforts*. Note: not applicable to applicants.*

(d) HUD, via its computer matching program with the SSA, will validate the SSN (along with the individual's name and date of birth) against the SSA's database.

(e) EIV will report the status of the identity verification process as **Verified, Failed, Not Verified, or Deceased** on the household ***Summary Report***.

(i) **Verified.** If the information matches the SSA database, the individual's identity verification status will be **Verified**. No action is required by the HACF.

(ii) **Failed.** If the information does not match the SSA database, the identity verification status will be **Failed**. Informs the HACF of any resident whose identity cannot be confirmed by the SSA due to incorrect personal identifiers (date of birth, surname, and/or SSN) recorded in section 3 of the form HUD-50058. Requires the HACF to obtain appropriate documentation from the resident, update section 3 of the form HUD-50058, accordingly, and re-transmit a revised form HUD-50058 to PIC.

(iii) **Not Verified.** If an individual's identity verification status is **Not Verified,** this means that HUD has not yet sent the resident's personal identifier to SSA for validation. No action is required by the HACF.

(iv) **Deceased.** If an individual's identity verification status id **Deceased**, this means the SSA's records indicate the person id deceased. The HACF is to confirm the death with family's head of household or listed emergency contact person. If the individual is deceased and the only household member (single member of the household), the HACF will complete an End of Participation (EOP) action of form HUD-50058, and discontinue assistance. If there are remaining household members, the HACF will complete an Interim Recertification, updating the family composition accordingly.

Rejection of Documentation
The HACF will reject a document that:

(a) Is not an original document; or
(b) Is the original document but it has been altered, mutilated, or is not legible; or
(c) Appears to be a forged document (e.g., does not appear to be authentic).

The applicant/participant will be notified of the reason(s) why the document(s) is not acceptable and request the applicant/participant obtain acceptable documentation of the SSN and submit it to the HACF within ten business days of the request date.

Actions Once SSN is Verified
Once the individual's SSN has been verified, the Housing Program Coordinator will remove and destroy the copy of the documentation referenced 3.19 above by no later than the next recertification of family income or composition.

(a) Paper documentation will be destroyed by shredding, pulverizing or burning.
(b) Electronic documentation will be destroyed by erasing or permanently deleting the file.
(c) The retention in the resident file or the Household Summary Report from the EIV

system which will report the status of the identity verification process provides verification of the SSN.

(d) Retaining this report in the resident file and destroying the copy of the SSN documentation will minimize the risk of exposing the individual's SSN.

3.20 PENALTIES FOR A RESIDENT'S NON-DISCLOSURE OF SSN

Termination of Tenancy – The HACF must terminate the tenancy of a resident and the resident's household if the resident does not meet the SSN disclosure, documentation and verification requirements in the specified timeframe as the household is in non-compliance with its lease.

(a) This termination of tenancy includes those households who have not disclosed and verified SSN for any child under the age of 6 who did not have a SSN when added to the household with the understanding that this SSN would be provided within 90 days after admission, or within the 90-day extension period, if applicable.

(b) There is no proration of assistance for those household members who are required to obtain a SSN but who fail to disclose and verify their SSN.

(c) Termination of tenancy does not apply to those household with individuals who do not contend eligible immigration status or who are age 62 or older as of January 31, 2010, whose initial determination of eligibility was begun before January 31, 2010, based on the effective date of the form HUD-50058, unless there are other members of the household who have not disclosed or provided verification of their SSNs.

Deferring Termination of Tenancy – The HACF may defer termination of tenancy and provide the resident with an additional 90 days past their next regularly scheduled recertification of income and family composition to become compliant with the SSN disclosure and verification requirements.

(a) The deferral is at the HACF's discretion and must only be provided if failure to meet the SSN requirements was due to circumstances outside the control of the resident and there is likelihood that the resident will be able to disclose and provide verification of the needed SSN(s) by the deadline date.

(b) After this 90-day deferral, if the resident has not disclosed and provided verification of the needed SS(s) the HACF must pursue termination of tenancy.

3.21 FAMILY CONSENT TO RELEASE OF INFORMATION [24 CFR 5.230]

HUD requires each adult family member, and the head of household, spouse, or cohead, regardless of age, to sign form HUD-9886, Authorization for the Release of Information/ Privacy Act Notice and other consent forms as needed to collect information relevant to the family's eligibility and level of assistance

.

The HACF must deny admission to the program if any member of the applicant family

fails to sign and submit consent forms which allow the HACF to obtain information that the HACF has determined is necessary in administration of the public housing program [24 CFR 960.259(a) and (b)].

PART III: SCREENING & DENIAL OF ADMISSION

3.22 SCREENING FOR ADMISSION

A family that does not meet the eligibility criteria discussed in Parts I and II, must be denied admission.

The HACF is required to screen for eviction and criminal activity as part of the rental assistance program. HUD requires the HACF to set screening standards to ensure that those persons who are prohibited from being admitted to public housing will not receive assistance. The HACF's authority in this area is limited by the Violence against Women Reauthorization Act of 2005 (VAWA), which expressly prohibits the denial of admission to an otherwise qualified applicant on the basis that the applicant is or has been the victim of domestic violence, dating violence, or stalking [24 CFR 5.2005].

This part covers the following topics:

- Screening
- Required denial of admission
- Other permitted reasons for denial of admission
- Criteria for deciding to deny admission
- Prohibition against denial of admission to victims of domestic violence, dating violence, or stalking
- Notice of eligibility or denial

3.23 SCREENING STANDARDS

The screening for eviction and criminal activity will occur after an applicant family has been pulled from the waitlist and attends a formal eligibility interview. All adults (age 18 and above) in the applicant household, including live-in attendants, and all incoming families members must go through the screening process.

Criminal Background Checks
The family will be required to disclose criminal/drug-related activity for all family members at the time of completing their full application. All adult family members must submit a signed Criminal Background Consent form in order for the HACF to obtain access to the Criminal Background records. [24 CFR 5.903]

The HACF will conduct criminal background checks using but not limited to FBI finger printing, DOJ Lifetime Sex Offender, and County and Statewide Criminal searches. A family may be denied assistance if the results show evidence which would prohibit admission to public housing.

If the HACF proposes to deny admission based on a criminal record or on lifetime sex offender registration information, the HACF must notify the household of the proposed action and must provide the subject of the record and the applicant a copy of the record and an opportunity to dispute the accuracy and relevance of the information prior to a denial of admission [24 CFR 5.903(f) and 5.905(d)].

The HACF will not pass along to the applicant the costs of a criminal records check [24 CFR 960.204(d)].

When conducting a background check the HACF will obtain the following reports;

- Credit report
- Eviction report
- Criminal background report
- Lifetime sex offender registration report [24 CFR 960.204(a)(4)].

Screening for Suitability [24 CFR 960.203(c)]

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

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

- To pay rent and other charges as required by the lease in a timely manner;
- To care for and avoid damaging the unit and common areas;
- To use facilities, appliances and equipment in a reasonable way;
- To create no health or safety hazards, and to report maintenance needs in a timely manner;
- Not to interfere with the rights and peaceful enjoyment of others and to avoid damaging the property of others;
- Not to engage in criminal activity or alcohol abuse that threatens the health, safety or right to peaceful enjoyment of other residents or staff and not to engage in drug-related criminal activity on or off the HACF premises;
- Not to have ever been convicted of manufacturing or producing methamphetamine, also known as "speed," on the premises of assisted housing;
- Not to be subject to sex offender lifetime registration under a State sex offender registration program. *

- To comply with necessary and reasonable rules and program requirements of HUD and the HACF;
- To comply with local health and safety codes.
- Not to have committed fraud, bribery, or any other corrupt or criminal act.
- Misrepresentation of income or other eligibility factors to an agency other than the HACF for example welfare fraud, is grounds for denial of assistance; and
- Non-compliance with any assistance programs and/or local law enforcement plus governmental agency may be denied assistance.

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

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

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

Applicants must be able to demonstrate the ability and willingness to comply with the terms of the lease. Should the applicant require assistance in order to comply with the terms of the lease, the applicant must notify the HACF that the assistance will be available at the time of admission. (24 CFR 8.2 Definition: Qualified Individual with Disabilities) The availability of assistance is subject to verification by the HACF.

The HACF's minimum age for admission as head of household is 18, so that the HACF will avoid entering into leases that would not be valid or enforceable under applicable law.∗

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

- The HACF may complete a credit check or rental history check on all applicants.
- The HACF may complete a home visit at the current residence of all applicants who:
- Have had landlords refuse to sign their Resident Reference Form;

∗ The HA shall make an exception for emancipated minors upon completion of verifying their legal status as such.

- Stated information on their application that is inconsistent with information on the credit and unlawful detainer report;

- Do not have an established residence at the time of their suitability review (e.g., state they live “here and there with friends”);

- Have landlords raise suitability issues on the Resident Reference Forms;

- Have a criminal history that raises suitability concerns;

- Claim to have zero income (to establish how they are meeting their needs);

- Were interviewed by HACF staff who has found the applicant’s statement or behavior to raise concerns regarding suitability.

Resources Used to Check Applicant Suitability [PH Occ GB, pp. 47-56]

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

- The applicant’s past performance in meeting financial obligations, especially rent;

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

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

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

- Any history of initiating threats or behaving in a manner that indicates intent to assault employees or other residents;

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

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

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

- Interfere with other residents in such a manner as to diminish their peaceful enjoyment of the premises by adversely affecting their health, safety, or welfare [24CFR 960.205(b)]

- Adversely affect the physical environment or financial stability of the development [24CFR 960.205(b)];

- Violate the terms and conditions of the lease [24CFR 8.3];

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

3.24 SCREENING FOR DRUG-RELATED AND/OR CRIMINAL ACTIVITY [24 CFR 960.204]

It is the intention of the Housing Authority to administer a policy that maintains decent, safe, and sanitary public housing. All screening procedures shall be administered fairly and in such a way as to not discriminate on the basis of race, color, nationality, religion, sex, familial status, disability or against other legally protected groups as well as not in violation of the right to privacy.

The HACF will obtain criminal history information from State and/or local law enforcement agencies, and the FBI on all applicants over the age of eighteen for the purpose of determining resident suitability.

All applicants to the public housing program will be screened for drug-related, violent- and other criminal activity during the suitability review process. The HACF defines criminal activity in the following manner:

Drug-Related Criminal Activity: the illegal manufacture, sale, distribution, use of a drug, or the possession of a drug with intent to manufacture, sell, distribute, or use the drug. [24 CFR 5.100]

Violent Criminal Activity: any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against a person or property. [24 CFR 5.100]

Any criminal activity that subjects a member of the applicant's household to be subject to sex offender lifetime registration under a State sex offender registration program.

Other Criminal Activity: any criminal activity including, but not limited to, violent criminal activity which would adversely affect the health, safety, or right to peaceful enjoyment of the public housing premises by other residents, includes, but not limited to: [24 CFR 960.203 (c) (3)]

- Criminal activity that may threaten the health or safety of HACF staff, contractors, subcontractors, or agents.

- Criminal sexual conduct, including but not limited to sexual assault, incest, open and gross lewdness, or child abuse.

Evidence of such criminal activity includes, but is not limited to any record of convictions, arrests, or evictions for suspected drug-related or violent criminal activity of household members within the past 5 years. A conviction for such activity will be given more weight than an arrest or an eviction.

3.25 MANDATORY DENIAL OF ASSISTANCE [24 CFR 960.204]

HUD regulations require mandatory denial of assistance for the following reasons:

- The HACF will deny admission to those applicants convicted of manufacturing or producing methamphetamine on the premises of Federally assisted housing, in accordance with HUD regulations.

- An applicant evicted from federally assisted housing by reason of drug-related criminal activity within the five year period shall be denied admission.

- The HACF will deny admission to applicants where it is determined that there is a *pattern* of illegal use of a controlled substance or abuse of alcohol by the applicant. The HACF will consider the illegal use of a controlled substance or abuse of alcohol a "pattern" where there is more than three (3) incidents during the previous 24 months.

- Current illegal drug use for any household members – if the HACF determines that any household member is ***currently engaged in*** any illegal use of a drug and/or possession.

- In accordance with 24 CFR 960.204 (a)(4), the HACF will deny admission to public housing for any applicant who is subject to sex offender lifetime registration under a State sex offender registration program.

- The HACF will deny admission to public housing for any applicant who has engaged in violent criminal activity within the last <u>five years</u>, however, depending upon the seriousness of the crime committed the prohibition would be up to <u>seven years</u> from the date of the offense.

HUD and the HACF have defined the following clarifiers:

- ***"Drug"*** means a controlled substance as defined in section 102 of the Controlled Substances Act [21 U.S.C. 802].

- ***"Pattern of abuse"*** is defined as the use and/or possession of a controlled substance or alcohol if there is more than three (3) incident during the previous 24 months.

- ***"Incident"*** includes but is not limited to arrest, convictions, no contest pleas, fines and city ordinance violations.

- ***"Currently engaged in"*** as any use or possession of illegal drugs during the previous twelve months.

- ***"Abusive or violent behavior"*** includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language (written or oral) that is customarily used to insult or

intimidate, may be cause for denial of admission.

- ***"Threatened"*** refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

In determining reasonable cause, the HACF will consider all credible evidence, including but not limited to, any record of convictions, arrests, or evictions of household members related to the use of illegal drugs or the abuse of alcohol. A conviction will be given more weight than an arrest. The HACF will also consider evidence from treatment providers or community-based organizations providing services to household members.

3.26 ADDITIONAL PROHIBITIONS[960.203(C) AND (D) AND PH OCC GB, P. 48]

The HACF may at any time deny program assistance for any of the following reasons:

- Financial Obligations - has a pattern of unsuitable past performance in meeting financial obligations, including rent within the past three years.

- Disturbances - has a pattern of disturbance of neighbors, destruction of property, or living or housekeeping habits at prior residences within the past three years which may adversely affect the health, safety, or welfare of other residents.

- Past Termination from a HACF Program: If the HACF has ever terminated assistance under the program for any member of the family; has a pattern of eviction from housing or termination from residential programs within the past three years (considering relevant circumstances).
- Outstanding Debt: If the family currently owes rent or other amounts to the HACF or to another HACF in connection with Section 8 or public housing assistance under the 1937 Act;
- Fraud, Bribery, or Other Corrupt or Criminal Act Within a Federal Housing Program: If any family member has committed such acts in connection with a Federal housing program.
- Actual or Threatened Abusive or Violent Behavior Toward HACF Personnel: If the family has engaged in or threatened abusive or violent behavior toward HACF personnel.
- Repayment Breach with a HACF: If the family breaches an agreement owed to a HACF.
- Fraud Against Another Agency: Misrepresentation of income or other eligibility factors to an agency other than the HACF, for example welfare fraud, is grounds for denial of assistance.
- Non-compliance: With any assistance programs, governmental agency and/or law enforcement.
- An applicant's misrepresentation: Of any information related to eligibility, preferences, housing history, allowances, family composition, and/or criminal history.
- Engaged in or threatened violent or abusive behavior toward HACF personnel:

Abusive or violent behavior towards HACF personnel includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior.

Threatening refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

- Actual physical abuse or violence will always be cause for denial of admission.

The HACF may prohibit admission of a household to the program if the HACF determines that any household member has a history of any of the following prior to admission:

a. Drug-related criminal activity;

b. Other criminal activity which may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity;

c. Other criminal activity which may threaten the health or safety of the owner, property management staff, or persons performing a contract administration function or responsibility on behalf of the HACF (including a HACF employee or a HACF contractor, subcontractor or agent); or

d. Violent criminal activity.

e. Convicted of any felony.

Period of time prohibited from admission for a, b and c above would be up to three years from the date of the offense.

Period of time prohibited from admission for item “d” above would be up to five years from the date of offense; however depending upon the seriousness of the crime committed the prohibition would be up to seven years from the date of the offense.

Period of time prohibited for admission for item “e” above would be five years from the date of offense; however depending upon the seriousness of the felony committed the prohibit would be up to seven years from the date of the offense.

3.27 OTHER SUITABILITY FACTORS

Rent-Paying Habits

The HACF will examine any HACF records from a prior tenancy, and will request written references from the applicant’s current landlord and may request written references from current and former landlords for up to the past three years.

Based upon these verifications, the HACF will determine if the applicant was chronically late with rent payments, has been evicted for nonpayment of rent, or had other legal action initiated against him/her for debts owed. Any of these circumstances could be grounds for an ineligibility determination, depending on the amount of control the

applicant had over the situation.

<u>Mitigating Circumstances</u> - Obtaining Information from Drug Treatment Facilities [24 CFR 960.205]

In determining whether to deny admission to public housing based on a pattern of illegal use of a controlled substance or abuse of alcohol by an applicant, and/or prior eviction from federally assisted housing by reason of drug-related criminal activity, the HACF may consider the following mitigating factors:

1. Has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is willing to continue with counseling and support activities and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable);

2. Has otherwise been rehabilitated successfully and is willing to continue with counseling and support activities and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable); or

3. Is participating in a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable).

Mitigating circumstances are facts relating to the applicant's record of unsuitable history or behavior, which, when verified, would indicate both:

1. What the reason for the unsuitable history and/or behavior is; and

2. That the reason for the unsuitable history and behavior is no longer in effect or is under control, and the applicant's prospect for lease compliance is an acceptable one, justifying admission.

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

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

Examples of mitigating circumstances:

- Evidence of successful rehabilitation;

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

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

- The applicant's ability to substantiate through verification the claim of mitigating circumstances and his/her prospects for improved future behavior; and the applicant's overall performance with respect to all the screening requirements.

3.28 QUALIFIED AND UNQUALIFIED APPLICANTS

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

- The eligibility of the applicant as a family;
- The eligibility of the applicant with respect to income limits for admission; and
- The eligibility of the applicant with respect to citizenship or eligible immigration status.

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

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

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

3.29 DOCUMENTATION OF FINDINGS

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

Criminal Activity—includes the activities listed in the definition of criminal activity in this chapter.

Pattern of Violent Behavior—includes evidence of repeated acts of violence on the part

of an individual, or a pattern of conduct constituting a danger to peaceful occupancy of neighbors.

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

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

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

Initiating Threats—or behaving in a manner indicating an intent to assault employees or other residents.

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

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

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

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

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

Destruction of Property from previous rentals.

Whether Applicant or Resident Is Capable of Maintaining the Responsibilities of Tenancy In the case of applicants for admission, the person's present living arrangements and a statement obtained from applicant's physician, social worker, or other health

professional will be among factors considered in making this determination. The availability of a live-in attendant will be considered in making this determination.

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

3.30 PROHIBITED CRITERIA FOR DENIAL OF ADMISSION

The HACF shall not reject an applicant on the basis that such applicant:

- Has no income;
- Is not employed;
- Does not participate in a job-training program;
- Will not apply for various welfares or benefit programs;
- Has a child (or children);
- Has children born out of wedlock;
- Is on welfare;
- Is a student;
- Is or had been a victim of domestic violence, dating violence, or stalking if the applicant otherwise qualifies for assistance or admission, and that nothing in this section shall be construed to supersede any provision of any Federal, State, or local law that provide greater protection than this section for victims of domestic violence, dating violence, or stalking.

3.31 GRIEVANCE RIGHTS WHEN HACF DECISION IS TO DENY ADMISSION

If the HACF obtains criminal record information from a State or local agency showing that a household member has been convicted of a crime relevant to applicant screening, the HACF will notify the household of the proposed action to be based on the information and must provide the subject of the record and the applicant or resident a copy of such information, and an opportunity to dispute the accuracy and the relevance of the information. This opportunity must be provided before a denial of admission on the basis of such information.

If denied as a result of the criminal background check, HACF will send a written notification of the denial which will include:

- The reason for the denial,
- The right of an individual to review the evidence regarding his criminal background which was the basis of the denial,
- An explanation of the right to request an informal review, and
- A description of how to obtain the informal review.

The family will be given 10 business days from the date of the HACF notice, to dispute the accuracy and relevance of the information. If the family does not contact the HACF to dispute the information within the10 business day period, the HACF will proceed with the termination action.

3.32 RECORDS MANAGEMENT

Consistent with the limitations on disclosure of records, the HACF has established and implemented a system of records management that ensures that any criminal record received by the HACF from a law enforcement agency is:

a. Maintained confidentially;
b. Not misused or improperly disseminated; and
c. Destroyed, once the purpose(s) for which the record was requested has been accomplished, including expiration of the period for filing a challenge to the HACF action without institution of a challenge or final disposition of any such litigation.

All eviction and criminal background history is retained by the contracted provider. The HACF will not print search results unless there is a need to due to an applicant's request for an Informal Review or as needed for review.

Credit reports will be kept in the applicant or participant file for three years.

A copy of the Criminal Background Consent form along with the approval/denial status will be kept in the applicant file.

3.33 CONSIDERATION OF CIRCUMSTANCES [24 CFR 960.203(C)(3) AND (D)]

HUD authorizes the HACF to consider all relevant circumstances when deciding whether to deny admission based on a family's past history except in the situations for which denial of admission is mandated.

In deciding whether to deny assistance because of action or failure to act by members of the family; the HACF has [24 CFR 982.552 (c) (2)]:

1. Discretion to consider all relevant circumstances in each case, including the seriousness of the case. The HACF will use its discretion in reviewing the extent of participation or culpability of individual family members, mitigating circumstances related to the disability of a family member, and the passage of time since the family's action or failure to act.
2. When the ground for denial of assistance is related to criminal activity, such factors as disclosure of the criminal act, completion of rehabilitative treatment for drug-related offenses, and type and longevity since the conviction will be considered.

3. The HACF may also review the family's more recent history and record of compliance, and the effects of denial of admission on other family members who were not involved in the action or failure to act [24 CFR 982.552 (c) (2) (i)].
4. The HACF may impose a requirement that family members who participated in or were culpable for the action or failure will not reside in the unit [24 CFR 960.203(c)(3)(i)]. The HACF may permit the other members of a family to be admitted to the program. If the violating member is a *minor*, the HACF may consider individual circumstances with the advice of Juvenile Court officials. The HACF will also consider whether the culpable member is a victim of domestic violence, dating violence, or stalking.
5. In determining whether to deny admission for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the HACF [24 CFR 982.552 (c) (2) (iii)]:
   - Will consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program, or
   - Has otherwise been rehabilitated successfully (42 U.S.C. 13661).
   - May require the family to submit evidence of the household member's current participation, or successful completion of a supervised drug or alcohol rehabilitation program.
6. *Reasonable Accommodation:* If denial is based upon behavior resulting from a disability, the HACF will delay the denial in order to determine if there is an accommodation which would negate the behavior resulting from the disability in accordance with part 8 of this title. **[PH Occ GB, pp. 58-60]**
7. The HACF will also consider whether the family disclosed the information to the HACF when completing the certification packet.
8. If an applicant is or has been a victim of domestic violence, dating violence or stalking, this is not an appropriate basis for denial of admission, if the applicant otherwise qualifies for admission.

Required Evidence

The HACF will use the concept of the preponderance of the evidence as the standard for making all termination decisions.

Preponderance of evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. The intent is not to prove criminal liability, but to establish that the act(s) occurred.

1. *Preponderance of evidence* will not be determined by the number of witnesses, but by the greater weight of all evidence.

2. *Credible evidence* may be obtained from police and/or court records. Testimony from neighbors, when combined with other factual evidence, can be considered credible evidence. Other credible evidence includes documentation of drug raids or arrest warrants.

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

3.34 PROHIBITION AGAINST DENIAL OF ASSISTANCE TO VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, AND STALKING [24 CFR PART5, SUBPART L]

The Violence against Women Reauthorization Act of 2005 (VAWA) prohibits denial of admission to an otherwise qualified applicant on the basis that the applicant is or has been a victim of domestic violence, dating violence, or stalking. Specifically, Section 607(2) of VAWA adds the following provision to Section 6 of the U.S. Housing Act of 1937, which lists contract provisions and requirements for the public housing program:

Every contract for contributions shall provide that . . . *the public housing agency shall not deny admission to the development to any applicant on the basis that the applicant is or has been a victim of domestic violence, dating violence, or stalking if the applicant otherwise qualifies for assistance or admission, and that nothing in this section shall be construed to supersede any provision of any Federal, State, or local law that provides greater protection than this section for victims of domestic violence, dating violence, or stalking.*

1. Definitions [24 CFR 5.2003]
As used in VAWA:

- The term ***bifurcate*** means, with respect to a public housing or Section 8 lease, to divide a lease as a matter of law such that certain residents can be evicted or removed while the remaining family members' lease and occupancy rights are allowed to remain intact.
- The term ***domestic violence*** includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.
- The term ***dating violence*** means violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of such a relationship shall be determined based on a consideration of the following factors:
    - The length of the relationship
    - The type of relationship
- The frequency of interaction between the persons involved in the relationship
- The term ***stalking*** means:
    - To follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate; or
    - To place under surveillance with the intent to kill, injure, harass, or intimidate another person; and

- In the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to (1) that person, (2) a member of the immediate family of that person, or (3) the spouse or intimate partner of that person.

- The term ***immediate family member*** means, with respect to a person –
  - A spouse, parent, brother or sister, or child of that person, or an individual to whom that person stands in the position or place of a parent; or
  - Any other person living in the household of that person and related to that person by blood and marriage.

2. Notification

The HACF acknowledges that a victim of domestic violence, dating violence, or stalking may have an unfavorable history (e.g., a poor credit history, a record of previous damage to an apartment, a prior arrest record) that would warrant denial under the HACF's policies. Therefore, if the HACF makes a determination to deny admission to an applicant family, the HACF will include in its notice of denial:

(a) A statement of the protection against denial provided by VAWA

(b) A description of HACF confidentiality requirements

(c) A request that an applicant wishing to claim this protection submit to the HACF documentation meeting the specifications below with her or his request for an informal hearing.

3. Documentation

Victim Documentation

An applicant claiming that the cause of an unfavorable history is that a member of the applicant family is or has been a victim of domestic violence, dating violence, or stalking must provide documentation:

(1) Demonstrating the connection between the abuse and the unfavorable history;

(2) Naming the perpetrator of the abuse. The documentation may consist of any of the following:

(a) A statement signed by the victim certifying that the information provided is true and correct and that it describes bona fide incident(s) of actual or threatened domestic violence, dating violence, or stalking

(b) A police or court record documenting the domestic violence, dating violence, or stalking

(c) Documentation signed by a person who has assisted the victim in addressing domestic violence, dating violence, or stalking, or the effects of such abuse. This person may be an employee, agent, or volunteer of a victim service provider; an

attorney; or a medical or other knowledgeable professional. The person signing the documentation must attest under penalty of perjury to the person's belief that the incidents in question are bona fide incidents of abuse. The victim must also sign the documentation.

Perpetrator Documentation

If the perpetrator of the abuse is a member of the applicant family, the applicant must provide additional documentation consisting of one of the following:

(a) A signed statement (1) requesting that the perpetrator be removed from the application and (2) certifying that the perpetrator will not be permitted to visit or to stay as a guest in the public housing unit

(b) Documentation that the perpetrator has successfully completed, or is successfully undergoing, rehabilitation or treatment. The documentation must be signed by an employee or agent of a domestic violence service provider or by a medical or other knowledgeable professional from whom the perpetrator has sought or is receiving assistance in addressing the abuse. The signer must attest under penalty of perjury to his or her belief that the rehabilitation was successfully completed or is progressing successfully. The victim and perpetrator must also sign or attest to the documentation.

4. Time Frame for Submitting Documentation

The applicant must submit the required documentation with her or his request for an informal hearing or must request an extension in writing at that time. If the applicant so requests, the HACF will grant an extension of 10 business days and will postpone scheduling the applicant's informal hearing until after it has received the documentation or the extension period has elapsed. If, after reviewing the documentation provided by the applicant, the HACF determines that the family is eligible for assistance, no informal hearing will be scheduled, and the HACF will proceed with admission of the applicant family.

5. HACF Confidentiality Requirements [24 CFR 5.2007(a)(1)(5)]

All information provided to the HACF regarding domestic violence, dating violence, or stalking, including the fact that an individual is a victim of such violence or stalking, must be retained in confidence and may neither be entered into any shared database nor provided to any related entity, except to the extent that the disclosure

(a) Is requested or consented to by the individual in writing,
(b) Is required for use in an eviction proceeding, or
(c) Is otherwise required by applicable law.

If disclosure is required for use in an eviction proceeding or is otherwise required by applicable law, the HACF will inform the victim before disclosure occurs so that safety risks can be identified and addressed.

3.35 NOTICE OF ELIGIBILITY OR DENIAL

The HACF will notify an applicant family of its final determination of eligibility in accordance with the Section 4.22.

If, based on a criminal record or sex offender registration information an applicant family appears to be ineligible under 24 CFR 5, Subpart J, the HACF will notify the family in writing of the proposed denial and provide a copy of the record to the applicant and to the subject of the record[24 CFR 5.903(f) and 5.905(d)].

The family will be given 10 business days to dispute the accuracy and relevance of the information. If the family does not contact the HACF to dispute the information within that 10 day period, the HACF will proceed with issuing the notice of denial of admission. A family that does not exercise their right to dispute the accuracy of the information prior to issuance of the official denial letter will still be given the opportunity to do so as part of the informal hearing process.

Notice requirements related to denying admission to noncitizens are contained in Section 3.28.

Notice policies related to denying admission to applicants who may be victims of domestic violence, dating violence, or stalking are contained in Section 3.34

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CHAPTER 4 - APPLICATIONS, MANAGEMENT OF THE WAIT LIST AND RESIDENT SELECTION [24 CFR 5.400, 5.600, 960.201 THROUGH 960.208]

INTRODUCTION

The policy of the HACF is to ensure that all families who express an interest in housing assistance are given an equal opportunity to apply, and are treated in a fair and consistent manner. At the time the wait list is open, families wishing to participate in the low income public housing program must submit a pre-application providing all information requested by the HACF. This information allows the HACF to place each applicant on the wait list in accordance with the policies in this Admissions & Continued Occupancy Policy.

This chapter will explain the policies for the initial pre-application intake process, management of the wait list, completion of the full application and resident selection. It describes how the HACF accepts the pre-applications, how the HACF maintains the wait list with accurate information, selecting families from the preliminary wait list, establishing and verifying preferences and selecting eligible applicants for a unit offer. Eligibility for program admission as well as grounds for denial of admissions is covered in Chapter 3.

Part I: The Application Process. This part provides an overview of the application process, and discusses how applicants can obtain and submit applications. It also specifies how the HACF will handle the applications it receives.

Part II: Managing the Waiting List. This part presents the policies that govern how the HACF's waiting list is structured, when it is opened and closed, and how the public is notified of the opportunity to apply for public housing. It also discusses the process the HACF will use to keep the waiting list current.

Part III: Resident Selection. This part describes the policies that guide the HACF in selecting families from the waiting list as units become available. It also specifies how in-person interviews will be used to ensure that the HACF has the information needed to make a final eligibility determination.

PART I: THE APPLICATION PROCESS

4.0 APPLYING FOR ASSISTANCE [24 CFR 1.4(B)(2)(II), 24 CFR 960.202(A)(2)(IV), AND PH OCC GB, P. 68]

The HACF is permitted by HUD to determine the format and content of applications. For the purpose of establishing a wait list, pre-applications will be accepted from any family wishing to apply for Low Income Public Housing. The HACF may select one or more of the following methods for pre-applications:

- Submitted on-line via HACF website
- By Phone
- By mail

- Submitted in person
- By other method as described in the public announcement

At the time the HACF announces its intent to open the wait list, the actual methods for accepting pre-applications will be clearly stated in the public announcement and similar outreach methods.

If an applicant is disabled and requires special accommodation in submitting an application, the accommodation request must be made in writing prior to the closure of the wait list. Specific instructions for making a reasonable accommodation request will be included in the public notice and other pre-application outreach materials.

Pre-Application via HACF Website
When this method is available, families can apply on-line @ www.hafresno.org.

Pre-Application Intake by Phone or by Mail
When this method is available, pre-applications taken by phone or mail will be recorded according to date and time received.

Pre-Application Intake in Person
When this method is available, pre-applications will be completed by the family and HACF will record the date and time the application is received.

In accordance with HUD regulations {24 CFR 982.205 (a)(2)(i)}at the time an applicant is applying for Public Housing, if applications are being accepted for Housing Choice Voucher assistance, the family must be offered an opportunity to apply for the other program. The HACF will not merge the Public Housing wait list with the wait list for any other program the HACF operates.

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

PART II: MANAGING THE WAITING LIST

4.1 PRE-APPLICATION

The HACF utilizes a pre-application form and applicants must provide all requested information. Pre-applications are taken to compile a preliminary wait list. The following is true of the pre-application process:

- Pre-applications **will not** require an interview.
- Pre-applications will contain questions designed to obtain pertinent information from the applicant.
- The information provided and certified by the applicant on the application **will not** be verified until the applicant has been selected for final eligibility determination.

- Final eligibility will be determined when the full application process is completed and all information is verified.

In accordance with HUD, but not limited to, the following information will be requested from the family at the time the pre-application is completed.

1. Name and social security number of Head of Household
2. Date and time of application;
3. Address of Head of Household and phone numbers
4. Whether a current member of the U.S. Armed Forces; a veteran; or surviving spouse of a veteran;
5. Information pertaining to qualification for any local preference;
6. Racial or ethnic designation of head of household;
7. Social Security numbers of all members;
8. Names and birthdates of all members;
9. Sex and relationship to head-of-household of all members;
10. Whether any household member is a person with disabilities

4.2 PRELIMINARY WAIT LIST STRUCTURE

Once the pre-application is complete, the HACF will place all applicants on the wait list except duplicate records; determination of eligibility will not be assessed until the full formal application process which is covered in Section 4.20. The HACF will maintain sub jurisdictional wait lists by locality (city) for its developments in the County of Fresno. Within the list, the HACF will designate subparts to easily identify who should be offered the next available unit (i.e. mixed population, general occupancy, unit size, and accessible units). Families will receive confirmation that their application was accepted and will be informed to notify the HACF in writing within 10 business days of address and family composition changes.

At the time of the pre-application, any information indicating the applicant may qualify for a local preference (e.g., an applicant's certification that they reside within the jurisdiction qualifying them for the Residency Preference) will be accepted without verification at the pre-application. Actual entitlement for a local preference will be developed and verified during the full application process.

The wait list will be maintained in accordance with the following guidelines:

1. The pre-application will be a permanent file.
2. Applications must include as a minimum the following information to be placed on the preliminary wait list with the following information about each applicant: 1) name; 2) family size; 3) date and time of the completed pre-application; 4) information pertaining to possible qualification for a local preference; and 5) race and ethnicity of the head of household.

3. Applications will be maintained in order of preference. Applications equal in preference will be maintained by date and time sequence.

False statements on the pre-application regarding preferences are grounds for denial of admission and the pre-application would be cancelled; see Item S. in this Chapter for related information about preference denials.

4.3 PLACEMENT ON THE WAIT LIST

The HACF will assign families on the waiting list according to the bedroom size for which a family qualifies as established in its occupancy standards in Chapter 5. Families may request to be placed on the waiting list for a unit size smaller than designated by the occupancy guidelines (as long as the unit is not overcrowded according to HACF standards and local codes). However, in these cases, the family must agree not to request a transfer for one year after admission, unless they have a change in family size or composition. No applicant has a right or entitlement to be listed on the wait list, or to any particular position on the wait list.

4.4 OPENING AND CLOSING OF THE WAIT LIST

The HACF announces its intent to accept pre-applications for the purpose of establishing a wait list by placing a public notice in *The Fresno Bee,* a local newspaper of general circulation, and other suitable means if available, including the agency website at www.hafresno.org..

The notice will comply with HUD fair housing requirements. The notice will contain:

- The dates, times, and the locations where families may apply.
- The program(s) for which applications will be taken.
- A brief description of the program(s).
- The methods by which pre-applications will be accepted.
- Limitations, if any, on who may apply.

Normally, the opening and closing dates for application intake will be clearly stated in the notice.

However, if at the time the wait list is opened, the closing date for pre-application intake has not yet been determined, the notice will indicate that application intake will be until further notice. Once it becomes necessary to close the wait list due to the existing wait list containing an adequate pool of applicants (i.e., expected time before families will be selected is anticipated to be between 12 and 24 months) for use of available program funding, the HACF will apply the same advertising methods of broad general circulation for closing the wait list as were used for opening the wait list.

4.5 FAMILY OUTREACH [24 CFR 903.2(D); 24 CFR 903.7(A) AND (B)]

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

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

4.6 REPORTING CHANGES IN FAMILY CIRCUMSTANCES

Applicants are required to inform the HACF in writing of changes of their family composition, preference status and or address within 10 business days of the occurrence. This will also assist the HACF in establishing and maintaining a current and updated wait list to more effectively plan for future application intake. Applicants are also required to respond to requests from the HACF to update information on their application, or to determine their continued interest in assistance.

When an applicant supplies information which indicates qualification for an additional preference, the applicant will be placed on the wait list in the appropriate order determined by the newly-claimed preference**,** in combination with any previously-claimed preference.

The wait list will be maintained with accurate information.

4.7 PURGING THE WAIT LIST

The wait list will be purged as needed to ensure that all applicants and applicant information is current and accurate. To update the wait list, the HACF will send an update request via first-class mail to each family on the wait list. The applicant will be asked whether the family continues to be interested in the program and will provide a deadline by which the family must provide a written response. This update request will be sent to the last address that the HACF has on record for the family.

4.8 CANCELLATION FROM THE WAIT LIST FOR NO RESPONSE

Any mailings to the applicant which require a response by a specific deadline will state that failure to respond by the deadline will result in the applicant's name being removed from the wait list.

If a letter is returned by the Post Office, the application will be canceled without further notice, and the envelope and letter will be maintained in the file.

If the applicant did not respond to the HACF request for information or updates because of a family member's disability, this fact will be verified and documented, and the HACF will reinstate the applicant in the family's former position on the wait list.

The HACF will cancel the application when the applicant does not respond to the HACF's request for response or when the application expires, whichever occurs first.

Such failures to act on the part of the applicant prevent the HACF from making an eligibility determination; therefore no informal hearing is required.

If a family is removed from the wait list for failure to respond, the Property Manager of the wait list may reinstate the family if she/he determines the lack of response was due to HACF error, or to circumstances beyond the family's control.

PART III: RESIDENT SELECTION

4.9 RESIDENT SELECTION FROM THE WAIT LIST FOR ADMISSION

After the preliminary wait list has been established and as units become available for admission, the HACF will create an application pool and begin the full application process. For information about Eligibility for Admission, refer to Chapter 3.

This section will describe the following policies:

- Selecting families from the preliminary wait list
- Establishing and verifying preferences
- Completing the full application for final eligibility determination
- Selecting of eligible applicants for unit offer

The policies are outlined and are organized into three sections, as follows:

- Creating an Application Pool**.** This section will cover creating an application pool from the preliminary wait list.

- The Full Application Process. This section will explain how the applicants are invited to the formal initial eligibility interview to complete the full application.

- Determining Applicants Eligible or Ineligible**.** This section will explain the process of the final eligibility determination for unit offer, determining families ineligible or returning applicants to the preliminary wait list.

4.10 CREATING AN APPLICATION POOL

As families reach the top of the preliminary wait list and based on the HACF's turnover and the availability of funding, applicants will be selected from the preliminary wait list to form a final eligibility pool.

It is the HACF's objective to pull names from the wait list within a reasonable amount of time and determine if the family is eligible for assistance. The information provided on the pre-application will be verified during this final eligibility process.

4.11 METHOD OF SELECTION

The HACF's preference system will work in combination with requirements to match the characteristics of the family to the type of unit available, including units with targeted

populations, and further deconcentration of poverty in public housing. When such matching is required or permitted by current law, the HACF will give preference to qualified families.

Families who reach the top of the waiting list will be contacted by the HACF to complete a full application for occupancy. Applicants may not retain their place on the waiting list if they refuse to complete the application process.

Preferences will be ranked with number 1 being the highest. Applicants with the same ranking will be selected according to date and time of the pre-application. [The HACF is considering a lottery selection method for future intake. Should this method be used in the future, it will be announced to all applicants].

Once the initial application pool is established, each applicant will be invited to the full application process. The HACF will conduct this method of selection so there is a clear audit trail that can be used to verify that each applicant has been selected in accordance with the method specified in this policy.

4.12 LOCAL PREFERENCES [24 CFR 960.206]

Preferences affect only the order of the applicants on the waiting list. They do not make anyone eligible who was not eligible before.

The HACF may establish local preferences based upon housing needs and priorities as determined by the HACF and based on accepted data sources, after providing an opportunity for public comment, and will consider the public comments received.

Although no verification of preference is required at pre-application, before the family is provided assistance, the family's eligibility for the preference based on the current circumstances will be verified.

The HACF has established the following local preferences:

1. Referrals from Law Enforcement Agencies

This preference is subject to the approval of the Executive Director. The HACF may distribute application forms and may issue a voucher to families or single persons that are referred by law enforcement agencies. The types of referrals that will be considered include, but are not limited to:

- Victims under witness protection programs, or
- Victims of domestic violence.

Law enforcement referrals must be made in writing, on law enforcement agency letterhead, and signed by the requesting officer and his or her immediate supervisor. Eligibility, including background checks, will be confirmed for all members.

2. Displacement Referrals from Governmental Entities

This preference is subject to the approval of the Executive Director. The HACF may distribute application forms and may issue a voucher subject to availability to families or single persons that are referred by local governmental officials. The types of referrals that will be considered include, but are not limited, to:

- Persons displaced as the result of a government-declared natural disaster
- Persons displaced as the result of governmental action.

Referrals must be made in writing, on financial institution letterhead or governmental letterhead, and signed by the requesting official and his or her immediate supervisor. Eligibility, including background checks, will be confirmed for all members.

3. Residency Preference

This local preference would continue to give a preference for applicants who reside and/or work in the City and County of Fresno.

This is further defined to mean:

- The family must live, or at least one member must have a job, within the limits of Fresno County.
- Applicants who have been notified that they are hired to work in Fresno County must be treated as a resident.
- A resident is also defined to mean at least one adult member of the applicant household is currently enrolled in a Fresno County institution of higher education.

HUD regulations state that a residency preference must not be based on how long an applicant has resided or worked in a residency preference area.

4. United States Veteran's Preference

This preference applies to active U.S. Armed Forces, veterans and their surviving spouses.

4.13 PREFERENCE ELIGIBILITY [24 CFR 982.207]

Change in Circumstances

Change in an applicant's circumstances while on the wait list may affect the family's entitlement to a preference. Applicants are required to notify the HACF in writing when their circumstances change. When an applicant supplies information which indicates qualification for an additional preference, the applicant will be placed on the wait list in the appropriate order determined by the newly-claimed preference, in combination with any previously-claimed preference.

4.14 INCOME TARGETING [24 CFR 960.202(B)]

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

The HA shall, at its discretion, at least annually, exercise the "fungibility" provision of QHWRA by admitting less than 40% of "extremely low income families" to public housing in a fiscal year, to the extent that the HA has provided more than 75% of newly available Section 8 Housing Choice Vouchers to "extremely low income families." This fungibility provision discretion by the HA is also reflected in the HA's Section 8 Administrative Plan.

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

- The number of units equal to 10% of the number of newly available vouchers in the fiscal year; or

- The number of public housing units that 1) are in public housing developments located in census tracts having a poverty rate of 30% or more, and 2) are made available for occupancy by and actually occupied in that year by, families other than extremely low-income families.

The Fungibility Floor: Regardless of the above two amounts, in a fiscal year, at least 30% of the HA's admissions to public housing will be for extremely low-income families. The fungibility floor is the number of units that cause the HA's overall requirement for housing extremely low-income families to drop to 30% of its newly available units.

4.15 DECONCENTRATION OF POVERTY AND INCOME MIXING [24 CFR 903.1 AND 903.2]

The HACF's admission policy is designed to provide for deconcentration of poverty and income-mixing by bringing higher income residents into lower income developments and lower income residents into higher income developments.

A resident's gross annual income is used to determine income limits at admission and for income-mixing purposes.

Deconcentration and Income-Mixing Goals

The HACF's deconcentration and income-mixing goal, in conjunction with the requirement to target at least 40 percent of new admissions to public housing in each fiscal year to "extremely low-income families," will be to admit higher income families to lower income developments, and lower income families to higher income developments.

Deconcentration will apply to transfer families as well as applicant families.

Development Designation Methodology [24 CFR 903.2(c)(1)]

Annually, the HACF will determine on an annual basis the average income of all families residing in general occupancy developments.

The HACF will then determine the average income of all families residing in each general occupancy development.

The HACF will then determine whether each general occupancy development falls above, within, or below the Established Income Range (EIR).

The EIR is 85 percent to 115 percent (inclusive of 85 percent and 115 percent) of the HACF-wide average income for general occupancy developments.

The HACF will then determine whether or not developments outside the EIR are consistent with local goals and strategies in HACF Agency Plan.

The HACF may explain or justify the income profile for these developments as being consistent with and furthering two sets of goals:

1. Goals of deconcentration of poverty and income mixing (bringing higher income residents into lower income developments and vice versa); and

2. Local goals and strategies contained in the HACF Annual Plan.

Deconcentration Policy

If, at annual review, there are found to be development(s) with average income above or below the EIR, and where the income profile for a general occupancy development above or below the EIR is not explained or justified in the HACF Plan, the HACF shall adhere to the following policy for deconcentration of poverty and income mixing in applicable developments.

Skipping a family on the waiting list to reach another family in an effort to further the goals of the HACF's deconcentration policy:

- If a unit becomes available at a development below the EIR, the first eligible family on the waiting list with income above the EIR will be offered the unit. If that family refuses the unit, the next eligible family on the waiting list with income above the EIR will be offered the unit. The process will continue in this order. For the available unit at the development below the EIR, if there is no family on the waiting list with income above the EIR, or no family with income above the EIR accepts the offer, then the unit will be offered to the next family regardless of income.

- If a unit becomes available at a development above the EIR, the first eligible family on the waiting list with income below the EIR will be offered the unit. If that family refuses the unit, the next eligible family on the waiting list with income below the EIR will be offered the unit. The process will continue in this order. For the available unit at the development above the EIR, if there is no family on the waiting list with income below the EIR, or no family with income below the EIR accepts the offer, then the unit will be offered to the next family regardless of income.

Skipping of families for deconcentration purposes will be applied uniformly to all families.

A family has the sole discretion whether to accept an offer of a unit made under the HACF's deconcentration policy. The HACF shall not take any adverse action toward any

eligible family for choosing not to accept an offer of a unit under this deconcentration policy. However, the HACF shall uniformly limit the number of offers received by applicants, described in this Chapter.

If the average incomes of all general occupancy developments are within the Established Income Range, the HACF will be considered to be in compliance with the deconcentration agreement.

Nothing in the deconcentration policy relieves the HACF of the obligation to meet the income targeting requirements.

4.16 PROMOTION OF INTEGRATION

Beyond the basic requirement of nondiscrimination, HACF shall affirmatively further fair housing to reduce racial and national origin concentrations.

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

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

4.17 UNITS DESIGNATED FOR THE ELDERLY OR DISABLED [24 CFR 945]

The HACF may elect at some future time to submit an Allocation Plan as required by the 1992 Housing Act to designate specific units or sites for elderly or disabled applicants only. In accordance with the 1992 Housing Act, elderly families with a head, spouse or sole member at least 62 years of age or disabled families with a head, spouse or sole member who qualifies as a person with disabilities as defined in 24 CFR 945.303(c) (1) would receive a preference for admission to such units or buildings covered by a HUD-approved Allocation Plan.

4.18 MIXED POPULATION UNITS [24 CFR 960.407]

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

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

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

4.19 GENERAL OCCUPANCY UNITS

General occupancy units are designed to house all populations of eligible families. In accordance with the HACF's occupancy standards, eligible families' not needing units

designed with special features or units designed for special populations will be admitted to the HACF's general occupancy units.

The HACF will use its local preference system as stated in this chapter for admission of eligible families to its general occupancy units.

4.20 DESIGNATED NON SMOKING COMPLEXES

HACF will begin implementation of a Smoke free policy All residents, their guests, Housing Authority employees and vendors must refrain from smoking inside the apartments, balconies, patios and in common areas of the complex. Smoking is only allowed in specifically designated areas, which will be clearly identified and residents who choose to smoke must do so only within the posted area(s).

4.21 FULL APPLICATION PROCESS

HUD recommends obtaining the information and documents needed to make an eligibility determination through a face-to-face interview.

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

The interviews are scheduled based on order of selection from the preliminary wait list. Applicants may be required to complete a Personal Declaration Packet which is mailed to the applicant in advance to complete.

Being invited to attend an interview does not constitute admission to the program. The head of household, spouse and all adult family members are required to attend the interview. Exceptions may be made for adult students attending school out of state or for members for whom attendance would be a hardship.

Applicants who want to reschedule an appointment must make the request to reschedule no later than 2 days prior to the original appointment date. If the applicant does not reschedule or misses one scheduled meeting, the HACF will reject the application.

The family will be required to provide the following information for each family member within the household:

- Name of Head of Household and Social Security Number
- Racial or ethnic designation of all family members
- Names, sex and birthdates of all family members
- Relationship of all family members to head of household
- Street Address and phone numbers (message and contact numbers)
- Mailing Address (If PO Box or other permanent address)

- Amount(s) and source(s) of income received by all household members
- Information regarding disabilities to determine qualifications for allowances and deductions
- Information related to qualification for preferences
- Social Security Numbers for all family members [Refer to Notice PIH 2010-3 & Chapter 3, Section 3.18 Timeframe for Providing SSN.]
- Citizenship/eligible immigration status
- Answers to questions regarding arrests/convictions for drug-related or violent criminal activity or child molestation
- If applicable, a Request for Specific Accommodation, if needed by a person with disabilities in order to fully utilize program and services
- Current and previous landlords names and addresses
- Emergency contact person and address. Form HUD-92006, Supplement to Application for Federally Assisted Housing, as part of the HACF's application [Notice PIH 2009-36].
- Program integrity questions regarding previous participation in HUD programs

4.22 VERIFICATION

All adult members must sign and complete the Application for initial occupancy, HUD Form 9886 (Release of Information), the declarations and consents related to citizenship/immigration status and any other documents required by the HACF. Applicants will be required to sign specific verification forms for information which is not covered by the HUD Form-9886.

Applicant is required to provide necessary verification which may not be more than 60 days old from the date of the initial eligibility interview. All information provided by the applicant, will be verified, using the verification procedures described in Chapter 6. If any information is not supplied or if the family fails to sign any of the forms required, the application may be denied.

As part of the full application process, the HACF will verify the family's eligibility for a local preference based on current circumstances

After the verification process is completed, the HACF will make a final determination of eligibility. This decision is based upon information provided by the family, the verification completed by the HACF, and the current eligibility criteria in effect.

4.23 DETERMINING APPLICANTS ELIGIBLE OR INELIGIBLE

Each applicant will be interviewed by HACF staff to review the information on the Application for initial occupancy and Personal Declaration Packet.

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

beyond 7 days may be permitted upon approval of the intake staff member. If the information is not supplied in this time period, the HACF will provide the family a notification of denial for assistance.

If the family is determined eligible, they will be notified of the approximate time that assistance should be available. The eligible applicants will be offered a unit based on wait list placement.

Applicants that have not cleared the criminal background check will be placed on a pending status.

If the HACF determines that the family is ineligible, the HACF 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 hearing in accordance with Chapter 14, Grievances & Appeals.

4.24 PREFERENCE DENIAL

If upon verification the HACF determines that the family does not qualify for the preference claimed, the family does not receive the preference and will be returned to the wait list. The applicant will be placed on the wait list without benefit of the preference. In this situation the HACF must provide a written notice stating the reasons for the determination. An informal review is not required.

If the applicant falsifies documents or makes false statements regarding a preference, the application will be denied and cancelled. The family will be notified in writing when this occurs, and advised of the family's right to request an informal review.

CHAPTER 5 – OCCUPANCY STANDARDS & UNIT OFFERS

INTRODUCTION

This Chapter states the HACF Occupancy Standards used to determine the appropriate type development and unit size for families. Policies in this chapter are organized in two parts.

Part I: Occupancy Standards. This part contains the HACF's standards for determining the appropriate unit size for families of different sizes and types.

Part II: Unit Offers. This part contains the HACF's policies for making unit offers, and describes actions to be taken when unit offers are refused.

PART I: OCCUPANCY STANDARDS

Occupancy standards are established by the HACF to ensure that units are occupied by families of the appropriate size. This policy maintains the maximum usefulness of the units, while preserving them from excessive wear and tear or underutilization. Part I of this chapter explains the occupancy standards. These standards describe the methodology and factors the HACF will use to determine the size unit for which a family qualifies, and includes the identification of the minimum and maximum number of household members for each unit size. This part also identifies circumstances under which an exception to the occupancy standards may be approved.

5.0 DETERMINING UNIT SIZE

GUIDELINES FOR DETERMINING BEDROOM SIZE

Bedroom Size	Persons in Household: Minimum #	Persons in Household: Maximum #
0 Bedroom	1	1
1 Bedroom	1	2
2 Bedrooms	2	4
3 Bedrooms	3	6
4 Bedrooms	4	8
5 Bedrooms	7	10

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

Generally the HACF will assign one bedroom to two people within the following guidelines:

1. Adults of different generations, persons of the opposite sex (other than spouses, significant others, and children under age 5), and unrelated adults will not be required to share a bedroom.

2. Children of opposite sex regardless of age (i.e., from birth) will be allocated separate bedrooms.

3. Children of the same sex with an age difference exceeding ten (10) years will be allocated separate bedrooms.

4. Foster children will be included in determining unit size.

5. Live-in attendants will generally be provided a separate bedroom. No additional bedrooms are provided for the attendant's family.

Space may be provided for a child who is away at school but who lives with the family during school recesses.

The HACF may offer a family a unit that is larger than required by HA's occupancy standards.

All members of the family residing in the unit must be approved by the HACF. The family must obtain approval of any additional family member before the person occupies the unit except for additions by birth, adoption, or court-awarded custody, in which case the family must inform the HACF within ten business days.

The temporary absence of a child from the home due to placement in foster care may be considered in determining family composition and family size, which will be considered in determining bedroom size.

5.1 EXCEPTIONS TO OCCUPANCY STANDARDS

Person with Disability

The HACF will grant an exception upon request as a reasonable accommodation for persons with disabilities if the need is appropriately verified.

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

Other Circumstances

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

Persons cannot share a bedroom because of a need for medical equipment due to its size and/or function. Verification from a doctor must accompany requests for a larger bedroom to accommodate medical equipment.

Requests based on health related reasons must be verified by a doctor.

The HACF will grant exceptions from the guidelines in cases where it is the family's request or the HACF determines the exceptions are justified by the relationship, age,

sex, health or disability of family members, or other individual circumstances, and there is a vacant unit available. If an applicant requests to be listed on a smaller or larger bedroom size waiting list, the following guidelines will apply.

Applicants may request to be placed on the waiting list for a unit size smaller than designated by the occupancy guidelines, (as long as the unit is not overcrowded according to the HACF Occupancy Standards and local codes). The family must agree not to request a transfer until they have been admitted and have occupied the unit for 12 months. (Refer to Chapter 12, Transfer Policy for exceptions.)

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

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

5.2 OCCUPANCY STANDARDS ARE APPLICABLE TO TRANSFERS

When a change in the circumstances of a resident family requires another unit size, if the unit is not available at the time it is requested, the family will be placed on the Transfer List.

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

PART II: UNIT OFFERS

24 CFR 1.4(b)(2)(ii); 24 CFR 960.208

5.3 PLAN FOR UNIT OFFERS

The HACF plan for selection of applicants and assignment of dwelling units will assure equal opportunity and non-discrimination on grounds of race, color, sex, religion, familial status, disability, national origin, or marital status. The HACF plan for selection is based on how many locations within its jurisdiction have available units of suitable size and type in the appropriate type of development. This plan is also based on the distribution of vacancies.

The applicant will be offered a unit in the location with the oldest vacancy. If the offer is rejected, the applicant will be offered a suitable unit in the location with the second oldest vacancy. If that unit is rejected, a final offer will be made in the location with the third oldest vacancy. All three offers can be made simultaneously.

If more than one unit of the appropriate type and size is available, the first unit to be

offered will be the first unit that is ready for occupancy.

5.4 TIME LIMIT FOR UNIT OFFER ACCEPTANCE OR REFUSAL

Applicants must accept or refuse the unit offer within 3 business days of the date of the unit offer. Offers made by telephone will be confirmed by letter. When an applicant rejects the final unit offer, the HACF will remove the applicants name from the waiting list. Removal from the waiting list means the applicant must reapply.

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

Once an applicant is housed in a public housing development, his or her name will be removed from the all other HACF's site base waiting lists. The applicant will retain their place on the housing choice voucher waiting list, if applicable.

5.5 OFFER OF ACCESSIBLE UNITS

The HACF has units designed for persons with mobility impairments, referred to as accessible units.

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

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

First, to a current occupant of another unit of the same development, or other public housing developments under the HACF's control, who has a disability that requires the special features of the vacant unit.

Second, to an eligible qualified applicant on the waiting list having a disability that requires the special features of the vacant unit.

When offering an accessible/adaptable unit to a non-disabled applicant, the HACF will require the applicant to sign a certified statement agreeing that the applicant will relocate within 30 days to the first available vacant unit of appropriate size, at the same or comparable housing development site, should the modified unit be required for an eligible disabled family.

5.6 APPLICANTS UNABLE TO TAKE OCCUPANCY

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

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

1. Unit is not of the proper size and type, and the applicant would be able to reside there only temporarily;

2. Unit contains lead-based paint, and accepting the offer could result in subjecting the applicant's children under seven (7) years of age to lead-based paint poisoning;

3. An elderly or disabled family makes the decision not to occupy or accept occupancy in designated housing; [24 CFR 945.303(d)];

4. A qualified, knowledgeable, health professional verifies the temporary hospitalization or recovery from illness of the principal household member, other household members, or a live-in aide necessary to care for the principal household member;

5. The unit is inappropriate for the applicant's disabilities.

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CHAPTER 6 – INCOME AND RENT DETERMINATIONS
[24 CFR PART 5, SUBPARTS E AND F; 24 CFR 960, SUBPART C]

INTRODUCTION

The accurate calculation of Annual Income and Adjusted Income ensures that families are not paying more or less money for rent than their obligation under the regulations.

This chapter defines the allowable deductions from gross Annual Income and how the presence or absence of household members may affect the Total Tenant Payment (TTP). Income and TTP are calculated in accordance with 24 CFR Part 5, Subpart F and further instructions set forth in HUD Notices, Memoranda and Addenda. However, the QHWRA now gives HAs broader flexibility to define terms and to develop standards in order to assure consistent application of the various factors that relate to the determination of TTP.

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 HACF policies for calculating annual income are found in Part I.

Part II: Adjusted Income. Once annual income has been established HUD regulations require the HACF to subtract from annual income any of five mandatory deductions for which a family qualifies. These requirements and HACF policies for calculating adjusted income are found in Part II.

Part III: Calculating Rent. This part describes the statutory formula for calculating total tenant payment (TTP), the use of utility allowances, and the methodology for determining family rent payment. Also included here are flat rents and the family's choice in rents.

PART I: ANNUAL INCOME

6.0 ANNUAL INCOME

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 ACOP under "Exhibit":

- Annual Income Inclusions (Exhibit 6-1)

- Annual Income Exclusions (Exhibit 6-2)
- Treatment of Family Assets (Exhibit 6-3)
- Earned Income Disallowance (Exhibit 6-4)
- The Effect of Welfare Benefit Reduction (Exhibit 6-5)

6.1 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 by Person	
Live-in aides	Income from all sources is excluded [24 CFR 5.609(c)(5)].
Foster child or foster adult	Income from all sources is excluded [24 CFR 5.609(a)(1)].
Head, spouse, or cohead Other adult family members	All sources of income not specifically excluded by the regulations are included.
Children under 18 years of age	Employment income is excluded [24 CFR 5.609(c)(1)]. All other sources of income, except those specifically excluded by the regulations, are included.
Full-time students 18 years of age or older (not head, spouse, or cohead)	Employment income above $480/year is excluded [24 CFR 5.609(c)(11)]. All other sources of income, except those specifically excluded by the regulations, are included.

Temporarily Absent Family Members
Generally an individual who is or is expected to be absent from the assisted unit for 60 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 60 consecutive days is considered permanently absent and no longer a family member. Exceptions to this general policy are discussed below.

Absent Students
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 HACF indicating that the student has established a separate household or the family declares that the student has established a separate household.

Absences Due to Placement in Foster Care
Children temporarily absent from the home as a result of placement in foster care are considered members of the family [24 CFR 5.403].

If a child has been placed in foster care, the HACF will verify with the appropriate agency whether and when the child is expected to be returned to the home. Unless the agency confirms that the child has been permanently removed from the home, the child will be counted as a family member.

Absent Head, Spouse, or Cohead
An employed head, spouse, or cohead absent from the unit more than 60 consecutive days due to employment will continue to be considered a family member.

Individuals Confined for Medical Reasons
An individual confined to a nursing home or hospital on a permanent basis is not considered a family member. If there is a question about the status of a family member, the HA 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.

Joint Custody of Children
Dependents that are subject to a joint custody arrangement will be considered a member of the family, if they live with the applicant or resident family 50 percent or more of the time.

When more than one applicant or assisted family (regardless of program) are 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 HACF will make the determination based on available documents such as court orders, or an IRS return showing which family has claimed the child for income tax purposes.

Caretakers for a Child
If neither parent remains in the household nor the appropriate agency has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period, the HACF will treat the adult as a visitor for the first 30 calendar days. This will be noted as an exception t the HACF's Visitor Policy.

If by the end of that period, court-awarded custody or legal guardianship has been awarded to the caretaker, and the caretaker qualifies under the Resident Suitability criteria, the lease will be transferred to the caretaker.

If the court has not awarded custody or legal guardianship, but the action is in process, the HACF will secure verification from social services staff or the attorney as to the status.

The HACF will transfer the lease to the caretaker, in the absence of a court order, if the caretaker qualifies under the Resident Suitability criteria and has been in the unit for more than 30 days and it is reasonable to expect that custody will be granted.

When the HACF approves a person to reside in the unit as caretaker for child(ren), the income of the caretaker should be counted pending a final disposition. The HACF will work with the appropriate service agencies to provide a smooth transition in these cases.

6.2 ANTICIPATING ANNUAL INCOME

The HACF is required to count all income "anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date" [24 CFR 5.609(a)(2)]. Policies related to anticipating annual income are provided below.

Basis of Annual Income Projection

The HACF generally will use current circumstances to determine anticipated income for the coming 12-month period. HUD authorizes the HACF to use other than current circumstances to anticipate income when:

- An imminent change in circumstances is expected;
- 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 HACF believes that past income is the best available indicator of expected future income [24 CFR 5.609(d)]

When the HACF cannot readily anticipate income based upon current circumstances (e.g., in the case of seasonal employment, unstable working hours, or suspected fraud), the HACF will review and analyze historical data for patterns of employment, paid benefits, and receipt of other income and use the results of this analysis to establish annual income. Anytime current circumstances are not used to project annual income, a clear rationale for the decision will be documented in the file. In all such cases the family may present information and documentation to the HACF to show why the historic pattern does not represent the family's anticipated income.

Known Changes in Income

If the HACF verifies an upcoming increase or decrease in income, annual income will be calculated by applying each income amount to the appropriate part of the 12-month period.

Example: An employer reports that a full-time employee who has been receiving $8/hour will begin to receive $8.25/hour in the eighth week after the effective date of the reexamination. In such a case the PHA would calculate annual income as follows: ($8/hour × 40 hours × 7 weeks) + ($8.25 × 40 hours × 45 weeks).

The family may present information that demonstrates that implementing a change before its effective date would create a hardship for the family. In such cases the PHA will calculate annual income using current circumstances and then require an interim reexamination when the change actually occurs. This requirement will be imposed even if the PHA's policy on reexaminations does not require interim reexaminations for other types of changes.

When tenant-provided third-party documents are used to anticipate annual income, they will be dated within the last 60 days of the reexamination interview date.

EIV quarterly wages will not be used to project annual income at an annual or interim reexamination.

Up-Front Income Verification (UIV) and Income Projection using HUD's Enterprise Income Verification (EIV) System [HUD Notice PIH 2010-19 (HA)]

HUD allows the HACF to use UIV data as third-party verification of an income source when a resident does not dispute the source. UIV data, however, is generally several months old. Therefore, except in the case of SS and SSI benefits, which are not subject to frequent or dramatic changes, HUD expects the HACF to base its income projection on documentation of current circumstances provided by the resident (such as consecutive pay stubs dated within the last 60 days) or by the income source (if the HACF determines that additional verification is necessary).

The HACF will use HUD's Enterprise Income Verification (EIV) system in its entirety to verify resident employment and income information during mandatory reexaminations of family composition and income in accordance with 24 CFR 5.236. [See Chapter 7 - Verification Procedures for guidance in accordance to HUD Notice PIH 2010-19 (HA)]

6.3 EARNED INCOME

Types of Earned Income Included in Annual Income

Wages and Related Compensation [24 CFR 5.609(b)(1)]
The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services is included in annual income.

For persons who regularly receive bonuses or commissions, the HACF will verify and then average amounts received for the two years preceding admission or reexamination. If only a one-year history is available, the HACF will use the prior year amounts. In either case the family may provide, and the HACF 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 HACF will count only the amount estimated by the employer. The file will be documented appropriately.

Some Types of Military Pay
All regular pay, special pay and allowances of a member of the Armed Forces are counted [24 CFR 5.609(b)(8)] <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)].

6.4 TYPES OF EARNED INCOME <u>NOT</u> COUNTED IN ANNUAL INCOME

Temporary, Nonrecurring, or Sporadic Income [24 CFR 5.609(c)(9)]
This type of income (including gifts) is not included in annual income.

Sporadic income is income that is not received periodically and cannot be reliably predicted. For example, the income of an individual who works occasionally as a handyman would be considered sporadic if future work could not be anticipated and no historic, stable pattern of income existed.

Children's Earnings [24 CFR 5.609(c)(1)]
Employment income earned by children (including foster children) under the age of 18 years is not included in annual income.

Certain Earned Income of Full-Time Students
Earnings in excess of $480 for each full-time student 18 years old or older (except for the head, spouse, or cohead) are not counted [24 CFR 5.609(c)(11)]. To be considered "full-time," a student must be considered "full-time" by an educational institution with a degree or certificate program [HCV GB, p. 5-29].

Income of a Live-in Aide
Income earned by a live-in aide, as defined in [24 CFR 5.403], is not included in annual income [24 CFR 5.609(c)(5)].

Income Earned under Certain Federal Programs [24 CFR 5.609(c)(17)]
Income from some federal programs is specifically excluded from consideration as income, including:

- Payments to volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(g), 5058)
- Payments received under programs funded in whole or in part under the Job Training Partnership Act (29 U.S.C. 1552(b))
- Awards under the federal work-study program (20 U.S.C. 1087 uu)
- Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056(f))
- Allowances, earnings, and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d))
- Allowances, earnings, and payments to participants in programs funded under the Workforce Investment Act of 1998 (29 U.S.C. 2931)

Resident Service Stipend [24 CFR 5.600(c)(8)(iv)]
Amounts received under a resident service stipend are not included in annual income. A resident service stipend is a modest amount (not to exceed $200 per individual per month) received by a resident for performing a service for the HACF, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of the HACF's governing board. No resident may receive more than one such stipend during the same period of time.

State and Local Employment Training Program
Incremental earnings and benefits to any family member resulting from participation in qualifying state or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff are excluded from annual income. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives and are excluded only for the period during which the family member participates in the training program [24 CFR 5.609(c)(8)(v)].

The HACF defines ***training program*** as “a learning process with goals and objectives, generally having a variety of components, and taking place in a series of sessions over a period of time. It is designed to lead to a higher level of proficiency, and it enhances the individual’s ability to obtain employment. It may have performance standards to measure proficiency. Training may include, but is not limited to: (1) classroom training in a specific occupational skill, (2) on-the-job training with wages subsidized by the program, or (3) basic education” [expired Notice PIH 98-2, p. 3].

The HACF defines ***incremental earnings and benefits*** as the difference between (1) the total amount of welfare assistance and earnings of a family member prior to enrollment in a training program and (2) the total amount of welfare assistance and earnings of the family member after enrollment in the program [expired Notice PIH 98-2, pp. 3–4].

In calculating the incremental difference, the HACF will use as the pre-enrollment income the total annualized amount of the family member’s welfare assistance and earnings reported on the family’s most recently completed HUD-50058.

End of participation in a training program must be reported in accordance with the HACF's interim reporting requirements.

HUD-Funded Training Programs
Amounts received under training programs funded in whole or in part by HUD [24 CFR 5.609(c)(8)(i)] are excluded from annual income. Eligible sources of funding for the training include operating subsidy, Section 8 administrative fees, and modernization, Community Development Block Grant (CDBG), HOME program, and other grant funds received from HUD.

To qualify as a training program, the program must meet the definition of *training program* provided above for state and local employment training programs.

Earned Income Tax Credit
Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 U.S.C. 32(j)), are excluded from annual income [24 CFR 5.609(c)(17)]. Although many families receive the EITC annually when they file taxes, an EITC can also be received throughout the year. The prorated share of the annual EITC is included in the employee’s payroll check.

6.5 EARNED INCOME DISALLOWANCE [24 CFR 960.255]

The earned income disallowance (EID) encourages people to enter the work force by not including the full value of increases in earned income for a period of time. The full text of 24 CFR 960.255 is included as Exhibit 6-4 at the end of this ACOP. Eligibility criteria and limitations on the disallowance are summarized below.

Eligibility
This disallowance applies only to individuals in families already participating in the public housing program (not at initial examination). To qualify, the family must experience an increase in annual income that is the result of one of the following events:

- Employment of a family member who was previously unemployed for one or more years prior to employment. *Previously unemployed* includes a person who annually has earned not more than the minimum wage applicable to the community multiplied by 500 hours. The applicable minimum wage is the federal minimum wage unless there is a higher state or local minimum wage.
- Increased earnings by a family member whose earnings increase during participation in an economic self-sufficiency or job-training program. A self-sufficiency program includes a program designed to encourage, assist, train, or facilitate the economic independence of HUD-assisted families or to provide work to such families [24 CFR 5.603(b)].
- New employment or increased earnings by a family member who has received benefits or services under Temporary Assistance for Needy Families (TANF) or any other state program funded under Part A of Title IV of the Social Security Act within the past six months. If the benefits are received in the form of monthly maintenance, there is no minimum amount. If the benefits or services are received in a form other than monthly maintenance, such as one-time payments, wage subsidies, or transportation assistance, the total amount received over the six-month period must be at least $500.

Calculation of the Disallowance
Calculation of the earned income disallowance for an eligible member of a qualified family begins with a comparison of the member's current income with his or her "prior income."

The HACF defines *prior income,* or *prequalifying income,* as the family member's last certified income prior to qualifying for the EID.

The family member's prior, or prequalifying, income remains constant throughout the period that he or she is receiving the EID.

Initial 12-Month Exclusion
During the initial 12-month exclusion period, the full amount (100 percent) of any increase in income attributable to new employment or increased earnings is excluded. The 12 months are cumulative and need not be consecutive.

The initial EID exclusion period will begin on the first of the month following the date an eligible member of a qualified family is first employed or first experiences an increase in earnings.

Second 12-Month Exclusion and Phase-In
During the second 12-month exclusion period, the exclusion is reduced to half (50 percent) of any increase in income attributable to employment or increased earnings. The 12 months are cumulative and need not be consecutive.

Lifetime Limitation
The EID has a four-year (48-month) lifetime maximum. The four-year eligibility period begins at the same time that the initial exclusion period begins and ends 48 months later. The one-time eligibility for the EID applies even if the eligible individual begins to receive assistance from another housing agency, if the individual moves between public

housing and Section 8 assistance, or if there are breaks in assistance.

During the 48-month eligibility period, the HACF will conduct an interim reexamination each time there is a change in the family member's annual income that affects or is affected by the EID (e.g., when the family member's income falls to a level at or below his/her prequalifying income, when one of the exclusion periods ends, and at the end of the lifetime maximum eligibility period). The HACF will retain the EID documentation in the resident file for the " duration of tenancy" and up to three (3) years after program participation ends.

6.6 BUSINESS INCOME [24 CFR 5.609(B)(2)]

Annual income includes "the net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family" [24 CFR 5.609(b)(2)].

Business Expenses
Net income is "gross income less business expense" [HCV GB, p. 5-19].

To determine business expenses that may be deducted from gross income, the HACF will use current applicable Internal Revenue Service (IRS) rules for determining allowable business expenses [see IRS Publication 535], unless a topic is addressed by HUD regulations or guidance as described below.

Business Expansion
HUD regulations do not permit the HACF to deduct from gross income expenses for business expansion.

Business expansion is defined as any capital expenditures made to add new business activities, to expand current facilities, or to operate the business in additional locations. For example, purchase of a street sweeper by a construction business for the purpose of adding street cleaning to the services offered by the business would be considered a business expansion. Similarly, the purchase of a property by a hair care business to open at a second location would be considered a business expansion.

Capital Indebtedness
HUD regulations do not permit the HACF to deduct from gross income the amortization of capital indebtedness.

Capital indebtedness is defined as the principal portion of the payment on a capital asset such as land, buildings, and machinery. This means the HACF will allow as a business expense interest, but not principal, paid on capital indebtedness.

Negative Business Income
If the net income from a business is negative, no business income will be included in

annual income; a negative amount will not be used to offset other family income.

Withdrawal of Cash or Assets from a Business
HUD regulations require the HACF 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.

Acceptable investments in a business include cash loans and contributions of assets or equipment. For example, if a member of a resident family provided an up-front loan of $2,000 to help a business get started, the HACF will not count as income any withdrawals from the business up to the amount of this loan until the loan has been repaid. Investments do not include the value of labor contributed to the business without compensation.

Co-owned Businesses
If a business is co-owned with someone outside the family, the family must document the share of the business it owns. If the family's share of the income is lower than its share of ownership, the family must document the reasons for the difference.

6.7 ASSETS [24 CFR 5.609(B)(3) AND 24 CFR 5.603(B)]

There is no asset limitation for participation in the public housing program. However, HUD requires that the HACF 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 HACF will determine the value of the asset in order to compute income from the asset. Therefore, for each asset type, this section discusses:

- How the value of the asset will be determined
- How income from the asset will be calculated

Exhibit 6-1 provides the regulatory requirements for calculating income from assets [24 CFR 5.609(b)(3)], and Exhibit 6-3 provides the regulatory definition of *net family assets*, which are located at the end of this ACOP under "Exhibits".

General Policies

Income from Assets
The HACF 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 HACF 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 HACF 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 HACF can take into consideration past rental income along with the prospects of obtaining a new resident.

Any time 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 HACF to show why the asset income determination does not represent the family's anticipated asset income.

Valuing Assets
The calculation of asset income sometimes requires the HACF to make a distinction between an asset's market value and its cash value.

- The market value of an asset is its worth (e.g., the amount a buyer would pay for real estate or the balance in an investment account).
- The cash value of an asset is its market value less all reasonable amounts that would be incurred when converting the asset to cash.

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 and PH Occ GB, p. 121].

Lump-Sum Receipts
Payments that are received in a single lump sum, such as inheritances, capital gains, lottery winnings, insurance settlements, and proceeds from the sale of property, are generally considered assets, not income. However, such lump-sum receipts are counted as assets only if they are retained by a family in a form recognizable as an asset (e.g., deposited in a savings or checking account) [RHIIP FAQs].

Imputing Income from Assets [24 CFR 5.609(b)(3)]
When net family assets are $5,000 or less, the HACF 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 HACF will include in annual income the greater of (1) the actual income derived from the assets or (2) the imputed income. Imputed income from assets is calculated by multiplying the total cash value of all family assets by the current HUD-established passbook savings rate.

Determining Actual Anticipated Income from Assets
It may or may not be necessary for the HACF to use the value of an asset to compute the actual anticipated income from the asset. When the value is required to compute the anticipated income from an asset, the market value of the asset is used. For example, if the asset is a property for which a family receives rental income, the anticipated income is determined by annualizing the actual monthly rental amount received for the property; it is not based on the property's market value. However, if the asset is a savings account, the anticipated income is determined by multiplying the market value of the account by the interest rate on the account.

Withdrawal of Cash or Liquidation of Investments
Any withdrawal of cash or assets from an investment will be included in income except to the extent that the withdrawal reimburses amounts invested by the family. For example, when a family member retires, the amount received by the family from a retirement plan is not counted as income until the family has received payments equal to the amount the family member deposited into the retirement fund.

Jointly Owned Assets
The regulation at 24 CFR 5.609(a)(4) specifies that annual income includes “amounts derived (during the 12-month period) from assets to which any member of the family has access.”

If an asset is owned by more than one person and any family member has unrestricted access to the asset, the HACF will count the full value of the asset. A family member has unrestricted access to an asset when he or she can legally dispose of the asset without the consent of any of the other owners.

If an asset is owned by more than one person, including a family member, but the family member does not have unrestricted access to the asset, the HACF will prorate the asset according to the percentage of ownership. If no percentage is specified or provided for by state or local law, the HACF will prorate the asset evenly among all owners.

Assets Disposed Of for Less than Fair Market Value [24 CFR 5.603(b)]
HUD regulations require the HACF to count as a current asset any business or family asset that was disposed of for less than fair market value during the two years prior to the effective date of the examination/reexamination, except as noted below.

Minimum Threshold
The HACF will not include the value of assets disposed of for less than fair market value unless the cumulative fair market value of all assets disposed of during the past two years exceeds the gross amount received for the assets by more than $1,000.
When the two-year period expires, the income assigned to the disposed asset(s) also expires. If the two-year period ends between annual recertifications, the family may request an interim recertification to eliminate consideration of the asset(s).
Assets placed by the family in nonrevocable trusts are considered assets disposed of for less than fair market value except when the assets placed in trust were received through settlements or judgments.

Separation or Divorce
The regulation also specifies that assets are not considered disposed of for less than fair market value if they are disposed of as part of a separation or divorce settlement and the applicant or resident receives important consideration not measurable in dollar terms.

All assets disposed of as part of a separation or divorce settlement will be considered assets for which important consideration not measurable in monetary terms has been received. In order to qualify for this exemption, a family member must be subject to a formal separation or divorce settlement agreement established through arbitration, mediation, or court order.

Foreclosure or Bankruptcy
Assets are not considered disposed of for less than fair market value when the disposition is the result of a foreclosure or bankruptcy sale.

Family Declaration
Families must sign a declaration form at initial certification and each annual recertification identifying all assets that have been disposed of for less than fair market value or declaring that no assets have been disposed of for less than fair market value.

The HACF may verify the value of the assets disposed of if other information available to the HACF does not appear to agree with the information reported by the family.

6.8 TYPES OF ASSETS

Checking and Savings Accounts
For regular checking accounts and savings accounts, cash value has the same meaning as market value. If a checking account does not bear interest, the anticipated income from the account is zero.

In determining the value of a checking account, the HACF will use the average monthly balance for the last six months.

In determining the value of a savings account, the HACF will use the current balance.

In determining the anticipated income from an interest-bearing checking or savings account, the HACF will multiply the value of the account by the current rate of interest paid on the account.

Investment Accounts Such as Stocks, Bonds, Saving Certificates, and Money Market Funds
Interest or dividends earned by investment accounts are counted as actual income from assets even when the earnings are reinvested. The cash value of such an asset is determined by deducting from the market value any broker fees, penalties for early withdrawal, or other costs of converting the asset to cash.

In determining the market value of an investment account, the HACF will use the value of the account on the most recent investment report.

How anticipated income from an investment account will be calculated depends on whether the rate of return is known. For assets that are held in an investment account with a known rate of return (e.g., savings certificates), asset income will be calculated based on that known rate (market value multiplied by rate of earnings). When the anticipated rate of return is not known (e.g., stocks), the HACF will calculate asset income based on the earnings for the most recent reporting period.

Equity in Real Property or Other Capital Investments
Equity (cash value) in a property or other capital asset is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and reasonable costs (such as broker fees) that would be incurred in selling the asset [HCV GB, p. 5-25 and PH, p. 121].

Equity in real property and other capital investments is considered in the calculation of asset income except for the following types of assets:

- Equity accounts in HUD homeownership programs [24 CFR 5.603(b)]
- Equity in real property when a family member's main occupation is real estate [HCV GB, p. 5-25].
- Interests in Indian Trust lands [24 CFR 5.603(b)]

- Real property and capital assets that are part of an active business or farming operation [HCV GB, p. 5-25]

A family may have real property as an asset in two ways: (1) owning the property itself and (2) holding a mortgage or deed of trust on the property. In the case of a property owned by a family member, the anticipated asset income generally will be in the form of rent or other payment for the use of the property. If the property generates no income, actual anticipated income from the asset will be zero.

In the case of a mortgage or deed of trust held by a family member, the outstanding balance (unpaid principal) is the cash value of the asset. The interest portion only of payments made to the family in accordance with the terms of the mortgage or deed of trust is counted as anticipated asset income.

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 HACF determines that the family receives no income from the property and is unable to sell or otherwise convert the asset to cash.

Trusts

A *trust* is a legal arrangement generally regulated by state law in which one party (the creator or grantor) transfers property to a second party (the trustee) who holds the property for the benefit of one or more third parties (the beneficiaries).

Revocable Trusts

If any member of a family has the right to withdraw the funds in a trust, the value of the trust is considered an asset [HCV GB, p. 5-25]. Any income earned as a result of investment of trust funds is counted as actual asset income, whether the income is paid to the family or deposited in the trust.

Nonrevocable Trusts

In cases where a trust is not revocable by, or under the control of, any member of a family, the value of the trust fund is not considered an asset. However, any income distributed to the family from such a trust is counted as a periodic payment or a lump-sum receipt, as appropriate [24 CFR 5.603(b)].

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 HACF 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.

The balance in the account is counted as an asset only if it remains accessible to the family member.

IRA, Keogh, and Similar Retirement Savings Accounts
IRA, Keogh, and similar retirement savings accounts are counted as assets even though early withdrawal would result in a penalty [HCV GB, p. 5-25].

Personal Property
Personal property held as an investment, such as gems, jewelry, coin collections, antique cars, etc., is considered an asset [HCV GB, p. 5-25].

In determining the value of personal property held as an investment, the HACF will use the family's estimate of the value. The HACF may obtain an appraisal if there is reason to believe that the family's estimated value is off by $50 or more. The family must cooperate with the appraiser but cannot be charged any costs related to the appraisal. Generally, personal property held as an investment generates no income until it is disposed of. If regular income is generated (e.g., income from renting the personal property), the amount that is expected to be earned in the coming year is counted as actual income from the asset.

Necessary items of personal property are not considered assets [24 CFR 5.603(b)].
Necessary personal property consists of only those items not held as an investment. It may include clothing, furniture, household furnishings, jewelry, and vehicles, including those specially equipped for persons with disabilities.

Life Insurance
The cash value of a life insurance policy available to a family member before death, such as a whole life or universal life policy is included in the calculation of the value of the family's assets [HCV GB 5-25]. The cash value is the surrender value. If such a policy earns dividends or interest that the family could elect to receive, the anticipated amount of dividends or interest is counted as income from the asset whether or not the family actually receives it.

6.9 PERIODIC PAYMENTS

Periodic payments are forms of income received on a regular basis. HUD regulations specify periodic payments that are and are not included in annual income.

Periodic Payments <u>Included</u> in Annual Income

- 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]

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].

When a delayed-start payment is received and reported during the period in which the HACF is processing an annual reexamination, the HACF will adjust the resident rent 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 HACF.

Treatment of Overpayment Deductions from Social Security Benefits

The HACF must make a special calculation of annual income when the Social Security Administration (SSA) overpays an individual, resulting in a withholding or deduction from his or her benefit amount until the overpayment is paid in full. The amount and duration of the withholding will vary depending on the amount of the overpayment and the percent of the benefit rate withheld. Regardless of the amount withheld or the length of the withholding period, the HACF must use the reduced benefit amount after deducting only the amount of the overpayment withholding from the gross benefit amount [Notice PIH 2010-3].

Periodic Payments <u>Excluded</u> from Annual Income

- Payments received for the <u>care of foster children or foster adults</u> (usually persons with disabilities, unrelated to the resident family, who are unable to live alone) [24 CFR 5.609(c)(2)]. Kinship care payments are considered equivalent to foster care payments and are also excluded from annual income [Notice PIH 2008-40].

  The HACF will exclude payments for the care of foster children and foster adults only if the care is provided through an official arrangement with a local welfare agency [HCV GB, p. 5-18].

- Amounts paid by a state agency to a family with a <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)]

- 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)]. *Note:* EITC may be paid periodically if the family elects to receive the amount due as part of payroll payments from an employer.

- Lump sums received as a result of <u>delays in processing Social Security and SSI payments</u> [24 CFR 5.609(b)(4)].

6.10 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)].

6.11 WELFARE ASSISTANCE

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 HACF 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 a public housing resident 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 HACF must include in annual income "imputed" welfare income.

The HACF must request that the welfare agency inform the HACF when the benefits of a public housing resident 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)].

For special procedures related to grievance hearings based upon the HACF's denial of a family's request to lower rent when the family experiences a welfare benefit reduction, see Chapter 14, Grievances and Appeals.

Offsets
The amount of the imputed income is offset by the amount of additional income the family begins to receive after the sanction is imposed. When the additional income equals or exceeds the imputed welfare income, the imputed income is reduced to zero [24 CFR 5.615(c)(4)].

6.12 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 a resident family.

Alimony and Child Support
The HACF must count alimony or child support amounts awarded as part of a divorce or separation agreement.

The HACF will count court-awarded amounts for alimony and child support unless the HACF verifies that (1) the payments are not being made and (2) the family has made reasonable efforts to collect amounts due, including filing with courts or agencies responsible for enforcing payments [HCV GB, pp. 5-23 and 5-47].

Families who do not have court-awarded alimony and child support awards are not required to seek a court award and are not required to take independent legal action to obtain collection.

Regular Contributions or Gifts
The HACF must count as income regular monetary and nonmonetary contributions or gifts from persons not residing with a resident family [24 CFR 5.609(b)(7)]. Temporary, nonrecurring, or sporadic income and gifts are not counted [24 CFR 5.609(c)(9)].

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 HACF. For contributions that may vary from month to month (e.g., utility payments), the HACF will include an average amount based upon past history.

6.13 ADDITIONAL EXCLUSIONS FROM ANNUAL INCOME

Other exclusions contained in 24 CFR 5.609(c) that have not been discussed earlier in this chapter include the following:

- Reimbursement of medical expenses [24 CFR 5.609(c)(4)]
- The full amount of student financial assistance paid directly to the student or to the educational institution [24 CFR 5.609(c)(6)].

  Regular financial support from parents or guardians to students for food, clothing personal items, and entertainment **is not** considered student financial assistance and is included **in** annual income.

- Amounts received by participants in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred and which are made solely to allow participation in a specific program [24 CFR 5.609(c)(8)(iii)]
- Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS) [(24 CFR 5.609(c)(8)(ii)]
- Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era [24 CFR 5.609(c)(10)]
- Adoption assistance payments in excess of $480 per adopted child [24 CFR 5.609(c)(12)]
- Refunds or rebates on property taxes paid on the dwelling unit [24 CFR 5.609(c)(15)]
- Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home [24 CFR 5.609(c)(16)]
- Amounts specifically excluded by any other federal statute [24 CFR 5.609(c)(17)]. HUD publishes an updated list of these exclusions periodically. It includes:

  (a) The value of the allotment provided to an eligible household under the Food Stamp Act of 1977 (7 U.S.C. 2017 (b))
  (b) Payments to Volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(g), 5058)
  (c) Payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626(c))
  (d) Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 459e)
  (e) Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f))
  (f) Payments received under programs funded in whole or in part under the Job Training Partnership Act (29 U.S.C. 1552(b)) (Effective July 1, 2000, references to Job Training Partnership Act shall be deemed to refer to the corresponding provision of the Workforce Investment Act of 1998 (29 U.S.C. 2931).)
  (g) Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Pub. L. 94-540, 90 Stat. 2503-04)
  (h) The first $2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U. S. Claims Court, the interests of individual Indians in trust or restricted lands, including the first $2,000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands (25 U.S.C. 1407-1408)
  (i) Amounts of scholarships funded under title IV of the Higher Education Act of 1965, including awards under the federal work-study program or under the Bureau of Indian Affairs student assistance programs (20 U.S.C. 1087uu)
  (j) Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056(f))
  (k) Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in In

Re Agent-product liability litigation, M.D.L. No. 381 (E.D.N.Y.)

(l) Payments received under the Maine Indian Claims Settlement Act of 1980 (25 U.S.C. 1721)

(m) The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858q)

(n) Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 U.S.C. 32(j))

(o) Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation (Pub. L. 95-433)

(p) Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d))

(q) Any allowance paid under the provisions of 38 U.S.C. 1805 to a child suffering from spina bifida who is the child of a Vietnam veteran (38 U.S.C. 1805)

(r) Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act (42 U.S.C. 10602)

(s) Allowances, earnings and payments to individuals participating in programs under the Workforce Investment Act of 1998 (29 U.S.C. 2931)

PART II: ADJUSTED INCOME

6.14 INTRODUCTION

HUD regulations require the HACF to deduct from annual income any of five mandatory deductions for which a family qualifies. The resulting amount is the family's adjusted income.

Mandatory deductions are found in 24 CFR 5.611.

> 5.611(a) Mandatory deductions. In determining adjusted income, the responsible entity (PHA) must deduct the following amounts from annual income:
> (1) $480 for each dependent;
> (2) $400 for any elderly family or disabled family;
> (3) The sum of the following, to the extent the sum exceeds three percent of annual income:
> (i) Unreimbursed medical expenses of any elderly family or disabled family;
> (ii) Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including the member who is a person with disabilities) to be employed. This deduction may not exceed the earned income received by family members who are 18 years of age or older and who are able to work because of such attendant care or auxiliary apparatus; and
> (4) Any reasonable child care expenses necessary to enable a member of the family to be employed or to further his or her education.

Anticipating Expenses
Generally, the HACF 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 HACF 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 HACF 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 HACF may require the family to provide documentation of payments made in the preceding year.

6.15 DEPENDENT DEDUCTION

A deduction of $480 is taken for each dependent [24 CFR 5.611(a)(1)]. *Dependent* is defined as any family member other than the head, spouse, or cohead who is under the age of 18 or who is 18 or older and is a person with disabilities or a full-time student. Foster children, foster adults, and live-in aides are never considered dependents [24 CFR 5.603(b)].

6.16 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].

6.17 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.”

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 IRS Publication 502	
Services of medical professionals Surgery and medical procedures that are necessary, legal, noncosmetic Services of medical facilities Hospitalization, long-term care, and in-home nursing services Prescription medicines and insulin, but not nonprescription medicines even if recommended by a doctor Improvements to housing directly related to medical needs (e.g., ramps for a wheel chair, handrails)	Substance abuse treatment programs Psychiatric treatment Ambulance services and some costs of transportation related to medical expenses The cost and care of necessary equipment related to a medical condition (e.g., eyeglasses/lenses, hearing aids, crutches, and artificial teeth) Cost and continuing care of necessary service animals Medical insurance premiums or the cost of a health maintenance organization (HMO)
Note: This chart provides a summary of eligible medical expenses only. Detailed information is provided in IRS Publication 502. Medical expenses are considered only to the extent they are not reimbursed by insurance or some other source.	

Families That Qualify for Both Medical and Disability Assistance Expenses
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 HACF will consider them medical expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

6.18 DISABILITY ASSISTANCE EXPENSES DEDUCTION [24 CFR 5.603(B) AND 24 CFR 5.611(A)(3)(II)]

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

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

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

amount verified before any earned income disallowances or income exclusions are applied.

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 HACF 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 HACF determines that the disability assistance expenses enable more than one family member to work, the disability assistance expenses will be capped by the sum of the family members' incomes [PH Occ GB, p. 124].

Eligible Disability Expenses
Examples of auxiliary apparatus are provided in the *PH Occupancy Guidebook* as follows:

"Auxiliary apparatus: Including wheelchairs, walkers, scooters, reading devices for persons with visual disabilities, equipment added to cars and vans to permit their use by the family member with a disability, or service animals" [PH Occ GB, p. 124], but only if these items are directly related to permitting the disabled person or other family member to work [HCV GB, p. 5-30].

Eligible Auxiliary Apparatus
Expenses incurred for maintaining or repairing an auxiliary apparatus are eligible. In the case of an apparatus that is specially adapted to accommodate a person with disabilities (e.g., a vehicle or computer), the cost to maintain the special adaptations (but not maintenance of the apparatus itself) is an eligible expense. The cost of service animals trained to give assistance to persons with disabilities, including the cost of acquiring the animal, veterinary care, food, grooming, and other continuing costs of care, will be included.

Eligible Attendant Care
The family determines the type of attendant care that is appropriate for the person with disabilities.

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 HACF will prorate the cost and allow only that portion of the expenses attributable to attendant care that enables a family member to work. For example, if the care provider also cares for a child

who is not the person with disabilities, the cost of care must be prorated. Unless otherwise specified by the care provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

Payments to Family Members
No disability expenses may be deducted for payments to a member of a resident family [23 CFR 5.603(b)]. However, expenses paid to a relative who is not a member of the resident family may be deducted if they are reimbursed by an outside source.

Necessary and Reasonable Expenses
The family determines the type of care or auxiliary apparatus to be provided and must describe how the expenses enable a family member to work. The family must certify that the disability assistance expenses are necessary and are not paid or reimbursed by any other source.

The HACF determines the reasonableness of the expenses based on typical costs of care or apparatus in the locality. To establish typical costs, the HACF will collect information from organizations that provide services and support to persons with disabilities. A family may present, and the HACF will consider, the family's justification for costs that exceed typical costs in the area.

6.**19** CHILD CARE EXPENSE DEDUCTION

Hud defines *child care expenses* at 24 cfr 5.603(b) as "amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care. In the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income."

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.

Qualifying for the Deduction

Determining Who Is Enabled to Pursue an Eligible Activity
The family must identify the family member(s) enabled to pursue an eligible activity. The term eligible activity in this section means any of the activities that may make the family eligible for a child care deduction (seeking work, pursuing an education, or being gainfully employed).

In evaluating the family's request, the HACF will consider factors such as how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue

an eligible activity.

Seeking Work
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 HACF.

Furthering Education
If the child care expense being claimed is to enable a family member to further his or her education, the member must be enrolled in school (academic or vocational) or participating in a formal training program. The family member is not required to be a full-time student, but the time spent in educational activities must be commensurate with the child care claimed.

Being Gainfully Employed
If the child care expense being claimed is to enable a family member to be gainfully employed, the family must provide evidence of the family member's employment during the time that child care is being provided. Gainful employment is any legal work activity (full- or part-time) for which a family member is compensated.

Earned Income Limit on Child Care Expense Deduction
When a family member looks for work or furthers his or her education, there is no cap on the amount that may be deducted for child care – although the care must still be necessary and reasonable. However, when child care enables a family member to work, the deduction is capped by "the amount of employment income that is included in annual income" [24 CFR 5.603(b)].

The earned income used for this purpose is the amount of earned income verified after any earned income disallowances or income exclusions are applied.

When the person who is enabled to work is a person 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 HACF must not limit the deduction to the least expensive type of child care. If the care allows the family to pursue more than one eligible activity, including work, the cap is calculated in proportion to the amount of time spent working [HCV GB, p. 5-30].

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 HACF 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 resident family. The HACF 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
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 HACF 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.

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

PART III: CALCULATING RENT

6.20 OVERVIEW OF INCOME-BASED RENT CALCULATIONS

The first step in calculating income-based rent is to determine each family's total tenant payment (TTP). Then, if the family is occupying a unit that has tenant-paid utilities, the utility allowance is subtracted from the TTP. The result of this calculation, if a positive number, is the resident rent. If the TTP is less than the utility allowance, the result of this calculation is a negative number, and is called the utility reimbursement, which may be paid to the family.

TTP Formula [24 CFR 5.628]
HUD regulations specify the formula for calculating the total tenant payment (TTP) for a resident 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) **[24 CFR 5.628]**
- A minimum rent $50 **[24 CFR 5.630]**

Utility Reimbursement [24 CFR 960.253(c)(3)]
Utility reimbursement occurs when any applicable utility allowance for tenant-paid utilities exceeds the TTP. The HACF will make utility reimbursements to the family.

6.21 FINANCIAL HARDSHIPS AFFECTING MINIMUM RENT [24 CFR 5.630]

The HACF will 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 HACF determines that a hardship exists, the TTP is the highest of the remaining components of the family's calculated TTP.

HUD-Defined Financial Hardship
Financial hardship includes the following situations:

(1) The family has lost eligibility for or is awaiting an eligibility determination for a federal, state, or local assistance program. This includes a family member who is a noncitizen lawfully admitted for permanent residence under the Immigration and Nationality Act who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Act of 1996.

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.
For a family to qualify under this provision, the cause of the potential eviction must be the family's failure to pay rent 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. 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).

Implementation of Hardship Exemption

Determination of Hardship
When a family requests a financial hardship exemption, the HACF must suspend the minimum rent requirement beginning the first of the month following the family's request.

The HACF then determines whether the financial hardship exists and whether the hardship is temporary or long-term. The HACF 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.

The HACF may not evict the family for nonpayment of minimum rent during the 90-day period beginning the month following the family's request for a hardship exemption.

When the minimum rent is suspended, the TTP reverts to the highest of the remaining components of the calculated TTP. The example below demonstrates the effect of the minimum rent exemption.

Example: Impact of Minimum Rent Exemption Assume the PHA has established a minimum rent of $50.	
TTP – No Hardship	**TTP – With Hardship**
$0 30% of monthly adjusted income $15 10% of monthly gross income N/A Welfare rent $50 Minimum rent	$0 30% of monthly adjusted income $15 10% of monthly gross income N/A Welfare rent $50 Minimum rent
Minimum rent applies. TTP = $50	Hardship exemption granted. TTP = $15

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 HACF will make the determination of the hardship within 30 calendar days.

No Financial Hardship
If the HACF determines there is no financial hardship, the HACF will reinstate the minimum rent and require the family to repay the amounts suspended.

The HACF will require the family to repay the suspended amount within 30 calendar days of the HACF's notice that a hardship exemption has not been granted.

Temporary Hardship
If the HACF determines that a qualifying financial hardship is temporary, the HACF must

reinstate the minimum rent from the beginning of the first of the month following the date of the family's request for a hardship exemption.

The family must resume payment of the minimum rent and must repay the HACF the amounts suspended. HUD requires the HACF to offer a reasonable repayment agreement, on terms and conditions established by the HACF. The HACF also may determine that circumstances have changed and the hardship is now a long-term hardship.

The HACF will enter into a repayment agreement in accordance with the HACF's repayment agreement policy.

Long-Term Hardship
If the HACF determines that the financial hardship is long-term, the HACF 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.

The hardship period ends when any of the following circumstances apply:

(1) At an interim or annual reexamination, the family's calculated TTP is greater than the minimum rent.
(2) For hardship conditions based on loss of income, the hardship condition will continue to be recognized until new sources of income are received that are at least equal to the amount lost. For example, if a hardship is approved because a family no longer receives a $60/month child support payment, the hardship will continue to exist until the family receives at least $60/month in income from another source or once again begins to receive the child support.
(3) For hardship conditions based upon hardship-related expenses, the minimum rent exemption will continue to be recognized until the cumulative amount exempted is equal to the expense incurred.

6.22 UTILITY ALLOWANCES [24 CFR 965, SUBPART E]

Utility allowances are provided to families paying income-based rents when the cost of utilities is not included in the rent. When determining a family's income-based rent, the HACF must use the utility allowance applicable to the type of dwelling unit leased by the family. (see Chapter 16)

6.23 PRORATED RENT FOR MIXED FAMILIES [24 CFR 5.520]

HUD regulations prohibit assistance to ineligible family members. A *mixed family* is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible family members. The HACF must prorate the assistance provided to a mixed family. The HACF will first determine TTP as if all family members were eligible and then prorate the rent based upon the number of family members that actually are eligible. To do this, the HACF must:

(1) Subtract the TTP from a maximum rent applicable to the unit. The result is the maximum subsidy for which the family could qualify if all members were eligible.

(2) Divide the family maximum subsidy by the number of persons in the family to determine the maximum subsidy per each family member who is eligible (member maximum subsidy).
(3) Multiply the member maximum subsidy by the number of eligible family members.
(4) Subtract the subsidy calculated in the last step from the maximum rent. This is the prorated TTP.
(5) Subtract the utility allowance for the unit from the prorated TTP. This is the prorated rent for the mixed family.

The revised public housing maximum rents will be applied to a family's rent calculation at the first annual reexamination after the revision is adopted.

6.24 FLAT RENTS AND FAMILY CHOICE IN RENTS [24 CFR 960.253]

Flat Rents [24 CFR 960.253(b)]
The flat rent is designed to encourage self-sufficiency and to avoid creating disincentives for continued residency by families who are attempting to become economically self-sufficient.
There is no utility allowance or reimbursement with flat rents. When the family elects to pay the flat rent, the flat rent amount quoted to the family by the HACF is the amount the family pays. Changes in family income, expenses, or composition will not affect the flat rent amount because it is outside the income-based formula.

Family Choice in Rents [24 CFR 960.253(a) and (e)]
Once each year, the HACF must offer families the choice between a flat rent, income-based rent and minimum rent. The family may not be offered this choice more than once a year.

During the annual recertification interview the HACF will provide the family with the (LHA form No.19a) Resident's Rent Choice Determination, on which the family will indicate whether they choose flat rent, income-based rent, or minimum rent. The HACF rent choice form will state what the flat rent would be, and an estimate, based on current information, what the family's income-based rent would be or the $50.00 minimum rent (if applicable). The Residents' Rent Choice Determination form will be retained in the resident's file. This information will include the HACF's policy on switching from flat rent to income-based rent due to financial hardship.

However, if the family chose the flat rent for the previous year the HACF is required to provide an income-based rent amount only in the year that a reexamination of income is conducted or if the family specifically requests it and submits updated income information.

Switching from Flat Rent to Income-Based Rent Due to Hardship [24 CFR 960.253(f)]
A family can opt to switch from flat rent to income-based rent at any time if they are unable to pay the flat rent due to financial hardship. If the HACF determines that a financial hardship exists, the HACF must immediately allow the family to switch from flat rent to the income-based rent.

Upon determination by the HACF that a financial hardship exists, the HACF will allow a

family to switch from flat rent to income-based rent effective the first of the month following the family's request.

Reasons for financial hardship include:

- The family has experienced a decrease in income because of changed circumstances, including loss or reduction of employment, death in the family, or reduction in or loss of earnings or other assistance
- The family has experienced an increase in expenses, because of changed circumstances, for medical costs, child care, transportation, education, or similar items
- Such other situations determined by the HACF to be appropriate

The HACF considers payment of flat rent to be a financial hardship whenever the switch to income-based rent would be lower than the flat rent [PH Occ GB, p. 137].

Change in Flat Rents
Changes to flat rents, up or down, will not affect families paying flat rent until their next annual flat rent offer, at which time the family will be given the choice of switching back to income-based rent or of remaining on flat rent at the current (most recently adjusted) flat rent for their unit [PH Occ GB, pp. 137-138].

Flat Rents and Earned Income Disallowance [A&O FAQs]
Because the EID is a function of income-based rents, a family paying flat rent cannot qualify for the EID even if a family member experiences an event that would qualify the family for the EID. If the family later chooses to pay income-based rent, they would only qualify for the EID if a new qualifying event occurred.

A family currently paying flat rent that previously qualified for the EID while paying income-based rent and is currently within their 48 month period would have the 12 cumulative months of full (100 percent) and phase-in (50 percent) exclusion continue while paying flat rent as long as the employment that is the subject of the exclusion continues, and the 48-month lifetime limit would continue uninterrupted. A family paying flat rent could therefore see a family member's 48-month lifetime limit expire while the family is paying flat rent.

Flat Rents and Mixed Families [A&O FAQs]
Mixed families electing to pay flat rent must first have a flat rent worksheet completed to see if the flat rent must be prorated. The worksheet is located in Appendix III of the *Form HUD-50058 Instruction Booklet*.

If the flat rent is greater than or equal to the public housing maximum rent, there is no proration of flat rent and the family pays the flat rent for the unit.

If the flat rent is less than the maximum rent, the worksheet will calculate a prorated flat rent. The mixed family will pay the prorated flat rent.

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CHAPTER 7 – VERIFICATION

[24 CFR 960.259, 24 CFR 5.230, Notice PIH 2010-19]

INTRODUCTION

This chapter explains the HACF's procedures and standards for verification of preferences, income, assets, allowable deductions, family status, and when there are changes in family members. The HACF's verification procedures are designed to meet HUD's requirements that the factors of eligibility and Total Tenant Payment be verified and that the HACF maintain program integrity. Applicants and program residents must furnish proof of their statements whenever required by the HACF, and the information they provide must be true and complete. The HACF will ensure that proper authorization for release of information is always obtained from the family before making verification inquiries.

The HACF will follow the verification guidance provided by HUD in Notice PIH 2010-19 and any subsequent guidance issued by HUD. This chapter summarizes those requirements and provides supplementary HACF policies.

In addition, before sending for verification from independent sources, the HACF will utilize Upfront Income Verifications to verify income and, conduct face-to-face appointments to discuss any discrepancies with the family at the time of the certification interview.

PART I: GENERAL VERIFICATION REQUIREMENTS

7.0 FAMILY CONSENT TO RELEASE OF INFORMATION [24 CFR 960.259, 24 CFR 5.230]

The family must supply any information that the HACF or HUD determines is necessary to the administration of the program and must consent to the HACF verification of that information [24 CFR 960.259(a)(1)].

Consent Forms
It is required that all adult applicants and residents sign form HUD-9886, Authorization for Release of Information. The purpose of form HUD-9886 is to facilitate automated data collection and computer matching from specific sources and provides the family's consent only for the specific purposes listed on the form. HUD and the HACF may collect information from State Wage Information Collection Agencies (SWICAs) and current and former employers of adult family members. Only HUD is authorized to collect information directly from the Internal Revenue Service (IRS) and the Social Security Administration (SSA). Adult family members must sign other consent forms as needed to collect information relevant to the family's eligibility and level of assistance.

Penalties for Failing to Consent [24 CFR 5.232]
If any family member who is required to sign a consent form fails to do so, the HACF will deny admission to applicants and terminate the lease of residents. The family may request a hearing in accordance with the HA's grievance procedures.

7.1 ITEMS TO BE VERIFIED

1. All income not specifically excluded by the regulations.

   Zero-income applicants and residents will be required to complete a family expense form at each certification or recertification interview.

2. Full-time student status including high school students who are 18 or over.

3. Current assets including assets disposed of for less than fair market value in preceding two years.

4. Child-care expense where it allows an adult family member to be employed or to further his/her education.

5. Total medical expenses of all family members in households whose head or spouse is elderly or disabled.

6. Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus that allow an adult family member to be employed.

7. Legal identity of all family members.

8. U.S. citizenship/eligible immigrant status.

9. Social Security Numbers for all family members.

10. Preference status based upon HACF preferences.

11. Family/marital status when needed for head of household or spouse definition.

12. Disability for determination of preferences, allowances or deductions.

13. Verification of Reduction in Benefits for Noncompliance.

14. The HACF will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance before denying the family's request for rent reduction.

7.2 USE OF HUD'S ENTERPRISE INCOME VERIFICATION (EIV) SYSTEM

The HACF will use HUD's Enterprise Income Verification (EIV) system in its entirety to verify resident employment, earned income, unemployment benefits, and social security (SS), and supplement security income (SS) benefits information during mandatory reexaminations of family composition and income in accordance with 24 CFR 5.236.

The EIV system contains two main components: *income reports* and *income discrepancy reports*.

Income Reports
The data shown on income reports is updated quarterly. Data may be between three and six months old at the time reports are generated.

The HACF will obtain income reports for annual reexaminations on a monthly basis. Reports will be generated as part of the regular reexamination process.

Income reports will be compared to family-provided information as part of the annual reexamination process. When the family does not dispute the UIV data, income reports may be used to meet the regulatory requirement for third-party verification.

Income reports will be used in interim reexaminations when necessary to verify employment income, unemployment benefits, and SS/SSI benefits and to verify that families claiming zero income are not receiving income from any of these sources.

Income reports will be retained in resident files with the applicable annual or interim reexamination documents.

When the HACF determines through income reports and independent third-party verification that a family has concealed or underreported income, corrective action will be taken pursuant to the policies in Chapter 15, “Program Integrity.

Income Discrepancy Reports (IDRs)
The income discrepancy report (IDR) is a tool for identifying families that may have concealed or underreported income. Data in the IDR represents income for past reporting periods and may be between 6 and 30 months old at the time the report is generated.

Families that have not concealed or underreported income may appear on the IDR in some circumstances, such as loss of a job or addition of new family members.

The HACF will generate and review IDRs at least semiannually. The IDR threshold percentage will be adjusted as necessary based on the findings in the IDRs.

In reviewing IDRs, the HACF will begin with the largest discrepancies.

When the HACF determines that a resident appearing on the IDR has not concealed or underreported income, the resident’s name will be placed on a list of “false positive” reviews. To avoid multiple reviews in this situation, residents appearing on this list will be eliminated from IDR processing until a subsequent interim or annual reexamination has been completed.

When it appears that a family may have concealed or underreported income, the HACF will request independent third-party written verification of the income in question.

When the HACF determines through IDR review and independent third-party verification that a family has concealed or underreported income, corrective action will be taken pursuant to the policies in Chapter 15, “Program Integrity.

EIV Identity Verification
The EIV system verifies resident identities against Social Security Administration (SSA) records. These records are compared to Public and Indian Housing Information Center (PIC) data for a match on social security number, name, and date of birth.

When identity verification for a resident fails, a message will be displayed within the EIV system and no income information will be displayed.

The HACF will identify residents whose identity verification has failed as part of the annual reexamination process.

The HACF will attempt to resolve PIC/SSA discrepancies by reviewing file documents. When the HACF determines that discrepancies exist as a result of HACF errors, such as spelling errors or incorrect birth dates, it will correct the errors promptly.

7.3 HUD'S VERIFICATION HIERARCHY [NOTICE PIH 2010-19]

The HACF will access the EIV system and obtain an *Income Report* for each household on a monthly basis. The HACF will maintain the *Income Report* in the resident file along with the form HUD-50058 and other supporting documentation to support income and rent determination for all mandatory annual reexamination of family income and composition.

Income reports will be compared to family-provided information as part of the annual reexamination process. When the family does not dispute the UIV data, income reports may be used to meet the regulatory requirement for third-party verification.

Income reports will be used in interim reexaminations when necessary to verify employment income, unemployment benefits, and SS/SSI benefits and to verify that families claiming zero income are not receiving income from any of these sources.

If the *Income Report* does not contain any employment and income information for the family, the HACF will attempt the next lower level verification technique, as noted in the chart below.

Level	Verification Technique	Ranking
6	Upfront Income Verification (UIV) using HUD's Enterprise Income Verification (EIV) system (not available for income verifications of applicants)	**Highest (Mandatory)**
5	Upfront Income Verification (UIV) using non-HUD system	**Highest** (Optional)
4	Written Third Party Verification	**High** (Mandatory to supplement EIV- reported income sources and when EIV has no data; Mandatory for non-EIV reported income sources; Mandatory when resident disputes EIV-reported employment and income information **and** is unable to provide acceptable documentation to support dispute)
3	Written Third Party Verification form	**Medium-Low** (Mandatory if written third party verification documents are not available or rejected by the PHA; and when the applicant or resident is unable to provide acceptable documentation)
2	Oral Third Party Verification form	**Low** (Mandatory if written third party verification is not available)
1	Resident Declaration	**Low** (Use as a last resort when unable to obtain any type of third party verification)

Note: This verification hierarchy applies to income determinations for applicants and participants. However, EIV is not available for verifying income of applicants.

Verification Techniques Definitions

Upfront Income Verification (UIV) (Level 6/5):
The verification of income before or during a family reexamination, through and independent source that systematically and uniformly maintains income information in computerized form for a number of individuals.

The HACF will continue using other non-HUD UIV tools, such as The Work Number (an automated verification system) and state government databases, to validate resident-reported income.

Written Third Party Verification *(resident-provided documents)* ***(Level 4*)**:
An original or authentic document generated by a third party source dated either within 60-day period preceding the reexamination or HACF request date. Such documentation may be in the possession of the resident (or applicant), and is commonly referred to as *resident-provided documents*. Since it is HUD's position that such *resident-provided documents* are written third party verification since these documents originated from a third party source. The HACF will, at its discretion, reject any resident-provided documents and follow up directly with the source to obtain necessary verification of information. Current acceptable resident-provided documents must be used for income and rent determinations.

The HACF will obtain at a minimum, two current and consecutive pays stubs for determining annual income from wages. For new income sources or when two stubs are not available, the HACF will project income based on the information from a traditional written third party verification form or the available information. Documents older than 60 days from the HACF interview/determination or request date is acceptable for confirming effective dates of income.

Written Third Party Verification Form (Level 3):
Is the Traditional third party verification that is mailed, fax, or email to a third party resource. It is HUD's position that the administrative burden and risk associated with use of the traditional third party verification form will be reduced by the HACF relying on acceptable documents that are generated by a third party, but in the possession of and provided by the resident or applicant. Many of the documents in the possession of the resident or applicant are derived from third party sources (i.e. employers, federal, state and/or local agencies, banks, etc.). The HACF will rely on documents that originate from a third party source's computerized system and/or database, as this process reduces the likelihood of incorrect or falsified information being provided on the third party verification request form.

Oral-party verification (Level 2):
When oral-party verification is used, staff will note with whom they spoke, the date of the conversation, and the facts provided. The HACF will use this method of verifying a resident or applicants source of income in the event that the independent source does not respond to the HACF's faxed, mailed, or e-mailed request for information within 10 business days.

Resident Declaration (Level 1):
In the event that third-party written or oral verification is unavailable, or the documents cannot be verified by a third party within four weeks, the HACF will accept an affidavit or notarized statement of reported income and/or expenses from the resident or applicant.

If third-party verification is received after documents have been accepted as provisional verification, and there is a discrepancy, the HACF will utilize the third party verification.

7.4 METHODS OF INCOME VERIFICATION AND TIME ALLOWED

The HACF will verify information provided by applicants and residents utilizing the following verification methods:

1. **Up-Front Income Verification (UIV) (Level 5/6):** The HACF will use HUD's Enterprise Income Verification (EIV) system in its entirety to verify resident employment, earned income, unemployment benefits, and social security (SS), and supplement security income (SS) benefits information during annual or interim certifications to substantiate claims made by an applicant or resident. If the institution providing the UIV report charges the resident, the HA will utilize the next income verification method.

2. **Third-Party Written Verification *(resident-provided documentation)* (Level 4):** Since it is HUD's position that such *resident-provided documents* are written third party verification since these documents originated from a third party source. The HACF will review documents, when relevant, to substantiate the claim of an applicant or resident Examples of acceptable resident-provided documentation (generated by a third party source) include, but are not limited to:

   (a) Pay stubs, payroll summary report
   (b) Employer notice/letter of hire/termination
   (c) SSA benefit verification letter
   (d) Bank Statements
   (e) Child Support payment stubs
   (f) Welfare Benefit Letter and/or printouts
   (g) Unemployment monetary benefit notices

3. **Third-Party Written Verification (Level 3)**: The HACF will request written third party verification under the following circumstances:

   a) When the resident disputes the EIV information and is unable to provide acceptable documentation to support his/her dispute (24 CFR 5.236 (b));

   b) When the HACF requires additional information that is not available in EIV and/or the resident is unable to provide the HACF with current acceptable resident-provided documentation. Examples of additional information, includes but is not limited to:

      - Effective dates of income (i.e. employment, unemployment compensation, or social security benefits)
      - For new employment; pay rate, number of hours worked per week, pay frequency, etc.
      - Confirmation of changes in circumstances (i.e. reduced hours, reduced rate of pay, temporary leave of absence. Etc.)

   c) **Third-Party Information is Late:** When third-party verification has been requested and the timeframes for submission have been exceeded, the HACF will use the information from documents on a provisional basis. If the HACF later receives third-party verification that differs from the amounts used in income and rent determinations and it is past the deadline for processing

the reexamination, the HACF will conduct an interim reexamination to adjust the figures used for the reexamination, regardless of the HACF's interim reexamination policy.

4. **Oral Third Party Verification** (Level 2): The HACF will make a minimum of two attempts, to obtain oral third-party verification when the independent source does not respond to the HACF's faxed, mailed, or e-mailed request for information within ten (10) business days. The HACF will use any information provided orally in combination with reviewing family-provided documents. The HACF staff will document in the resident file, the date and time of the telephone call (or visit to the third party) the name of the person contacted and telephone number, along with the confirmed information.

5. **Resident Declaration (Level 1)**: The resident submits an affidavit or notarized statement of reported income and/or expense to the HACF. This method will be used as a last resort when the HACF has not been successful in obtaining information via all other verification techniques. The HACF will document in the resident file why third party verification was not available.

The HACF will not delay the processing of an application beyond two weeks in cases where third party verification is not received by the HACF in a timely manner.

Third-Party Verification for applicants may not be more than 120 days old at the time of a unit offer. For residents, they are valid for 120 days from date of receipt.

7.5 VERIFICATION OF INCOME

This section defines the methods the HACF will use to verify various types of income. Whenever "in this order" is used in this chapter, the HACF will request and utilize verifications, if available, in the order specified.

Employment Income
Verification forms request the employer to specify the:

Dates of employment

Amount and frequency of pay

Date of the last pay increase
Likelihood of change of employment status and effective date of any known salary increase during the next 12 months; Year-to-date earnings; estimated income from overtime, tips, bonus pay expected during next 12 months.

Acceptable methods of verification include, in this order:

1. Employment verification form completed by the employer.

2. Check stubs or earning statements, which indicate the employee's gross pay, frequency of pay or year to date earnings for the past 12 months.

3. W-2 forms plus income tax return forms.

4. Income tax returns signed by the family may be used for verifying self-employment income, or income from tips and other gratuities.

Applicants and program residents may be requested to sign an authorization for release of information from the Internal Revenue Service for further verification of income.

In cases where there are questions about the validity of information provided by the family, the HA will require the most recent federal income tax statements.

Tips
Unless tip income is included in a family member's W-2 by the employer, persons who work in industries where tips are standard will be required to sign a certified estimate of tips received for the prior year and tips anticipated to be received in the coming year.

Social Security, Pensions, Supplementary Security Income (SSI), Disability Income
Acceptable methods of verification include, in this order:

1. The HACF will obtain SS/SSI information through HUD's EIV system.

2. Award or benefit notification letters prepared by the providing agency (dated within the last 60 days).

3. The PHA will help the resident request a benefit verification letter from SSA's Web site at www.socialsecurity.gov or ask the family to request one by calling SSA at 1-800-772-1213.

4. Bank statements for direct deposits.

Unemployment Compensation
Acceptable methods of verification include, in this order:

1. Computer report electronically obtained or in hard copy, stating payment dates and amounts.

2. Verification form completed by the unemployment compensation agency.

3. Payment stubs.

Welfare Payments or General Assistance
Acceptable methods of verification include, in this order:

1. HACF verification form completed by payment provider.

2. Written statement from payment provider indicating the amount of grant/payment, start date of payments, and anticipated changes in payment in the next 12 months.

3. Computer-generated Notice of Action.

Alimony or Child Support Payments
Acceptable methods of verification include, in this order:

1. Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules.

2. A notarized letter from the persons paying the support.

3. Family's self-certification of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received.

4. If payments are irregular, the family must provide appropriate court or welfare agency documents supporting the family's claim that the amount they are actually receiving is less child support/alimony than was ordered.

Net Income from a Business
In order to verify the net income from a business, the HACF will view IRS and financial documents from prior years and use this information to anticipate the income for the next 12 months.

Acceptable methods of verification, in this order, include:

1. IRS Form 1040, including:

   Schedule C (Small Business)

   Schedule E (Rental Property Income)

   Schedule F (Farm Income)

   If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules.

2. Audited or unaudited financial statement(s) of the business.

3. Documents such as cash-books, bank statements, and receipts will be used as a guide for the prior six months (or lesser period if not in business for six months) to project income for the next 12 months. The family will be advised to maintain these documents in the future if they are not available.

Child Care Business
If an applicant/resident is operating a licensed day care business, income will be verified as with any other business.

If the applicant/resident is operating a "cash and carry" operation (licensed or not), the HACF will require the applicant/resident to complete a form for each customer giving: name of person(s) whose child(ren) is/are being cared for, phone number, number of hours child is being cared for, method of payment (check/cash), amount paid, and signature of person.

If the family has filed a tax return, the family will be required to provide it.

Recurring Gifts
The family must furnish a Notarized Statement, which contains the following information:

- The person who provides the gifts
- The value of the gifts
- The estimated frequency of the gifts

Zero-Income Status
EIV Income reports will be used in interim reexaminations when necessary to verify employment income, unemployment benefits, and SS/SSI benefits to verify that families claiming zero income are not receiving income from any of these sources. Families will also be required, if needed, to execute verification forms to determine they are not receiving income from any of these sources.

Families are required complete the HACF's form Zero Income as to how they meet living expenses, such as utilities, food, clothing, and other incidentals, when they claim a zero income.

The HACF will request a credit report as a means to determine source of income, if any.

Full-Time Student Status

Only the first $480 of the earned income of full time students 18 years of age or older, other than head or spouse, will be counted towards family income.

Financial aid, scholarships and grants received by full time students is not counted towards family income.

Verification of full time student status includes:

- Written verification from the registrar's office or other school official.
- School records indicating enrollment for sufficient number of credits to be considered a full-time student by the educational institution.

7.6 INCOME FROM ASSETS

Acceptable methods of verification include, in this order:

Savings Account Interest Income and Dividends
Will be verified by:

1. Account statements, passbooks, certificates of deposit, or HACF verification forms completed by the financial institution.
2. Broker's statements showing value of stocks or bonds and the earnings credited the family. Earnings can be obtained from current newspaper quotations or oral broker's verification.
3. IRS Form 1099 from the financial institution, provided that the HACF must adjust

the information to project earnings expected for the next 12 months.

Interest Income from Mortgages or Similar Arrangements

1. A letter from an accountant, attorney, real estate broker, the buyer, or a financial institution stating interest due for next 12 months. (A copy of the check paid by the buyer to the family is not sufficient unless a breakdown of interest and principal is shown.)
2. Amortization schedule showing interest for the 12 months following the effective date of the certification or recertification.

Net Rental Income from Property Owned by Family

1. IRS Form 1040 with Schedule E (Rental Income)
2. Copies of latest rent receipts, leases, or other documentation of rent amounts.
3. Documentation of allowable operating expenses of the property: tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.
4. Lessee's written statement verifying rent payments to the family and family's Notarized Statement as to net income realized.

7.7 VERIFICATION OF ASSETS

Family Assets

The HA will require the necessary information to determine the current cash value, (the net amount the family would receive if the asset were converted to cash).

1. Verification forms, letters, or documents from a financial institution or broker.
2. Passbooks, certificates of deposit, bonds, or financial statements completed by a financial institution or broker.
    a. In determining the value of a checking account, the HACF will use the average monthly balance for the last six months;
    b. In determining the value of a saving account, the HACF will use the current balance.
3. Quotes from a stock broker or realty agent as to net amount family would receive if they liquidated securities or real estate.
4. Real estate tax statements if the approximate current market value can be deduced from assessment.
5. Financial statements for business assets.
6. Copies of closing documents showing the selling price and the distribution of the sales proceeds.
7. Appraisals of personal property held as an investment.
8. Family's Notarized Statement describing assets or cash held at the family's home or in safe deposit boxes.

Assets Disposed of for Less than Fair Market Value (FMV)

For all Certifications and Recertifications, the Family will certify as to whether any member has disposed of assets for less than fair market value during the two years preceding the effective date of the certification or recertification.

If the family certifies that they have disposed of assets for less than fair market value, verification [or certification] is required that shows: (a) all assets disposed of for less than FMV, (b) the date they were disposed of, (c) the amount the family received, and (d) the market value of the assets at the time of disposition. Third party verification will be obtained wherever possible.

7.8 VERIFICATION OF ALLOWABLE DEDUCTIONS FROM INCOME

Child Care Expenses
Written verification from the person who receives the payments is required. If the child care provider is an individual, s/he must provide a statement of the amount they are charging the family for their services.

Verifications must specify the child care provider's name, address, telephone number, Social Security Number, the names of the children cared for, the number of hours the child care occurs, the rate of pay, and the typical yearly amount paid, including school and vacation periods.

Family's certification as to whether any of those payments have been or will be paid or reimbursed by outside sources.

Typical verification for child-care expenses included but is not limited to: income tax records, money orders to the child care provider, cancelled checks.

Medical and Disabled Assistance Expenses
Families who claim medical expenses or expenses to assist a person(s) with disability will be required to submit a certification as to whether or not any expense payments have been, or will be, reimbursed by an outside source. All expense claims will be verified by one or more of the methods listed below:

- Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, of (a) The anticipated medical costs to be incurred by the family and regular payments due on Medical bills; and (b) extent to which those expenses will be reimbursed by insurance or a government agency.

- Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family.

- Written confirmation from the Social Security Administration's of Medicare premiums to be paid by the family over the next 12 months. A computer printout will be accepted.

For attendant care:

- A reliable, knowledgeable professional's certification that the assistance of an attendant is necessary as a medical expense and a projection of the number of hours the care is needed for calculation purposes.

- Attendant's written confirmation of hours of care provided and amount and frequency of payments received from the family or agency (or copies of canceled

checks the family used to make those payments) or stubs from the agency providing the services.

- Receipts, canceled checks, or pay stubs that verify medical costs and insurance expenses likely to be incurred in the next 12 months.

- Copies of payment agreements or most recent invoice that verify payments made on outstanding medical bills that will continue over all or part of the next 12 months.

- Receipts or other record of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. HACF may use this approach for "general medical expenses" such as prescription drugs and regular visits to doctors or dentists, but not for one-time, nonrecurring expenses from the previous year.

- The HACF will use mileage at the IRS's rate, or cab, bus fare, or other public transportation cost for verification of the cost of transportation directly related to medical treatment.

Assistance to Persons with Disabilities
In All Cases: Written certification from a reliable, knowledgeable professional that the person with disabilities requires the services of an attendant and/or the use of auxiliary apparatus to permit him/her to be employed or to function sufficiently independently to enable another family member to be employed.
Family's certification as to whether they receive reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.

Attendant Care: Attendant's written certification of amount received from the family, frequency of receipt, and hours of care provided. Certification of family and attendant and/or copies of canceled checks family used to make payments.

Auxiliary Apparatus: Receipts for purchases or proof of monthly payments and maintenance expenses for auxiliary apparatus.

In the case where the person with disabilities is employed, a statement from the employer that the auxiliary apparatus is necessary for employment will be required.

NOTE: Disability expenses are allowable deductions only if the expenses enable a member of the household age 18 and over (including the disabled member) to go to work.

Part II: Verifying FAMILY INFORMATION

7.9 VERIFICATION OF LEGAL IDENTITY

In order to prevent program abuse, the HACF will require applicants to furnish verification of legal identity for all family members.

The documents listed below will be considered acceptable verification of legal identity for

adults. If a document submitted by a family is illegible or otherwise questionable, more than one of these documents may be required.

1. Certificate of birth, naturalization papers
2. Current, valid driver's license
3. U.S. military discharge (DD 214)
4. U.S. passport

Documents considered acceptable for the verification of legal identity for minors may be one or more of the following:

1. Certificate of birth
2. Adoption papers
3. Custody agreement

7.10 DOCUMENTATION OF AGE

A birth certificate or other official record of birth is the preferred form of age verification for all family members. For elderly family members an original document that provides evidence of the receipt of social security retirement benefits is acceptable.

If an official record of birth or evidence of social security retirement benefits cannot be provided, the HACF will require the family to submit other documents that support the reported age of the family member (e.g., school records, driver's license if birth year is recorded) and to provide a self-certification.

Age must be verified only once during continuously-assisted occupancy.

7.11 FAMILY RELATIONSHIPS

Applicants and residents are required to identify the relationship of each household member to the head of household. Definitions of the primary household relationships are provided in the Chapter 3.

Family relationships are verified only to the extent necessary to determine a family's eligibility and level of assistance. Certification by the head of household normally is sufficient verification of family relationships.

Verification of Marital Status

1. Verification of divorce status will be a certified copy of the divorce decree, signed by a Court Officer.
2. Verification of a separation may be a copy of court-ordered maintenance or other records.
3. Verification of marriage status is a marriage certificate.

Familial Relationships

Certification will normally be considered sufficient verification of family relationships. In cases where reasonable doubt exists, the family may be asked to provide verification.

The following verifications will be required if certification is insufficient:

1. Verification of relationship:
    a) Official identification showing name
    b) Birth certificates
2. Verification of guardianship:
    a) Court-ordered assignment
    b) Affidavit of parent
    c) Verification from social services agency
    d) School records
3. Evidence of an established family relationship:
    a) Joint bank accounts or other shared financial transactions
    b) Leases or other evidence of prior cohabitation (utility bills)
    c) Credit reports showing relationship

Verification of Permanent Absence of Adult Member
If an adult member who was formerly a member of the household is reported permanently absent by the family, the HACF will consider any of the following as verification:

1. Husband or wife institutes divorce action.
2. Husband or wife institutes legal separation.
3. Order of protection/restraining order obtained by one family member against another.
4. Proof of another home address, such as utility bills, canceled checks for rent, drivers license, or lease or rental agreement, if available.
5. Statements from other agencies such as social services that the adult family member is no longer living at that location.
6. If the adult family member is incarcerated, a document from the Court or prison should be obtained stating how long they will be incarcerated.

Verification of Change in Family Composition
The HACF may verify changes in family composition (either reported or unreported) through letters, telephone calls, leases, utility records, inspections, landlords, neighbors, credit data, school or DMV records, and other sources. Verification of legal custody must be a court-ordered assignment or verification from a social service agency.

Verification of Disability
Verification of disability must be receipt of SSI or SSA disability payments under Section 223 of the Social Security Act or 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7) or verified by appropriate diagnostician such as physician, psychiatrist, psychologist, therapist, rehabilitation specialist, or licensed social worker, using the HUD language as the verification format. If the HACF gets written certification that the disability is permanent, the HACF will only require documentation of disability one time.

Verification of Citizenship/Eligible Immigrant Status [24 CFR 5.508]
To be eligible for assistance, individuals must be U.S. citizens or eligible immigrants. Individuals who are neither may elect not to contend their status. Eligible immigrants must fall into one of the categories specified by the regulations and must have their status verified by Immigration and Naturalization Service (INS). Each family member must declare his or her status once. Assistance cannot be delayed, denied, or terminated while verification of status is pending except that assistance to applicants may be delayed while the HACF hearing is pending.

Citizens or Nationals of the United States are required to sign a declaration under penalty of perjury.

Eligible Immigrants who were residents and 62 or over on June 19, 1995, are required to sign a declaration of eligible immigration status and provide proof of age.

Non-citizens with eligible immigration status must sign a declaration of status and verification consent form and provide their original immigration documents which are copied front and back and returned to the family. The HACF verifies the status through the INS SAVE system. If this primary verification fails to verify status, the HACF must request within ten days that the INS conduct a manual search.

Family members who do not claim to be citizens or eligible immigrants must be listed on a statement of non-contending family members signed by the head of household or spouse.

Non-citizen students on student visas are ineligible members even though they are in the country lawfully. They must provide their student visa but their status will not be verified and they do not sign a declaration but are listed on the statement of non-contending members.

Failure to Provide: If an applicant or resident family member fails to sign required declarations and consent forms or provide documents, as required, they must be listed as an ineligible member. If the entire family fails to provide and sign as required, the family may be denied or terminated for failure to provide required information.

Time of Verification: For applicants, verification of U.S. citizenship/eligible immigrant status occurs at the same time as verification of other factors of eligibility for final eligibility determination. For resident families, it is done at the first regular recertification after June 19, 1995. For family members added after other members have been verified, the verification occurs prior to the new member moving in. Once verification has been completed for any covered program, it need not be repeated.

Extensions of Time to Provide Documents: The HACF will grant an extension of 10 calendar days for families to submit evidence of eligible immigrant status.

Acceptable Documents of Eligible Immigration: The regulations stipulate that only the following documents are acceptable unless changes are published in the Federal Register.

Resident Alien Card (I-551)

Alien Registration Receipt Card (I-151)

Arrival-Departure Record (I-94)

Temporary Resident Card (I-688)

Employment Authorization Card (I-688B)

Receipt issued by the INS for issuance of replacement of any of the above documents that shows individual's entitlement has been verified

A birth certificate is not acceptable verification of status. All documents in connection with U.S. citizenship/eligible immigrant status must be kept five years.

7.12 VERIFICATION OF SOCIAL SECURITY NUMBERS [24 CFR 5.216]

SSN Disclosure

All members of the household must supply SSNs as part of HUD's mandatory income matching program, with the following exceptions:

Individuals exempt from disclosure:

- Individuals who do not contend to have eligible immigration status
- Residents age 62 or older as of 01/31/2010
- Residents who have previously disclosed a valid SSN

Acceptable SSN Documentation

- An original SSN card issued by the Social Security Administration (SSA) (Refer to PIH Notice 2010-3, Section 6 for a description of the three types of SS cards that SSA issues.)
- An original SSA-issued document with the individual's name and SSN
- An original document issued by a federal, state, or local government agency with the individual's name and SSN
- SSA benefit award letter
- Retirement benefit letter
- Life insurance policy
- Court records

Rejection of Documentation

HACF may not reject documentation of an SSN unless it

- Is not original,
- It does not appear to be authentic,

- It is not legible, or
- It has been altered or mutilated.

In such cases HACF should explain the reason for the rejection and request that acceptable documentation be provided within ten business days of the request date.

Verification of the SSN

After the Housing Program Coordinator has obtained acceptable documentation of an individual's SSN under the normal certification timelines, the Housing Program Coordinator must;

- Make a copy of it for the resident file;
- Record the SSN on line "3n" of form HUD-50058; and
- Transmit the form to HUD at the time the certification is transmitted in PIC.

Verification of acceptable documents and timely transmission of the HUD-50058 will be monitored monthly by HPD management/lead worker.

After HUD validates the SSN through its computer matching program with SSA, the Housing Program Coordinator will destroy the copy that was made of the SSN documentation and replace it with the household's Summary Report no later than the next annual reexam. This encourages minimizing the risk of exposing an individual's SSN to theft or misuse by minimizing the number of records that display the individual's full nine-digit SSN. The report is confirmation of compliance with the new SSN disclosure, documentation, and verification requirements.

HACF will retain EIV reports in resident files "for the duration of tenancy" and up to three years after program participation ends.

Individuals without an Assigned SSN

Citizens and lawfully present noncitizens who state that they have not been assigned an SSN by the SSA will make such declaration in writing and under penalties of perjury to HACF. HACF will maintain the declaration in the resident file "for the duration of tenancy" and up to three years after program participation ends.

HACF will use the Alternate ID generator within PIC to generate a unique identifier for those e individuals who do not have or are unable to disclose a SSN. Once an individual discloses a SSN, HACF will delete the Alternate ID, enter the SSN on line "3N" of the form HUD-50058, and transmit the form HUD-50058 to HUD by the certification effective date.

Addition of a New Household Member

When a participant requests to add a new household member, who is at least six years of age or under the age of six and has an assigned SSN, to the family the participant:

- Must disclose the SSN and provide documentation of the SSN to HACF at the time of request to add new household member. The new household member cannot be added to the family composition until the family has complied with the SSN disclosure and verification requirements.

Children under age six without an assigned SSN may be added, with a grace period of 90 days to provide SSN documentation. HACF may extend time frame for an additional

90 days (for a total of 180 days) if HACF, in its discretion, determines that the participant's failure to comply was due to unforeseen circumstances outside the control of the head of household which prevented timely disclosure of required documentation. Examples include but are not limited to: delayed processing of SSN application by SSA, natural disaster, fire, death in family, etc.

Disclosure of Participants Newly Assigned SSN
If the participant or any new member of the participant's household has been assigned a new SSN, the participant must disclose the new SSN at the earlier of:

- Next interim reexam, or
- Next regularly scheduled reexam, or moving reexam.

Penalties for Failure to Disclose SSN
In accordance with 24 CFR 5.218, the following penalties apply for noncompliance with the SSN disclosure and documentation requirements:

Participants
If a program participant who is required to meet the new requirements fails to meet them within a specified time frame (including any extension), HACF must terminate the assistance and/or tenancy of the participant's entire household.

However, an exception to required termination of assistance may be granted by HACF, if in its discretion, it determines that there were unforeseen circumstances beyond the participant's control. In such cases HACCF will allow up to an additional 90 days to disclose the SSN.

If the family is unable to comply with the requirements by the specified deadline, HACF must terminate the tenancy or assistance, or both of the entire family.

Non-Contending Members without a SSN
The new rules do not apply to persons not here legally who have signed or will sign a non-contending form.

7.13 VERIFICATION OF SUITABILITY FOR ADMISSION

Sources to be used to determine suitability include but are not limited to:

- Criminal History Reports
- Prior landlord references
- Physicians, social workers, and other health professionals
- Family may owe debt to the HACCF and Other HAs (See Chapter 2 on eligibility.)

Ability to Meet Financial Obligations Under the Lease

All applicants may be subject to the following procedures to ensure their ability to meet financial obligations under the lease:

- All applicants may be interviewed and asked questions about the basic elements of tenancy.

- The HACF may access a Credit Report on all applicants prior to selection.

- The HACF may independently verify the rent-paying history of all applicants directly from previous landlord(s).

Drug-Related or Violent Criminal Activity

The HACF will complete a criminal background check of all adult members of the household.

Housekeeping

The HACF may obtain references from prior landlords to determine acceptable housekeeping standards.

The HACF may conduct a home visit prior to admission.

7.14 VERIFICATION OF WAITING LIST PREFERENCES [24 CFR 5.410, 5.415, 5.430]

Local Preferences

Referrals from Law Enforcement Agencies: This preference is subject to the approval of the Executive Director. The HACF may distribute application forms and may issue a voucher to families or single persons that are referred by law enforcement agencies. The types of referrals that will be considered include, but are not limited to:

- Victims under witness protection programs, or
- Victims of domestic violence.

Law enforcement referrals must be made in writing, on law enforcement agency letterhead, and signed by the requesting officer and his or her immediate supervisor. Eligibility, including background checks, will be confirmed for all members.

Displacement Referrals from Governmental Entities: This preference is subject to the approval of the Executive Director. The HACF may distribute application forms and may issue a voucher subject to availability to families or single persons that are referred by local governmental officials. The types of referrals that will be considered include, but are not limited, to:

- Persons displaced as the result of a government-declared natural disaster
- Persons displaced as the result of governmental action.

Referrals must be made in writing, on financial institution letterhead or governmental letterhead, and signed by the requesting official and his or her immediate supervisor. Eligibility, including background checks, will be confirmed for all members.

Residency preference: For families, who live, work or have been hired to work in the jurisdiction of the HACF. Families who are unable to work due to age or disability automatically qualify for this preference.

In order to verify that an applicant is a resident, the HACF will require any of the following documents: rent receipts, leases, utility bills, employer or agency records, school records, drivers licenses, voters registration records, credit reports, statement from household with whom the family is residing.

Veterans preference: This preference is available to current members of the U.S. Armed Forces, veterans, or surviving spouses of veterans.

The HACF will require U.S. government documents that indicate that the applicant qualifies under the above definition.

7.15 VERIFICATION OF VAWA STATUS

The HACF will request that an individual certify via HUD Form 50066, ”Certification of Domestic Violence, Dating Violence, or Stalking”, that the individual is a victim of domestic violence, dating violence, or stalking, and that the incident or incidents in question are bona fide incidents of such actual or threatened abuse and meet the requirements set forth in Public Law 109-162 referencing amendments made to Section 6 of the United States Housing Act of 1937 (42 U.S.C. 1437d); Such certification shall include the name of the perpetrator. The HA will request the certification in writing and require that the resident come into the management office to pick up HUD Form 566 “Certification of Domestic Violence, Dating Violence, or Stalking”. The individual shall provide such certification within 14 business days after the individual receives HUD Form 50066, “Certification of Domestic Violence, Dating Violence, or Stalking”. If the individual does not provide the certification within 14 days of receiving the form, nothing in this subsection, or in paragraphs (5) or (6) of subsection (1) in Public Law 109-162, may be construed to limit the authority of the HACF to evict any resident that commits violations of the Public Housing Lease Agreement. At the discretion of the HACF, the 14-day deadline may be extended.

An individual may also satisfy the certification requirement by producing a Federal, State, tribal, territorial, or local police or court record. The HACF will not demand that an individual produce official documentation or physical proof of the individual’s status as a victim of domestic violence, dating violence, or stalking in order to receive any of the benefits provided in this section. At the discretion of the HACF, an individual may be provided benefits based solely on the individual’s statement or other corroborating evidence. (Refer to Chapter 3 Eligibility & Suitability for Admission and Chapter 13 Lease Termination).

CHAPTER 8 LEASING AND INSPECTIONS [24 CFR 966.4]

INTRODUCTION

All units must be occupied pursuant to a dwelling Lease Agreement that complies with HUD's regulations [24 CFR Part 966]. This chapter describes the HACF's policies pertaining to lease execution, terms of Lease Agreement, security deposits, rent payments, inspection of units, and additions to the lease.

This chapter is divided into two parts as follows:

Part I: Leasing. This part describes pre-leasing activities and the HACF's policies pertaining to lease execution, modification, and payments under the lease.

Part II: Inspections. This part describes the HACF's policies for inspecting dwelling units.

PART I: LEASING

8.0 LEASE ORIENTATION

Upon execution of the lease, the HACF will conduct a lease orientation for all adult members of the household. The family must attend an orientation before taking occupancy of the unit.

Families will be provided with the following information during the lease orientation:

- A copy of the Lease Agreement
- A copy of the HACF's lease and grievance procedure
- A copy of the House Rules
- A copy signed release forms
- A copy of the pamphlet *Protect Your family from Lead in Your Home*
- A copy of Parking Policy, if applicable
- Information on the Privacy Act
- Fair Housing Booklet
- A copy of the HA's Pet Policy, if applicable
- A schedule of HA maintenance charges
- A copy of *Debts Owed to PHA*
- A copy of *"Is Fraud Worth It?"* (form HUD-1141-OIG), which explains the types of actions a family must avoid and the penalties for program abuse
- A copy of *"What You Should Know about EIV,"* a guide to the Enterprise Income

Verification (EIV) system published by HUD as an attachment to Notice PIH 2010-19

Topics to be discussed will include, but are not limited to:

- Applicable deposits and other charges
- Provisions of the Lease
- Orientation to the community
- Unit maintenance and work orders

8.1 TERM OF LEASE AGREEMENT

The initial term of the lease will be for 12 months. The lease will renew for a 12-month term unless good cause exists not to renew the lease.

8.2 EXECUTION OF LEASE [24 CFR 966.4(A)(3)]

The lease shall be executed by the head of household, spouse, and all other adult members of the household, and by an authorized representative of the HACF, prior to admission.

The head of household is the person who assumes legal and financial responsibility for the household and is listed on the application as head.

An appointment will be scheduled for the parties to execute the lease. One executed copy of the lease will be given to the resident, and the HACF will retain one in the resident's file. The lease is incorporated into this policy by reference. The lease document will reflect current HACF policies as well as applicable Federal, State and Local law.

The following provisions govern lease execution and amendments:

- A lease is executed at the time of admission for all new residents.
- A new lease is executed at the time of the transfer of a resident from one HACF unit to another without a change in recertification date.
- A new lease is executed when the HACF has approved the addition of a new adult member to the household.
- If, for any reason, any signer of the lease ceases to be a member of the household, a new lease will be executed.

The names and date of birth of all household members are listed on the lease at initial occupancy and on the Application for Continued Occupancy each subsequent year. Only those persons listed on the most recent certification shall be permitted to occupy a dwelling unit.

Changes to resident rents are made upon the preparation and execution of a "Notice of Rent Determination" by the HACF, which becomes an attachment to the lease.

Documentation will be included in the resident file to support proper notice.

Households that include a live-in attendant are required to execute a lease addendum authorizing the arrangement and describing the status of the attendant.[24 CFR 966.4(a)(1)(v)].

8.3 MODIFICATIONS TO THE LEASE [24 CFR 966.4(A)(3)]

The HACF may modify its form of lease from time to time, giving residents 30 days for an opportunity to comment on proposed changes and advance notice of the implementation of any changes.

Schedules of special charges and rules and regulations are subject to modification or revision. Residents will be provided at least thirty days written notice of the reason(s) for any proposed modifications or revisions, and they will be given an opportunity to present written comments. Comments will be taken into consideration before any proposed modifications or revisions become effective [24 CFR 966.3].

A copy of such notice shall be posted in the central office, and at site management offices [24 CFR 966.5].

Any modifications of the lease must be accomplished by a written addendum to the lease and signed by both parties.

A resident's refusal to execute HACF approved lease modifications, or those modifications required by HUD, is a material breach of the Lease Agreement and grounds for termination of tenancy [24 CFR 966.4(l)(2)(iii)(E)].

8.4 ADDITIONS TO THE LEASE

Requests for the addition of a new member to the household must first be approved by the HACF, prior to the actual move-in by the proposed new member, in accordance to Chapter 9, Part III, Section 9.24.

Following receipt of a family's request to add a new member, the HACF will conduct a pre-admission suitability review for those proposed household members over the age of 18. Only those members approved by the HACF will be added to the lease. Furthermore, the HACF will consider whether the resident's request to add a member(s) will exceed the occupancy limit for the unit as a factor determining whether to approve the request.

Factors which may determine a pre-admissions suitability review include, but are not limited to:

> In cases where the resident plans to marry and add his or her spouse to the lease;
>
> In cases where the resident desires to add a new family member to the lease, and/or employ a live-in aide.

Children born to a family member are not subject to screening for purposes of determining household additions.

Residents who fail to notify the HACF of additions to the household, or who permit persons to join the household (includes permitting non-residents to utilize a resident's address), without undergoing screening are considered to have unauthorized occupants by the HACF, and are in violation of the lease and subject to termination of tenancy [24 CFR 966.4(f)(3)].

8.5 LEASING UNITS WITH ACCESSIBLE OR ADAPTABLE FEATURES [24 CFR 8.27(A)(1)(2) AND (B)]

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

- First, to a current occupant of another unit of the same development, or other public housing developments under the HACF's control, who has a disability that requires the special features of the vacant unit.
- Second, to an eligible qualified applicant on the waiting list having a disability that requires the special features of the vacant unit.
- Third, to an eligible qualified applicant on the waiting list who does not require the special features of the vacant unit.

The HACF may require such applicant to agree to move to an available non-accessible unit within 30 days when either a current resident and/or applicant needs the features of the unit or there is another unit available for the applicant.

8.6 UTILITY SERVICES

Residents are responsible for direct payment of utilities. Residents must abide by any and all regulations of the specific utility company, including regulations pertaining to advance payments of deposits. Since the HACF has a no seal contract with the Utility Company, the resident is required to provide documentation that service has been transferred from the HACF name and under the resident's responsibility within 24 hours of the lease signing otherwise the resident will be charged for the usage billed. Failure to maintain utility services during tenancy is a lease violation and grounds for termination of tenancy.

If there is a utility reimbursement payment, the HACF will pay the utility reimbursement payment directly to the resident.

8.7 SECURITY DEPOSITS [24 CFR 966.4(B)(5)]

New residents must pay a security deposit to the HACF at the time of admission.

The Security Deposit <u>is the greater of the applicant's TTP or $150.00.</u>

The HACF will hold the security deposit for the period the resident occupies the unit.

The HACF will refund to the resident the amount of the security deposit, less any amount needed to pay the cost of:

- Unpaid Rent;
- Damages listed on the Move-Out Inspection Report that exceed normal wear and tear;
- Other charges under the Lease.

The HACF will refund the Security Deposit less any amounts owed, as required by California State Law, within 21 days, following move out and resident's notification of new address.

The HACF will provide the resident or designee identified above with a written list of any charges against the security deposit. If the resident disagrees with the amount charged to the security deposit, the HACF will provide a meeting to discuss the charges.

The resident must leave the dwelling unit in a clean and undamaged (beyond normal wear and tear) condition and must furnish a forwarding address to the HACF. All keys to the unit must be returned to the Management upon vacating the unit.

The HA will not use the security deposit for payment of rent or other charges while the resident is living in the unit.

If the resident transfers to another unit, the HACF will transfer their security deposit to the new unit. The resident will be billed for any maintenance or others charges due for the "old" unit.

8.8 RENT PAYMENTS [24 CFR 966.4(B)(1)]

The resident's rent is due and payable to the Housing Authorities of the City and County of Fresno (HACF) and mailed to the HACF banking institution of choice, before the first day of every month. If the first day falls on a weekend or holiday, the rent is due and payable on the first business day thereafter.

- If bank does not receive a payment by the fifth calendar day of the month via the lockbox process, a notice to pay rent or quit will be served on the resident.
- Residents shall make all payments by check or money order payable to THE HOUSING AUTHORITIES OF THE CITY AND COUNTY OF FRESNO.
- The HACF shall collect a fee in the amount charged the HACF by the bank anytime a check is not honored for payment.
- Residents who submit more than two (2) checks that are not honored for payment will be required to make rent payments by money order only.

8.9 FEES AND LOCKBOX SYSTEM

The following is the LOCKBOX procedure for paying rent:

- All rent payments are mailed to the HACF banking institution of choice designated

Post Office Box;

- The bank will scans the front of the money order/check, envelope and statement;

- All scanned documents and payment information is inputted and batched by the bank;

- The bank uploads all payment information to a secure web site;

- The HACF accesses the secure the bank web site and imports the rent payment data file into the HACF's Elite database.

8.10 LATE FEES AND INSUFFICIENT FUND

If the family fails to pay their rent by the fifth day of the month through the Bank of the West's lockbox center and the HACF has not agreed to accept payment at a later date, a 14 day Notice to Vacate will be issued to the resident for failure to pay rent, demanding payment in full or the surrender of the premises.

In addition, if the resident fails to make payment by the end of office hours on the fifth day of the month, a late fee of $20.00 will be charged. Notices of late fees will be in accordance with requirements regarding notices of adverse action. Charges are due and payable 30 calendar days after billing. If the family requests a grievance hearing within the required timeframe, the HACF may not take action for nonpayment of the fee until the conclusion of the grievance process. If the resident can document financial hardship, the late fee may be waived on a case-by-case basis.

When a check is returned for insufficient funds or is written on a closed account, the rent will be considered unpaid and a returned check fee of $10.00 will be charged to the family. The fee will be due and payable 30 days after billing.

8.11 SCHEDULES OF MAINTENANCE CHARGES

A schedule of charges for maintenance services and repairs which is incorporated into the lease by reference shall be publicly posted in a conspicuous manner in the management office.

PART II: INSPECTIONS

HUD rules require the HACF to inspect each dwelling unit prior to move-in, at move-out, and annually during occupancy. In addition, the HACF may require additional inspections, in accordance with HACF Policy. This part contains the HACF's policies governing inspections, notification of unit entry, and inspection results.

8.12 INSPECTIONS OF PUBLIC HOUSING UNITS [24 CFR 966.4(I)]

Move-In Inspections

The HACF and the family will inspect the premises prior to occupancy of the unit in order to determine the condition of the unit and equipment in the unit. A copy of the initial inspection, signed by the HACF and the resident, will be kept in the resident file.

Annual Inspections [24 CFR 902.43(a)(4)]
The HACF will inspect all units annually using HUD's Uniform Physical Condition Standards (UPCS) as a guideline.

Residents who "fail" the inspection due to housekeeping or resident-caused damages will be given 10 business days to correct noted items. The HACF will schedule a follow-up inspection to verify that the resident corrected the deficiencies.

Residents will be issued a copy of the inspection report with required corrections.

All inspections will include a check of all smoke alarms to ensure proper working order.

Inspection report will indicate whether required corrections are to be charged to the resident or covered by the HACF.

Damages beyond "normal wear and tear" will be billed to the resident.

Quality Control Inspections
The HACF will conduct periodic quality control inspections based on random sampling to determine the condition of the unit and to identify problems or issues in which the HACF can be of service to the family and to assure that repairs were completed at an acceptable level of craftsmanship and within an acceptable time frame.

The HACF will conduct quality control inspections on 10% of all units.

Special Inspections
The HACF may conduct a special inspection for housekeeping, unit condition, or suspected lease violation every 30 days for one year.

HUD representatives or local government officials may review HACF operations periodically and as a part of their monitoring may inspect a sampling of the HACF's inventory.

Move-Out Inspections
The purpose of these inspections is to determine necessary maintenance and whether there are damages that exceed normal wear and tear. The HACF will determine if there are resident caused damages to the unit. Resident caused damages may affect part or all of the family's security deposit.

In accordance with Section 1950.5(f) of the California Civil Code, the HACF will abide by the following Move-Out Inspection procedures when the resident submits a 30-day Notice of Intent to Vacate or the HACF issues a 30-day Notice to Vacate or a 14-Day Notice to Pay Rent or Quit to the resident.

These procedures do not apply to residents who receive a Three-Day Notice to Quit due to a lack of time to provide an initial Move-Out inspection.

1. The HACF shall notify the resident in writing of their option to request an initial Move-Out inspection and their right to be present at the inspection.

2. At the time the resident submits a 30-Day Notice of Intent to Vacate or the HACF

issues a 30-Day or 14-Day Notice, the residents will be informed that the request for the initial Move-Out inspection must be in writing and delivered to the Management office during normal business hours within three (3) days of the date of service of the Notice. Should the resident fail to request an initial inspection, the HACF will be discharged of its duty.

3. After the resident submits a request for an initial Move-Out inspection, the HACF and the resident will schedule said inspection at a mutually agreed upon date and time. The inspection should be scheduled no earlier than two weeks before the termination of the Lease Agreement.

4. The HACF will give the resident 48 hour prior written notice of the mutually agreed upon date and time. However, the HACF and the resident may forego the 48 hour written notice by executing a written waiver. The HACF will then proceed with the inspection whether the resident is present or not in the unit.

5. Upon the completion of the inspection, the HACF will give the resident an itemized statement specifying the items that are in need of repair and/or cleaning which will be the basis for deductions from the security deposit. This itemized statement will be handed to the resident at the conclusion of the inspection or placed inside the unit (should the resident not be present).

6. The resident will have the opportunity during the period from the completion of the initial inspection until termination of the Lease Agreement to remedy the deficiencies.

Following the final inspection, the HACF may deduct from the security deposit items not cured, items which occurred after the initial inspection, or items not identified during the initial inspection due to the presence of the resident's possessions.

Emergency Inspections

The HACF may initiate an emergency inspection report to generate a work order if they believe that an emergency exists in the unit. In addition, the HACF may conduct an emergency inspection without a work order and generate a work order after the inspection has been conducted (see Entry of Premises Notice in this chapter.) Repairs are to be completed within 24 hours from the time the work order is issued.

Entry of Premises Notices

The HACF will give 48 hour advance written notice prior to entering the unit for non-emergency inspections or repairs. Non-emergency entries to the unit will be made during reasonable hours of the day. For emergency inspections or repairs, no advance notice is required for the HACF to enter the unit.

An adult family member must be present in the unit during the inspection or repair if there are children present in the unit.

If no person is at home, the HACF will enter the unit and conduct the inspection or repairs.

If no one is in the unit, the HACF will leave a written notice to the resident explaining the reason the unit was entered and the date and time.

Where the HACF is conducting regular annual examinations of its housing units, the family will receive at least thirty days advance notice of the inspection to allow the family to prepare and be able to pass the inspection.

The HACF reserves the right to enter a unit, subject to the applicable notice, under the following conditions:

Inspections and maintenance

To make improvements and repairs

To show the premises for leasing

In cases of emergency

Non-Inspection Emergency Entry
The HACF staff will allow access to the unit to proper authorities when issues of health or safety of the resident are concerned.

Family Responsibility to Allow Inspection
It is a violation of the Lease Agreement for the resident to refuse to allow entry to the unit for the reasons set forth in this ACOP.

Housekeeping Citations Residents who "fail" an inspection due to housekeeping will be issued a Housekeeping Citation, and a re-inspection will be conducted within 10 business days by HACF staff. Should the resident "fail" the re-inspection, the HACF will conduct a unit inspection for three (3) consecutive months.

Should the family fail to comply with the re-inspection, it can be a material breach of the lease and grounds for termination of tenancy. Health & Safety issues will result in the termination procedures according to Chapter 13, Section 13.6.

More than one citation issued to a family who has purposely and for convenience disengaged the unit's smoke detector will be considered a violation of the lease.

Resident Damages
Repeated failed inspections or damages to the unit beyond normal wear and tear may constitute serious or repeated lease violations.

"Beyond normal wear and tear" is defined as items that could be charged against the resident's security deposit under state law.

8.13 GUEST POLICY

A resident must obtain HACF management written approval from the presence of any person not identified in the lease as a member of the resident's household who occupies the unit for more than **seven (7) days**. A guest can remain in the unit no longer than **14** consecutive days or a total of **30** cumulative calendar days during any 12 month period. The Executive Director or his/her designee has discretionary authority to approve the occupation of a unit beyond 7 days.

Absence of evidence of any other address will be considered verification that the visitor is an unauthorized household member.

The HACF will consider:

- Statements from neighbors and/or HACF staff
- Vehicle license plate verification
- Post Office records
- Driver's license verification
- Law enforcement reports
- Credit reports

Use of the unit address as the visitor's current residence for any purpose that is not explicitly temporary shall be construed as permanent residence.

The burden of proof that the individual is a guest rests on the family. In the absence of such proof, the individual will be considered an unauthorized member of the family and the HACF may terminate the family's lease since prior approval was not requested for the addition.

In a joint custody arrangement, if the minor is in the household less than 90 days per year, the minor will be considered to be an eligible guest and not a family member. If both parents reside in Public Housing, only one parent shall be able to claim the child for deductions and for determination for the occupancy standards.

8.14 HOME OCCUPATIONS

The HACF in its sole discretion, may authorize a unit to be used as a place for conducting a home occupation; provided that the unit is used primarily as a place of residence and the following conditions are met to assure that the use of the unit is consistent with residential use and will not disturb the peaceful enjoyment of the premises by other residents.

<u>Criteria for Home Occupations</u>

1. No construction, structural alteration or addition to the unit shall be permitted;

2. Not more than one room in a unit shall be primarily used in connection with the home occupation;

3. No special equipment or facilities other than furnishings, small tools, and hand-carried or light office machines shall be installed or utilized;

4. No persons other than residents of the HACF shall work on the Premises in connection with the home occupation;

5. There shall be no excessive vehicular traffic to or from the unit by customers, salesmen, repairmen, service vehicles, deliverymen, messengers or others beyond the amount of such traffic generally incidental to residential uses;

6. No sound created by the operation of the home occupation shall raise the noise

to a level which disturbs the neighbors or the housing complex;

7. No hazardous or offensive materials shall be stored or utilized;

8. No sign shall be displayed which in any way indicates the presence of a nonresidential activity;

9. There shall be no evidence of nonresidential activity visible from any point beyond the immediate premises where the home occupation is located;

10. Storage of goods and materials not associated with residential uses shall be limited and shall not create a safety or health impact such as, but not limited to, fire safety or blockage of passage ways;

11. Sale of firearms shall be prohibited.

12. The Property Manager shall have final approval of all Home Occupation activities.

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CHAPTER 9 – STANDARDS FOR CONTINUED OCCUPANCY & REEXAMINATIONS [24 CFR 960.257, 960.259, 966.4]

INTRODUCTION

The HACF is required to monitor each family's income and composition over time, and to adjust the family's rent accordingly. The HACFs has adopt policies concerning the conduct of annual and interim reexaminations that are consistent with regulatory requirements, and must conduct reexaminations in accordance with such policies [24 CFR 960.257(c)].

The frequency with which the HACF will reexamine income for a family depends on whether the family pays income-based or flat rent. HUD requires the HACF to offer all families the choice of paying income-based rent or flat rent at least annually. The HACF's policies for offering families a choice of rents are located in Chapter 6.

This chapter discusses both annual and interim reexaminations.

Part I: Standards for Continued Occupancy. This part list the criteria a resident must met to be eligible for continued occupancy.

Part II: Annual Reexaminations for Families Paying Income Based Rents or Flat Rent. This part discusses the requirements for annual reexamination of income and family composition. Full reexaminations are conducted at least once a year for families paying income-based rents and conducting full reexaminations of family income and composition for families paying flat rents. These full reexaminations are conducted at least once every 3 years. This part also contains the HACF's policies for conducting annual updates of family composition for flat rent families.

Part III: Interim Reexaminations. This part includes HUD requirements and the HACF policies related to when a family may and must report changes that occur between annual reexaminations.

Part IV: Recalculating Resident Rent. After gathering and verifying required information for an annual or interim reexamination, the HACF will recalculate the resident rent. While the basic policies that govern these calculations are provided in Chapter 6, this part lays out policies that affect these calculations during a reexamination.

Policies governing reasonable accommodation, family privacy, required family cooperation and program abuse, as described elsewhere in this ACOP, apply to annual and interim reexaminations.

PART I: STANDARDS FOR CONTINUED OCCUPANCY

9.0 ELIGIBILITY FOR CONTINUED OCCUPANCY

Residents who meet the following criteria will be eligible for continued occupancy:

- Qualify as a family as defined in this policy;

- Are in full compliance and able to abide with all the obligations and responsibilities described in the Lease Agreement;

- All family members are to have submitted their Social Security numbers (or have certifications on file that they do not have a Social Security number);

- For family members who have submitted required citizenship/eligible immigration status/noncontending documents.

- All household member age 18 and over will be required to execute a consent form for a criminal background check as part of the annual recertification process.

- Are not subject to sex offender lifetime registration under a State sex offender registration program. If the HA discovers that a current public housing resident is subject to sex offender lifetime registration under a State sex offender registration program, the HA will proceed with eviction of the resident. Families who fail to remove any household member(s), which includes minors 13 to 17 years of age, that are subject to a sex offender lifetime registration under a State sex offender registration program, will be evicted.

Verification of Family Break-up

If a family breaks up into two otherwise eligible families while living in public housing, only one of the new families will continue to be assisted.

If a court determines the disposition of property between members of the resident family in a divorce or separation decree, the HACF will abide by the court's determination.

In the absence of a judicial decision or an agreement among the original family members, the HACF will determine which family will continue in occupancy taking into consideration the following factors:

1. The interest of any minor children, including custody arrangements;
2. The interest of any ill, elderly, or disabled family members;
3. Any possible risks to family members as a result of domestic violence or criminal activity;
4. The recommendations of social service professionals.

PART II: ANNUAL REEXAMINATIONS FOR FAMILIES PAYING INCOME BASED RENTS & FLATE RENTS [24 CFR 960.257 & 24 CFR 960.257(2)]

9.1 OVERVIEW

For those families who choose to pay income-based rent, the HACF will conduct a reexamination of income and family composition at least annually [24 CFR 960.257(a)(1)]. For families who choose flat rents, the HACF must conduct a reexamination of family composition at least annually, and must conduct a reexamination of family income at least once every 3 years [24 CFR 960.257(a)(2)]. Policies related to

the reexamination process for families paying flat rent are located in Section 9.28 of this chapter.

For all residents of public housing, whether those residents are paying income-based or flat rents, the HACF must conduct an annual review of community service requirement compliance. The resident will also sign the consent forms for criminal background checks.

The HACF is required to obtain information needed to conduct reexaminations. Families are required to provide current and accurate information on income, assets, allowances and deductions, family composition and community service compliance as part of the reexamination process [24 CFR 960.259].

This part contains the HACF's policies for conducting annual reexaminations.

9.2 SCHEDULING ANNUAL REEXAMINATIONS

The HACF has establish a policy to ensure that the annual reexamination for each family paying an income-based rent is completed within a 12 month period [24 CFR 960.257(a)(1)].

The HACF will schedule annual reexaminations to coincide with the family's anniversary date. The HACF will begin the annual reexamination process approximately 120 days in advance of the scheduled effective date.

- ***Anniversary date*** is defined as 12 months from the effective date of the family's last annual reexamination or, during a family's first year in the program, from the effective date of the family's initial examination (admission).

When families move to another dwelling unit an annual reexamination will be conducted and the anniversary date will not changed, but under no circumstances shall the annual reexamination take place later than twelve months.

9.3 ANNUAL REEXAMINATIONS

In order to be recertified, families are required to provide current and accurate information on income, assets, allowances and deductions, and family composition. Families are required to report and certify this information by completing a Personal Declaration with the HACF. Additionally, families must complete Form HUD-92006 at this time [Notice PIH 2009-36].

For families who move in during the month, the annual reexaminations will be completed no later than the first of the month in which the family moved in, the following year. (Example: If family moves in August 15, the effective date of the next annual recertification is August 1.)

Families who choose flat rent are to be recertified every three years. For families who move in on the first of the month, the annual recertification will be completed within 12 months of the anniversary of the move-in date. (Example: If family moves in August 1,

the annual recertification will be conducted to be effective on August 1, the following year.)

9.4 RECERTIFICATION NOTICE TO THE FAMILY

All families will be notified of their obligation to recertify by first class mail. The notification shall be sent at least 120 days in advance of the anniversary date. If requested as an accommodation by a person with a disability, the HA will provide the notice in an accessible format. The HACF will also mail the notice to a third party, if requested as reasonable accommodation for a person with disabilities. These accommodations will be granted upon verification that they meet the need presented by the disability.

During recertification, the HACF staff shall explain family choice of income-based or flat rent, with an estimate of what the income-based rent would be and a statement of what the flat rent is.

The family will indicate whether the family chooses income-based or flat rent by checking the appropriate box on the document, and signing the document. The document will be retained in the resident's file.

9.5 RECERTIFICATION NOTICE TIMELINE

First Reminder Notice A notice is mailed 120 days in advance of the recertification anniversary date. The resident is required to complete the personnel certification packet regarding their family composition, community service requirement, and incomes of all household members. The family must present all required documents at the time of their scheduled appointment.

Second Reminder Notice If the resident fails to respond within 30 days of the First Reminder Notice, the HACF will provide a Second Reminder Notice approximately 90 days prior to the resident's recertification anniversary date informing the resident that his/her recertification information is due. The second notice contains the same information as the First Notice and a new appointment is scheduled for the resident's annual recertification.

Third Reminder Notice / Notice of Intent to Terminate If the resident does not respond to the Second Reminder Notice before 60 days prior to the recertification anniversary date, the HACF will provide the resident a Third Reminder Notice no later than 60 days prior to the anniversary date. This notice serves as a 60-Day Notice to terminate assistance.

9.6 METHODOLOGY

If the family chooses income-based rent, or if the family has paid the flat rent for three (3) years; the HACF will schedule the specific date and time of appointments in the written notification to the family.

9.7 PERSONS WITH DISABILITIES

Persons with disabilities, who are unable to come to the HACF's office will be granted an

accommodation of conducting the interview at the person's home/by mail/hospital, upon verification that the accommodation requested meets the need presented by the disability.

9.8 COLLECTION OF INFORMATION

The family is required to complete the Personal Declaration form, an Emergency Notification card, HUD-Form 9886, and all adult members of the household will be required to execute Criminal Background Consent Form.

9.9 REQUIREMENTS TO ATTEND

All adult family members will be required to attend the recertification interview and sign the Personal Declaration for continued occupancy; the HACF's General Release of Information-Criminal Background Consent form and HUD-form 9886.

If the head of household is unable to attend the interview the appointment will be rescheduled as outlined in *Recertification Notice Timeline* of this Chapter.

9.10 CRIMINAL BACKGROUND CHECK

Information obtained through criminal background checks will be used for lease enforcement and eviction [24 CFR 5.903(e)]. Criminal background checks of residents will be conducted in accordance with the policy in Chapter 3.

The HACF will request a criminal background check of all adult members of the household as part of the eligibility process for continued occupancy on an annual basis. A criminal check will be requested 120 days prior to the resident's annual certification date.

The HACF will conduct criminal background checks using but not limited to FBI finger printing, DOJ Lifetime Sex Offender, and County and Statewide Criminal searches. A family may be denied assistance if the results show evidence which would prohibit admission to public housing.

9.11 FAILURE TO RESPOND TO NOTIFICATION TO RECERTIFY

The written notification will explain which family members are required to attend the recertification interview. The family may call to request another appointment date up to five business days prior to the interview.

If the family does not appear for the recertification interview, and has not rescheduled or made prior arrangements with the HACF**,** the HACF will reschedule a second appointment.

Exceptions to these policies may be made by the Property Manager if the family is able to document an emergency situation that prevented them from canceling or attending the appointment.

9.12 DOCUMENTS REQUIRED FROM THE FAMILY

In the notification letter to the family, the HACF will include instructions for the family to bring the following:

Documentation of income for all family members

Documentation of liquid and non-liquid assets

Documentation to substantiate any deductions or allowances

Personal Declaration Form completed and signed by all adult family members

Completed Emergency Notification Card

Sign the Criminal Background Consent form and the HUD-9886 Consent form.

9.13 VERIFICATION OF INFORMATION

All information which affects the family's continued eligibility for the program, and the family's Total Tenant Payment (TTP) will be verified in accordance with the verification procedures and guidelines described in this Policy. Verifications used for recertification must be less than 120 days old. All verifications will be placed in the file, which has been established for the family.

When the information has been verified, it will be analyzed to determine:

- The continued eligibility of the resident as a *family* or as the *remaining member* of a family;
- The unit size required by the family;
- The amount of rent the family should pay.

9.14 CHANGES IN THE RESIDENT RENT

When a reexamination is completed, the HACF will, if necessary, execute a new lease or mail a written "Notice of Review Determination" (LHA Form No.19) to the resident showing the change in the amount of anticipated family income and the change in monthly rent including the amount of retroactive rent (determined in accordance with Chapter 15) due, if any, resulting from such reexamination or redetermination. The resident agrees to accept such "Notice of Review Determination" as an amendment to the lease. [24 CFR 966.4(c)]

9.15 RESIDENT RENT INCREASES

If resident rent increases, a thirty-day notice will be mailed to the family prior to the anniversary date.

If less than thirty days are remaining before the anniversary date, the resident rent

increase will be effective on the first of the second month following the thirty-day notice.

If there has been a misrepresentation or a material omission by the family, or if the family causes a delay in the recertification processing, there will be a retroactive increase in rent to the anniversary date.

9.16 RESIDENT RENT DECREASES

If resident rent decreases, it will be effective on the anniversary date.

If the family causes a delay so that the processing of the recertification is not complete by the anniversary date, rent change will be effective on the first day of the month following completion of the recertification processing by the HACF.

PART III: INTERIM REEXAMINATIONS POLICY
[24 CFR 960.257; 24 CFR 966.4]

9.17 REPORTING INTERIM CHANGES

Families must report within ten business days all changes in household composition to the HA between annual recertifications. This includes additions due to birth, adoption and court-awarded custody. The family must obtain HACF approval prior to all other additions to the household.

The U.S. citizenship/eligible immigrant status of additional family members must be declared and verified prior to the approval by the HACF of the family member being added to the lease.

9.18 INCREASES IN INCOME TO BE REPORTED

Families that select to pay flat rent are not required to report increases in income or assets.

If families elect to pay income-based rent, the family must report any of the following factors which could result in an increase in rent to management within ten business days of their occurrence:

- Receipt of a deferred payment in a lump sum which represents the delayed start of a periodic payment such as unemployment or social security benefits.
- Change in family (which could either provide additional income to the household or reduce the deductions and allowances for which the family qualifies).
- A change of source of income, such as moving from welfare benefits to employment income.
- An increase in income of $200/month or more.

Any other changes reported by residents electing to pay income-based rent, other than those list above, will not be processed between regularly scheduled annual

recertifications.

9.19 INCREASES IN INCOME AND RENT ADJUSTMENTS

The HACF's policy is not to raise rent between annual recertifications, except in the case of a change in family composition and/ or source of income and/or an increase of $200/month or more.

9.20 DECREASES IN INCOME AND RENT ADJUSTMENTS

Residents may report a decrease in income and other changes, such as an increase in allowances or deductions, which would reduce the amount of the total resident payment.

The HACF will initiate third-party verification of the decrease in income no later than five (5) days after the resident reports the change to the HACF. Upon completion of the third-party verification, the HACF will process a rent adjustment to be effective the first day of the month following the month in which the HACF completes the verification. If the reduction in income is reported after the HACF's cut-off date for the following months rent set-up, Management will charge the resident the former, higher rent, subject to a credit when the circumstances of reduction are verified.

9.21 INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS

The HACF will not reduce the public housing rent for families whose welfare assistance is reduced due to a "specified welfare benefit reduction," which is a reduction in welfare benefits due to:

- Fraud by a family member in connection with the welfare program; or
- Noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

A "specified welfare benefit reduction" does not include a reduction of welfare benefits due to:

- The expiration of a lifetime time limit on receiving benefits; or
- A situation where the family has complied with welfare program requirements but cannot or has not obtained employment, such as: The family has complied with welfare program requirements, but the durational time limit, such as a cap on the length of time a family can receive benefits, causes the family to lose their welfare benefits.
- Noncompliance with other welfare agency requirements.

1. Definition of "Covered Family"

A household that receives benefits for welfare or public assistance from a State or public agency program which requires, as a condition of eligibility to receive assistance, the participation of a family member in an economic self-sufficiency

program.

2. Definition of "Imputed Welfare Income"

The amount of annual income, not actually received by a family, as a result of a specified welfare benefit reduction, that is included in the family's income for purposes of determining rent.

The amount of imputed welfare income is determined by the HACF, based on written information supplied to the HACF by the welfare agency, including:

The amount of the benefit reduction

The term of the benefit reduction

The reason for the reduction

Subsequent changes in the term or amount of benefit reduction

Imputed welfare income will be included at annual and interim recertifications during the term of reduction of welfare benefits.

The amount of imputed welfare income will be offset by the amount of additional income a family receives that begins after the sanction was imposed. When additional income is at least equal to the imputed welfare income, the imputed income will be reduced to zero.

If the family was not an assisted resident of public housing when the welfare sanction began, imputed welfare income will not be included in annual income.

3. Verification Before Denying a Request to Reduce Rent

The HACF will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance before denying the family's request for rent reduction.

The HACF will rely on the welfare agency's written notice to the HACF regarding welfare sanctions.

4. Cooperation Agreements

The HACF has a written cooperation agreement in place with the local welfare agency which assists the HACF in obtaining the necessary information regarding welfare sanctions.

The HACF has taken a proactive approach to culminating an effective working relationship between the HACF and the local welfare agency for the purpose of targeting economic self- sufficiency programs throughout the community that are available to public housing residents.

The HACF and the local welfare agency have mutually agreed to notify each other of

any economic self-sufficiency and/or other appropriate programs or services that would benefit public housing residents.

5. <u>Family Dispute of Amount of Imputed Welfare Income</u>

If the family disputes the amount of imputed income and the HACF denies the family's request to modify the amount, the HACF will provide the resident with a notice of denial, which will include:

- An explanation for the HACF's determination of the amount of imputed welfare income
- A statement that the resident may request a grievance hearing

If the resident requests a grievance hearing, the resident is not required to pay an escrow deposit pursuant to 966.55(e) for the portion of resident rent attributable to the imputed welfare income.

9.22 OTHER INTERIM REPORTING ISSUES

An interim recertification will be scheduled for families with zero income every 90 days.

Any changes reported by residents other than those listed in this section will not be processed between regularly scheduled annual recertifications.

9.23 HA ERRORS

If the HACF makes a calculation error at admission to the program or at an annual recertification, an interim recertification will be conducted to correct the error. If the family had been undercharged as a result of the calculation error, the family will not be charged retroactively. If the family had been overcharged as a result of the calculation error, the family will receive a rent credit retroactively.

9.24 TIMELY REPORTING CHANGES IN INCOME AND ASSETS

1. <u>Standard for Timely Reporting of Changes for Reexaminations and Interims</u>

The HACF requires that families report changes, such as change in family composition, to the HACF within ten business days of when the change occurs. Any information, document or signature needed from the family needed to verify the change must be provided at the time of the reported change.

If the change is not reported within the required time period, or if the family fails to provide signatures, certifications or documentation, (in the time period requested by the HACF), it will be considered untimely reporting.

The HACF staff will initiate an appointment with the family no later than five (5) working days after the family reports the change to the HACF. Interim change is to be completed within fifteen (15) working days after the family reports the change to the HACF.

2. Procedures When the Change Is Reported in a Timely Manner

The HACF will notify the family of any changes in Resident Rent to be effective according to the following guidelines:

Increases in the Resident Rent are effective on the first of the month following at least thirty days' notice. It is the HACF's policy to not process interim increases in Resident Rent between regular annual recertifications except for a receipt of a deferred payment in a lump sum which represents the delayed start of a periodic payment, change in family (which could either provide additional income to the household or reduce the deductions and allowances for which the family qualifies), a change of source of income and/or an increase in income of $200/month or more. The family must report any of the above factors which could result in an increase in rent to management within ten business days of their occurrence.

Decreases in the Resident Rent are effective the first of the month following the month in which the change is reported.

3. Procedures When the Change Is Not Reported by the Resident in a Timely Manner

If the family does not report the change as described under Timely Reporting, the family will have caused an unreasonable delay in the interim or annual recertification processing and the following guidelines will apply:

Increase in Resident Rent will be effective retroactive to the date the increase in income became effective. The family will be liable for any underpaid rent, and may be required to sign a Repayment Agreement**.** The Repayment Agreement will require that the family pay 25% of the retroactive amount due and the remaining balance to be paid in equal payments over a period of time not to exceed 12 months for amounts under $2400 or 24 months for any amount in excess of $2400. (Refer to Chapter 16 for further guidance).

Decrease in Resident Rent will be effective on the first of the month following completion of processing by the HACF and not retroactively.

4. Procedures When the Change Is Not Processed by the HA in a Timely Manner

"Processed in a timely manner" means that the change goes into effect on the date it should when the family reports the change and provides all information, documents and signatures in a timely manner. If the change cannot be made effective on that date, the change is not processed by the HACF in a timely manner as stated below:

> The HACF staff will initiate an appointment with the family no later than five (5) working days after the family reports the change to the HACF. Interim change is to be completed within fifteen (15) working days after the family reports the change to the HACF.

Therefore, an increase will be effective after the required thirty days' notice prior to the first of the month after completion of processing by the HACF.

If the change resulted in a decrease, the overpayment by the family will be calculated retroactively to the date it should have been effective, and the family will be credited for the amount.

9.25 REPORTING OF CHANGES IN FAMILY COMPOSITION

The members of the family residing in the unit must be approved by the HACF. The family must inform the HACF and request approval of additional family members other than additions due to birth, adoption, court-awarded custody before the new member occupies the unit.

All changes in family composition must be reported within ten business days of the occurrence in writing.

If an adult family member is declared permanently absent by the head of household, the notice must contain a certification by the head of household [or spouse] that the member (who may be the head of household) removed is permanently absent.

1. Increase in Family Size

The HACF will consider a unit transfer (if needed under the Occupancy Guidelines) for additions to the family in the following cases:

- Addition by marriage/or marital-type relation
- Addition of a minor who is a member of the nuclear family who had been living elsewhere
- Addition of a HA-approved live-in attendant
- Addition of any relation of the Head or Spouse
- Addition due to birth, adoption or court-awarded custody

If a change due to birth, adoption, court-awarded custody, or need for a live-in attendant requires a larger size unit due to overcrowding, the change in unit size shall be made effective upon availability of an appropriately sized unit.

2. Definition of Temporarily/Permanently Absent

The HACF must compute all applicable income of every family member who is on the lease, including those who are temporarily absent.

Income of persons permanently absent will not be counted. If the spouse is temporarily absent and in the military, all military pay and allowances (except hazardous duty pay when exposed to hostile fire and any other exceptions to military pay HUD may define) is counted as income.

It is the responsibility of the head of household to report changes in family composition. The HACF will evaluate absences from the unit in accordance with this policy.

3. Absence of Entire Family

These policy guidelines address situations when the family is absent from the unit, but has not moved out of the unit. In cases where the family has moved out of the unit, the HACF will terminate tenancy in accordance with the appropriate lease termination procedures contained in this Policy.

Families are required to notify the HACF before they move out of a unit in accordance with the lease and to give the HACF information about any family absence from the unit.

"Absence" means that no family member is residing in the unit. In order to determine if the family is absent from the unit, the HACF may:

Conduct a home visit

Write letters to the family at the unit

Post letters on exterior door

Telephone the family at the unit

Interview neighbors

Verify if utilities are in service

Check with Post Office for forwarding address

Contact emergency contact

If the entire family is absent from the unit for more than 14 consecutive days, whether or not rent has been paid, the unit will be considered to be abandoned and the HACF will terminate the Lease Agreement.

As a reasonable accommodation for a person with a disability, the HACF may approve an extension. (See Absence Due to Medical Reasons for other reasons to approve an extension.) During the period of absence, the rent and other charges must remain current.

4. Absence of Any Member

Any member of the household will be considered permanently absent and removed from the lease if s/he is away from the unit for 60 days in a 12-month period except as otherwise provided in this chapter.

5. Absence Due to Medical Reasons

If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, the HACF will seek advice from a reliable qualified source as to the likelihood and timing of their return. If the verification indicates that the family member will be permanently confined to a nursing home, the

family member will be considered permanently absent. If the verification indicates that the family member will return in less than 120 consecutive days, the family member will not be considered permanently absent, as long as rent and other charges remains current. A resident may request in writing to have a longer absence approved. The HACF has full discretion of approval, and will make determinations on a case by case basis.

If the person who is determined to be permanently absent is the sole member of the household, assistance will be terminated in accordance with the HACF's "Absence of Entire Family" policy.

6. Absence Due to Incarceration

If the sole member is incarcerated for more than 60 consecutive days, s/he will be considered permanently absent. Any member of the household, other than the sole member, will be considered permanently absent if s/he is incarcerated for 60 consecutive days. The rent and other charges must remain current during this period.

7. Foster Care and Absences of Children

If the family includes a child or children temporarily absent from the home due to placement in foster care, the HACF will determine from the appropriate agency when the child/children will be returned to the home.

If the time period is to be greater than120 days from the date of removal of the child(ren), the family will be required to move to a smaller size unit. If all children are removed from the home permanently, the unit size will be reduced in accordance with the HACF's occupancy guidelines.

8. Absence of Adult

If neither parent remains in the household nor the appropriate agency has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period, the HACF will treat that adult as a visitor for the first 30 calendar days. This will be noted as an exception to the HACF's Visitor Policy.

If by the end of that period, court-awarded custody or legal guardianship has been awarded to the caretaker, and the caretaker qualifies under Resident Suitability criteria, the lease will be transferred to the caretaker.

If the court has not awarded custody or legal guardianship, but the action is in process, the HACF will secure verification from social services staff or the attorney as to the status.

The HACF will transfer the lease to the caretaker, in the absence of a court order, if the caretaker qualifies under the Resident Suitability criteria and has been in the unit for more than 30 days and it is reasonable to expect that custody will be granted.

When the HACF approves a person to reside in the unit as caretaker for the child(ren), the income of the caretaker should be counted pending a final disposition.

The HACF will work with the appropriate service agencies to provide a smooth transition in these cases.

If a member of the household is subject to a court order that restricts him/her from the home for more than 30 days, the person will be considered permanently absent.

If an adult child goes into the military and leaves the household, they will be considered permanently absent.

Full time students who attend school away from the home and live with the family during school recess will be considered temporarily absent from the household.

9.26 REMAINING MEMBER OF RESIDENT FAMILY—RETENTION OF UNIT

To be considered the remaining member of the resident family, the person must have been previously approved by the HACF to be living in the unit and must have signed the lease.

A minor who is a remaining family member will be authorized to remain in the unit by establishing emancipation or by adding another adult, who has been determined eligible and suitable by the HACF, to the Lease. When such situations arise, the HACF will work with the minor's advocate, which may be another adult relative or caseworker, to determine the appropriate course of action and time necessary for the minor to meet one of the two criteria to remain in the unit.

A live-in attendant, by definition, is not a member of the family and will not be considered a remaining member of the Family.

A reduction in family size may require a transfer to an appropriate unit size per the Occupancy Standards.

9.27 CHANGES IN UNIT SIZE

The HACF shall grant exceptions from the occupancy standards if the family requests and the HACF determine the exceptions are justified according to this policy.

The HACF will consider the size of the unit and the size of the bedrooms, as well as the number of bedrooms, when an exception is requested in accordance with Chapter 5, Occupancy Standards & Unit Offers.

9.28 CONTINUANCE OF ASSISTANCE FOR "MIXED" FAMILIES

Under the Non-Citizens Rule, "mixed" families are families that include at least one citizen or eligible immigrant and any number of ineligible members.

"Mixed" families who were participants on June 19, 1995, shall continue receiving full assistance if they meet the following criteria:

- The head of household, co-head or spouse is a U.S. citizen or has eligible immigrant status; AND

- The family does not include any ineligible immigrants other than the head or spouse, or parents or children of the head, co-head or spouse.

Mixed families who qualify for continued assistance after 11/29/96 may receive prorated assistance only.

- If the mixed families do not qualify for continued assistance, the member(s) that cause the family to be ineligible for continued assistance may move, or the family may choose prorated assistance. The HACF may no longer offer temporary deferral of termination (see Chapter 13, Lease Terminations).

CHAPTER 10 – PETS [24 CFR 5, SUBPART C; 24 CFR 960, SUBPART G]

INTRODUCTION

The purpose of this policy is to establish the HACF's policy and procedures for ownership of common household pets in general occupancy developments and to ensure that no applicant or resident is discriminated against regarding admission or continued occupancy because of ownership of pets. It also establishes reasonable rules governing the keeping of common household pets.

Nothing in this policy or the dwelling lease limits or impairs the right of persons with disabilities to own animals that are used to assist them.

Part I: Assistance Animals. This part explains the difference between assistance animals and pets and contains policies related to the designation of an assistance animal as well as their care and handling.

Part II: Pet policies for all developments. This part includes pet policies that are common to both elderly/disabled developments and general occupancy developments.

Part III: Pet deposits and fees for elderly/disabled developments. This part contains policies for pet deposits and fees that are applicable to both elderly/disable developments and general occupancy developments.

PART I: ASSISTANCE ANIMALS
[Section 504; Fair Housing Act (42 U.S.C.); 24 CFR 5.303; 24 CFR 960.705]

10.0 OVERVIEW

This part discusses situations under which permission for an assistance animal may be denied, and also establishes standards for the care of assistance animals.

Assistance animals are animals that assist, support, or provide service to a person with a disability, or that provide emotional support that alleviates one or more identified symptoms or effects of a person's disability. Assistance animals – often referred to as "service animals," "assistive animals," "support animals," or "therapy animals" – perform many disability-related functions, including but not limited to the following:

- Guiding individuals who are blind or have low vision
- Alerting individuals who are deaf or hearing impaired
- Providing minimal protection or rescue assistance
- Pulling a wheelchair
- Fetching items
- Alerting persons to impending seizures
- Providing emotional support to persons with disabilities who have a disability-related need for such support

Assistance animals that are needed as a reasonable accommodation for persons with disabilities are not considered pets, and thus, are not subject to the HACF's pet policies described in Parts II through III of this chapter [24 CFR 5.303; 960.705].

10.1 APPROVAL OF ASSISTANCE ANIMALS

A person with a disability is not automatically entitled to have an assistance animal. Reasonable accommodation requires that there is a relationship between the person's disability and his or her need for the animal [PH Occ GB, p. 179].

The HACF may not refuse to allow a person with a disability to have an assistance animal merely because the animal does not have formal training. Some, but not all, animals that assist persons with disabilities are professionally trained. Other assistance animals are trained by the owners themselves and, in some cases, no special training is required. The question is whether or not the animal performs the assistance or provides the benefit needed by the person with the disability [PH Occ GB, p. 178].

The HACF's refusal to permit persons with a disability to use and live with an assistance animal that is needed to assist them, would violate Section 504 of the Rehabilitation Act and the Fair Housing Act unless [PH Occ GB, p. 179]:

- There is reliable objective evidence that the animal poses a direct threat to the health or safety of others that cannot be reduced or eliminated by a reasonable accommodation
- There is reliable objective evidence that the animal would cause substantial physical damage to the property of others

The HACF has the authority to regulate assistance animals under applicable federal, state, and local law [24 CFR 5.303(b)(3); 960.705(b)(3)].

- For an animal to be excluded from the pet policy and be considered an assistance animal, there must be a person with disabilities in the household, and the family must request and the HACF approve a reasonable accommodation in accordance with the policies contained in Chapter 2.

10.2 CARE AND HANDLING

HUD regulations do not affect any authority a HACF may have to regulate assistance animals under federal, state, and local law [24 CFR 5.303; 24 CFR 960.705].

- Residents must care for assistance animals in a manner that complies with state and local laws, including anti-cruelty laws.
- Residents must ensure that assistance animals do not pose a direct threat to the health or safety of others, or cause substantial physical damage to the development, dwelling unit, or property of other residents.
- When a resident's care or handling of an assistance animal violates these policies, the HACF will consider whether the violation could be reduced or eliminated by a reasonable accommodation. If the HACF determines that no such accommodation can be made, the HACF may withdraw the approval of a particular assistance animal.

PART II: PET POLICIES FOR ALL DEVELOPMENTS
[24 CFR 5, Subpart C; 24 CFR 960, Subpart G]

10.3 OVERVIEW

The purpose of a pet policy is to establish clear guidelines for ownership of pets and to ensure that no applicant or resident is discriminated against regarding admission or continued occupancy because of ownership of pets. It also establishes reasonable rules governing the keeping of common household pets. This part contains pet policies that apply to all developments.

10.4 MANAGEMENT APPROVAL OF PETS [24 CFR 960.707(B)(5)]

Pets must be registered with the HACF ten (10) days before they are brought onto the premises. Registration includes certificate signed by a licensed veterinarian or State/local authority that the pet has received all inoculations required by State or local law, and that the pet has no communicable disease(s) and is pest-free.

Registration must be renewed and will be coordinated with the annual recertification date and proof of license and inoculation will be submitted at least 30 days prior to annual recertification.

Each pet owner must provide two color photographs of their pet(s) and display a “Pet Here” sticker, provided by the HACF, which will be displayed on the front door of the unit at all times.

Approval for the keeping of a pet shall not be extended pending the completion of these requirements.

10.5 REFUSAL TO REGISTER PETS

If the HACF refuses to register a pet, a written notification will be sent to the pet owner stating the reason for denial and shall be served in accordance with HUD Notice requirements. The HACF will refuse to register a pet if:

- The pet is not a “common household pet” as defined in this policy;
- Keeping the pet would violate any House Rules;
- The pet owner fails to provide complete pet registration information, or fails to update the registration annually;
- The HACF reasonably determines that the pet owner is unable to keep the pet in compliance with the pet rules and other lease obligations. The pet’s temperament and behavior may be considered as a factor in determining the pet owner’s ability to comply with provisions of the lease.

The notice of refusal may be combined with a notice of a pet violation.

10.6 PET AGREEMENT

Residents who have been approved to have a pet must enter into a pet agreement with the HACF, or the approval of the pet will be withdrawn.

The pet agreement is the resident's certification that he or she has received a copy of the HACF's pet policy and applicable house rules, that he or she has read the policies and/or rules, understands them, and agrees to comply with them.

The resident further certifies by signing the pet agreement that he or she understands that noncompliance with the HACF's pet policy and applicable house rules may result in the withdrawal of HACF approval of the pet or termination of tenancy.

10.7 STANDARDS FOR PETS [24 CFR 5.318; 960.707(B)]

Types of Pets Allowed

No types of pets other than the following may be kept by a resident.

Residents are not permitted to have more than one common household pet.

1. Dogs

   Maximum number: 1

   Maximum adult weight: 25 pounds

   Must be housebroken

   Must be spayed or neutered

   Must have all required inoculations

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

   Any litter resulting from the pet must be removed from the unit as soon as the puppies are weaned or are eight weeks of age.

2. Cats

   Maximum number: 1

   Must be a household cat

   Must be spayed or neutered

   Must have all required inoculations

   Must be trained to use a litter box or other waste receptacle

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

   Any litter resulting from the pet must be removed from the unit as soon as the

kittens are weaned or are eight weeks of age.

3. Birds

Maximum number: 3

Must be enclosed in a cage at all times

4. Fish

Maximum aquarium size: 10 gallons

Must be maintained on an approved stand.

10.8 DEFINITION OF "COMMON HOUSEHOLD PET"

Common household pet means a domesticated animal, such as a dog, cat, bird, or fish that is traditionally recognized as a companion animal and is kept in the home for pleasure rather than commercial purposes.

10.9 PET RESTRICTIONS

The following are not considered "common household pets":

- Domesticated dogs that exceed Twenty-five pounds. (Animals certified to assist the disabled are exempt from the weight limitation.
- Vicious or intimidating dogs. Under California law (Food and Agriculture Code Sec. 31603), a "vicious" dog is defined as, but not limited to:

  (a) Any dog seized under Section 599aa of the California Penal Code and upon the sustaining of a conviction of the owner or keeper under subdivision (a) of Section 597.5 of the Penal Code.

  (b) Any dog which, when provoked, in an aggressive manner, inflicts severe injury on or kills a human being.

  (c) Any dog previously determined to be and currently listed as a potentially dangerous dog which, after its owner or keeper has been notified of this determination, continues the behavior described in Section 31602 or is maintained in violation of Section 31641, 34642, or 31643.

  (d) Any dog breeds that have been determined to be "potentially dangerous" or "vicious" under California law or local animal control ordinance.

- Wild, feral, or any other animals that are not amenable to routine human handling
- Any poisonous animals of any kind
- Fish in aquariums exceeding ten gallons in capacity
- Non-human primates

- Animals whose climatological needs cannot be met in the unaltered environment of the individual dwelling unit

- Pot-bellied pigs

- Ferrets or other animals whose natural protective mechanisms pose a risk of serious bites and/or lacerations to small children

- Hedgehogs or other animals whose protective instincts and natural body armor produce a risk of serious puncture injuries to children

- Chicks, turtles, or other animals that pose a significant risk of salmonella infection to those who handle them

- Pigeons, doves, mynahs, psittacines, and birds of other species that are hosts to the organisms that cause psittacosis in humans

- Snakes or other kinds of reptiles

- Rodents (rabbit, guinea pig, or hamster)

- Animals used for commercial breeding

- Any other animal that, due to its size, nature, or disposition, presents a risk to public health or safety or cannot be properly cared for due to its physical needs.

10.10 PET RULES

Pet owners must maintain pets responsibly, in accordance with the HACF policies, and in compliance with applicable state and local public health, animal control, and animal cruelty laws and regulations [24 CFR 5.315; 24 CFR 960.707(a)].

Residents who have been approved to have a pet must adhere to the following rules:

1. Agree that the resident is responsible and liable for all damages caused by their pet(s).

2. No animals may be tethered or chained inside the dwelling unit.

3. When outside the dwelling unit, all pets must be on a leash or in an animal transport enclosure and under the control of a responsible individual.

4. All fecal matter deposited by the pet(s) must be promptly and completely removed from any common area. Failure to do so will result in a Pet Waste Removal charge of $50. All animal waste or the litter from litter boxes shall be picked up immediately by the pet owner, disposed of in sealed plastic trash bags, and placed in a trash bin. Litter shall not be disposed of by being flushed through a toilet.

5. Litter boxes shall be stored inside the resident's dwelling unit or in animal enclosures maintained within dwelling units AND must be removed and/or

replaced regularly. Failure to do so will result in a Pet Waste Removal charge.

6. Mandatory implementation of effective flea control by measures that produce no toxic hazard to children who may come into contact with treated animals.

7. All complaints of cruelty and all mammalian bites will be referred to animal control of applicable policy agency for investigation and enforcement.

8. Deceased pets shall be properly disposed by Fresno County Animal Control Services where applicable and shall not be disposed on Housing Authority property.

9. The right of management to enter dwelling unit upon receipt of notice from the HACF.

10. The right of management to enter dwelling unit when there is evidence that an animal left alone is in danger or distress, or is creating a nuisance.

11. The right of management to seek impoundment and sheltering of any animal found to be maintained in violation of housing rules, pending resolution of any dispute regarding such violation, at owner's expense. The resident shall be responsible for any impoundment fees, and the HACF accepts no responsibility for pets so removed.

12. That failure to abide by any animal-related requirement or restriction constitutes a violation of the "Resident Obligations" in the resident's Lease Agreement.

10.11 DESIGNATED PET/NO-PET AREAS [24 CFR 5.318(g), PH Occ GB, p. 182]

The following areas are designated no-pet areas:

- HACF playgrounds, management offices, community centers, and recreation center areas.

10.12 ALTERATIONS TO UNIT

Residents/pet owners shall not alter their unit, patio, premises or common areas to create an enclosure for any animal. Installation of pet doors is prohibited.

Single bedroom dwelling units are limited to no more than one pet of any kind.

10.13 ADDITIONAL REQUIREMENTS

Pet owners must take precautions to eliminate pet odors.

Residents will prevent disturbances by their pets that interfere with the quiet enjoyment of the premises of other residents in their units or in common areas. This includes, but is not limited to loud or continuous barking, howling, whining, biting, scratching, chirping, or other such activities.

Residents shall not feed stray animals; doing so, or keeping stray or unregistered animals will be considered having a pet without permission.

10.14 PET CARE

No pet (excluding fish) shall be left unattended in any apartment for a period in excess of 24 hours.

All residents/pet owners shall be responsible for adequate care, nutrition, exercise and medical attention for his/her pet.

In the event the resident relocates to non-HACF owned property (such as privately-owned apartment complex or hotel) at the request of the HACF to complete emergency repairs to the resident's unit and/or to complete modernization and/or rehabilitation activities, the resident shall have the responsibility for the board and care of their pet during the duration of the resident's relocation to non-HACF owned property.

10.15 RESPONSIBLE PARTIES

The resident will provide the following information when registering their pet: Name, address and telephone number of the veterinarian who will be providing regular care for the pet; name of the adult household member who will be primarily responsible for animal care; name and contact information for a household member who will return home in the event an animal experiences distress or causes a disturbance when left alone; contact information for a non-household member who will respond to emergency situations regarding the pet in question.

10.16 PET RULE VIOLATION NOTICE

If a determination is made on objective facts supported by written statements that a resident/pet owner has violated the Pet Rule Policy, the HACF will serve a 30-Day Notice to Cure or Quit.

10.17 NOTICE FOR PET REMOVAL

If the resident/pet owner and the HACF are unable to resolve the violation at the meeting or the pet owner fails to correct the violation in the time period allotted by the HACF, the HACF may serve notice to remove the pet. The Notice shall contain:

- A brief statement of the factual basis for the HACF's determination of the Pet Rule that has been violated; and

- A statement that failure to remove the pet may result in the initiation of termination of tenancy procedures.

10.18 TERMINATION OF TENANCY

The HACF may initiate procedure for termination of tenancy based on a pet rule violation if, the pet owner has failed to remove the pet or correct a pet rule violation within the time period specified; and the pet rule violation is sufficient to begin procedures to terminate tenancy under terms of the lease.

10.19 PET REMOVAL

If the death or incapacity of the pet owner threatens the health or safety of the pet, or other factors occur that render the owner unable to care for the pet, the situation will be reported to the Responsible Party designated by the resident/pet owner. Includes pets who are poorly cared for or have been left unattended for over 24 hours.

If the responsible party is unwilling or unable to care for the pet, or if the HA after reasonable efforts cannot contact the responsible party, the HACF may contact the appropriate State or local agency and request the removal of the pet.

10.20 EMERGENCIES

The HACF will take all necessary steps to insure that pets which become vicious, display symptoms of severe illness, or demonstrate behavior that constitutes an immediate threat to the health or safety of others, are referred to the appropriate State or local entity authorized to remove such animals.

If it is necessary for the HACF to place the pet in a shelter facility, the cost will be the responsibility of the resident/pet owner.

PART III: PET DEPOSITS AND FEES FOR ALL DEVELOPMENTS

10.21 PET DEPOSITS

The HACF requires residents who own or keep pets in their units to pay a refundable pet deposit. This deposit is in addition to any other financial obligation generally imposed on residents of the development [24 CFR 5.318(d)(1)].

The HACF may permit gradual accumulation of the pet deposit by the pet owner [24 CFR 5.318(d)(3)].

The pet deposit is not part of the rent payable by the resident [24 CFR 5.318(d)(5)].

The resident/pet owner shall be required to pay a refundable deposit of $200.00 per unit for the purpose of defraying all reasonable costs directly attributable to the presence of a pet. The deposit fee shall not apply to birds and fish.

The HACF will refund the Pet Deposit to the resident, less any damage caused by the pet to the dwelling unit, upon removal of the pet or the owner from the unit. [24 CFR 5.318(d)(1)]

The HACF will provide the resident or designee identified above with a written list of any charges against the pet deposit. If the resident disagrees with the amount charged to the pet deposit, the HACF will provide a meeting to discuss the charges.

All reasonable expenses incurred by the HA as a result of damages directly attributable to the presence of the pet in the dwelling unit will be the responsibility of the resident, including:

- The cost of repairs and replacements to the resident's dwelling unit;

- Fumigation of the dwelling unit;
- Common areas of the development if applicable.

10.22 OTHER CHARGES

Pet Waste Removal Charge
A separate pet waste removal charge of $10 per occurrence will be assessed against the resident for violations of the pet policy.

Pet deposit and pet waste removal charges are not part of rent payable by the resident.

CHAPTER 11- COMMUNITY SERVICES [24 CFR PART 960 SUBPART F AND 24 CFR 903.7]

INTRODUCTION

This chapter explains HUD regulations requiring the HACF to implement a community service program for all non-exempt adults living in public housing.

HUD regulations pertaining to the community service requirement are contained in 24 CFR 960 Subpart F (960.600 through 960.609). The HACF and residents must comply with the community service requirement, effective with HACF fiscal years that commenced on or after October 1, 2000. Per 903.7(l)(1)(iii), the HACF Plan contains a statement of the how the HACF will comply with the community service requirement, including any cooperative agreement that the HACF has entered into or plans to enter into.

Community service is the performance of voluntary work or duties that are a public benefit, and that serve to improve the quality of life, enhance resident self-sufficiency, or increase resident self-responsibility in the community. Community service is not employment and may not include political activities [24 CFR 960.601(b)].

In administering community service requirements, the HACF must comply with all nondiscrimination and equal opportunity requirements [24 CFR 960.605(c)(5)].

11.0 REQUIREMENTS

Except for any adult resident who is an exempt individual, each adult resident of public housing shall:

1. Contribute eight (8) hours per month of community service (not including Political activities); or

2. Participate in an economic self-sufficiency program for eight (8) hours per month; or

3. Perform eight (8) hours per month of combined activities.

11.1 DEFINITIONS

Exempt Individual [24 CFR 960.601(b), Notice PIH 2009-48]

The Housing Authority shall provide an exemption from the community service requirement for any adult resident who meets the following HUD exemption criteria:

1. Is 62 years of age or older;

2. Is a blind or disabled individual, as defined under section 216(I)(1) of 1614 of the Social Security Act (42 U.S.C. 416 (I)(1); 1382c), and who certifies that because of this disability she or he is unable to comply with the service provisions of this subpart, or:

3. Is a primary caretaker of such individual;

4. Is engaged in a work activity as defined in section 407(d) of the Social Security Act; the HACF will consider 30 hours per week as the minimum number of hours needed to qualify for a work activity exemption.

5. Is able to meet the requirements under a state program funded under part A of Title IV of the Social Security Act, or under any other welfare program of the State in which the public housing authority is located, including a State-administered welfare-to-work program, and has not been found by the State or other administering entity to be in noncompliance with such program.

6. Is a member of a family receiving assistance, benefits, or services under a state program funded under part A of title IV of the Social Security Act, or under any other welfare program of the state in which the HACF is located, including a state-administered welfare-to-work program, and has not been found by the state or other administering entity to be in noncompliance with such program.

Community Service [24 CFR 960.601(b), Notice PIH 2009-48]

Community service is the performance of voluntary work or duties that are a public benefit and that serve to improve the quality of life, enhance resident self-sufficiency, or increase resident self responsibility in the community. Community service is not employment and may not include political activities.

Eligible community service activities include, but are not limited to, work at:

1. Local public or nonprofit institution such as: school, head start programs, before or after school programs, child care center, hospital, clinics, hospice, nursing homes recreation center, senior center, adult day care programs, homeless shelter, feeding program, food banks, distributing either donated or commodity foods or clothes closets, distributing donated clothing.
2. Nonprofit organizations serving HACF residents or their children such as: Boy or Girl Scouts, Boys or Girls Club, 4-H club, Police Assistance League (PAL) organized children's recreation, mentoring or education programs, Big Brothers or Big Sisters, garden centers, community clean-up programs, beautification programs.
3. Programs funded under the Older Americans Act, such as Green Thumb, Service Corps of Retired Executives, senior meals programs, senior centers, Meals on Wheels.

4. Participation in activities which support the Family Learning Center, such as, but not limited to, after-school tutoring, summer programs, being a chaperone for educational field trips, assisting with events and programs related to youth/adult education and literacy.

5. Participation in activities which support the Family Resource Center, such as, but not limited to, being a chaperone for youth and senior field trips, assisting with community events and family/youth programs, and other activities related to youth development, recreation, and family self-sufficiency.

6. Participation in a Family Learning Center Literacy Program as a reading tutor and/or

reading listener.

7. Work at the local senior center and/or programs.
8. Helping neighborhood groups with special projects.
9. Working through a resident organization to help other residents with problems, serving as an officer in a resident organization, serving on the resident advisory board or participates in the site Resident Council as an elected board member or performing activities related to the Resident Council that total eight (8) hours per month.
10. Caring for the children of other residents so they may volunteer

NOTE: Political activity is excluded for purposes of eligible community service activities.

Economic Self-Sufficiency Program [24 CFR 5.603(b), Notice PIH 2009-48]

For purposes of satisfying the community service requirement, an *economic self-sufficiency program* is defined by HUD as: any program designed to encourage, assist, train, or facilitate economic independence of assisted families or to provide work for such families.

These economic self-sufficiency programs include: job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management skills training, apprenticeship, or any other program necessary to ready a participant for employment.

In addition to the activities listed above, the HOUSING AUTHORITY authorizes the following economic self-sufficiency activities:

1. Participation in the HACF Family Self Sufficiency Program.

2. Other activities which further the goals of economic self-sufficiency as approved on an individual basis by the HACF.

3. The HACF will ensure that all community service activities which take place on HACF property are accessible for persons with disabilities.

Work Activities [42 U.S.C. 607(d)]

As it relates to an exemption from the community service requirement, *work activities* means:

1. Unsubsidized employment
2. Subsidized private sector employment
3. Subsidized public sector employment
4. Work experience (including work associated with the refurbishing of publicly assisted housing) if sufficient private sector employment is not available
5. On-the-job training
6. Job search and job readiness assistance

7. Community service programs
8. Vocational educational training (not to exceed 12 months with respect to any individual)
9. Job skills training directly related to employment
10. Education directly related to employment, in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency
11. Satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence, in the case of a recipient who has not completed secondary school or received such a certificate
12. Provision of child care services to an individual who is participating in a community service program

Notification Requirements [24 CFR 960.605(c)(2)]

The HACF will provide the family with a copy of the Community Service Policy found in Exhibit 11-1 (located at the end of this ACOP under "Exhibits"), at lease-up, lease renewal, when a family member is determined to be subject to the community service requirement during the lease term, and at any time upon the family's request.

On an annual basis, at the time of lease renewal, the HACF will notify the family in writing of the family members who are subject to the community service requirement and the family members who are exempt. If the family includes nonexempt individuals the notice will include a list of agencies in the community that provide volunteer and/or training opportunities, as well as a documentation form on which they may record the activities they perform and the number of hours contributed. The form will also have a place for a signature by an appropriate official, who will certify to the activities and hours completed.

11.2 DETERMINATION OF EXEMPTION STATUS AND COMPLIANCE [24 CFR 960.605(C)(3)]

The HACF must review and verify family compliance with service requirements annually at least thirty (30) days before the end of the twelve month lease term. The policy for documentation and verification of compliance with service requirements may be found at Section 11.3 Documentation and Verification.

Where the lease term does not coincide with the effective date of the annual reexamination, the HACF will change the effective date of the annual reexamination to coincide with the lease term. In making this change, the HACF will ensure that the annual reexamination is conducted within 12 months of the last annual reexamination.

Annual Determination

Determination of Exemption Status

The HACF will re-verify exemption status at the annual recertification, except for individuals who are exempt because they are 62 years of age and older, verification of exemption status will be done only at the initial examination.

Determination of Compliance

For each adult resident subject to the community service requirement, the HACF shall, 30 days before the expiration of the Lease Agreement [24 CFR 960.605(c)(3)], review and determine compliance with the community service requirement.

Such determinations shall be made in accordance the principles of due process and on a non-discriminator basis.

Adult residents will not be permitted to self-certify their compliance with the community service requirement.

Approximately 60 days prior to the end of the lease term, the HACF will provide written notice requiring the family to submit documentation that all subject family members have complied with the service requirement. The family will have 10 business days to submit the HACF required documentation form(s).

If the family fails to submit the required documentation within the required timeframe, or HACF approved extension, the subject family members will be considered noncompliant with community service requirements, and notices of noncompliance will be issued pursuant to the policies in Section 11.4, Noncompliance

Change in Status between Annual Determinations

Exempt to Nonexempt Status

At any time shall an adult resident experience a change in status that would make such individual exempt from the community service requirement, he/she must report the change in status within five (5) business days to the site management office. The HOUSING AUTHORITY will verify the exemption status of the requesting adult resident before authorizing non-exemption from the community service requirement.

Nonexempt to Exempt Status

At any time shall an adult resident experience a change in status that would make such individual non-exempt from the community service requirement, he/she must report the change in status within five (5) business days to the site management office. The non-exempt adult resident shall only be responsible for the balance of community service hours to be completed before the annual recertification.

11.3 DOCUMENTATION AND VERIFICATION [24 CFR 960.605(C)(4)]

The HACF must retain reasonable documentation of service requirement performance or exemption in participant files.

Documentation and Verification of Exemption Status

All family members who claim they are exempt from the community service requirement will be required to sign the community service exemption certification form. The HACF will provide a completed copy to the family and will keep a copy in the resident file.

The HACF will verify that an individual is exempt from the community service requirement by following the verification hierarchy and documentation requirements in Chapter 7.

The HACF makes the final determination whether or not to grant an exemption from the community service requirement. If a resident does not agree with the HACF

determination, s/he can dispute the decision through the HACF's grievance procedures (see Chapter 14).

Documentation and Verification of Compliance

At each regularly scheduled reexamination, each nonexempt family member presents a signed standardized certification form developed by the PHA of community service and self-sufficiency activities performed over the last 12 months [Notice PIH 2009-48].

If qualifying community service activities are administered by an organization other than the HACF, a family member who is required to fulfill a service requirement must provide certification to the HACF, signed by the organization, that the family member has performed the qualifying activities [24 CFR 960.607].

If anyone in the family is subject to the community service requirement, the HACF will provide the family with community service documentation forms at admission, at lease renewal, when a family member becomes subject to the community service requirement during the lease term, or upon request by the family.

Each individual who is subject to the requirement will be required to record their community service or self-sufficiency activities and the number of hours contributed on the required form. The certification form will also include places for signatures and phone numbers of supervisors, instructors, and counselors certifying to the number of hours contributed.

Families will be required to submit the documentation to the HACF, upon request by the HACF.

If the HACF has reasonable cause to believe that the certification provided by the family is false or fraudulent, the HACF has the right to require third-party verification.

11.4 NONCOMPLIANCE

If the HACF determines that an adult resident subject to the community service requirement has not complied with the requirement, the HACF shall:

1. Notify the adult resident of such noncompliance;

2. Include in the notification that the determination of noncompliance is subject to the administrative grievance procedure under the HACF's Grievance Procedures; and

3. Unless the resident enters into an agreement to comply with the community service requirement, the adult resident's Lease Agreement will not be renewed; and

4. The HACF may not renew or extend the resident's Lease Agreement upon expiration of the lease term and shall take such action as is necessary to terminate the tenancy of the household, unless the HACF enters into an agreement, before the expiration of the lease term, with the resident providing for the resident to cure any noncompliance with the community service requirement, by participating in an economic self-sufficiency program or contributing to community service as many additional hours as the resident needs to comply in the aggregate with such requirement over the 12-month term of the lease.

11.5 INELIGIBILITY FOR OCCUPANCY FOR NONCOMPLIANCE

The HACF shall not renew or extend any Lease Agreement, or provide any new Lease Agreement, for a dwelling unit for any household that includes an adult resident who was subject to the community service requirement and failed to comply with the requirement.

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CHAPTER 12 – TRANSFER POLICY

INTRODUCTION

It is the policy of the HACF to permit a resident to transfer within or between housing developments under certain conditions (i.e., to be in closer proximity to work or school); when it is necessary to comply with occupancy standards; or when it will help accomplish the affirmative housing goals of the HACF.

The HACF will always consider transfer requests as a reasonable accommodation for a person with a disability.

Transfers will be made without regard to race, color, national origin, sex, religion, or familial status. Residents can be transferred to accommodate a disability[i].

Residents will receive one unit offer for a transfer, whether for HACF-initiated transfers or resident-initiated transfer requests approved by the HACF. Refusal of that offer without good cause will result in lease termination for mandatory transfers or the removal of the household from the transfer list for voluntary transfers.

The Senior Manager shall retain discretionary authority to approve/disapprove all transfers.

This chapter describes HUD regulations and the HACF policies related to transfers in four parts:

Part I: Emergency Transfers. This part describes emergency transfers, emergency transfer procedures, and payment of transfer costs.

Part II: HA Required Transfers. This part describes types of transfers that may be required by the HACF, notice requirements, and payment of transfer costs.

Part III: Transfers Requested by Residents. This part describes types of transfers that may be requested by residents, eligibility requirements, security deposits, payment of transfer costs, and handling of transfer requests.

Part IV: Transfer Processing. This part describes creating a waiting list, prioritizing transfer requests, the unit offer policy, examples of good cause, deconcentration, transferring to another development and reexamination

PART I: EMERGENCY TRANSFERS

12.0 OVERVIEW

HUD categorizes certain actions as emergency transfers [PH Occ GB, p. 147]. The emergency transfer differs from a typical transfer in that it requires immediate action by the HACF.

In the case of a genuine emergency, it may be unlikely that the HACF will have the time or resources to immediately transfer a resident. Due to the immediate need to vacate the unit, placing the resident on a transfer waiting list would not be appropriate. Under such circumstances, if an appropriate unit is not immediately available, the HACF will find alternate accommodations for the resident until the emergency passes, or a permanent

solution, i.e., return to the unit or transfer to another unit, is reached.

12.1 EMERGENCY TRANSFERS

If the dwelling unit is damaged to the extent that conditions are created which are hazardous to life, health, or safety of the occupants, the HACF will offer standard alternative accommodations, if available, where necessary repairs cannot be made within a reasonable time [24 CFR 966.4(h)].

The following is considered an emergency circumstance warranting an immediate transfer of the resident or family:

Maintenance conditions in the resident's unit, building or at the site that pose an immediate, verifiable threat to the life, health or safety of the resident or family members that cannot be repaired or abated within 24 hours. Examples of such unit or building conditions would include:

1. A gas leak;
2. No heat in the building during the winter;
3. No water; toxic contamination;
4. Serious water leaks.
5. Fire[2]

12.2 EMERGENCY TRANSFER PROCEDURES

If the transfer is necessary because of maintenance conditions, and an appropriate unit is not immediately available, the HACF will provide temporary accommodations to the resident by arranging for temporary lodging at a hotel or similar location. If the conditions that required the transfer cannot be repaired, or the condition cannot be repaired in a reasonable amount of time, the HACF will transfer the resident to the first available and appropriate unit after the temporary relocation. Emergency transfers are mandatory for the resident.

PART II: HA REQUIRED TRANSFERS

12.3 OVERVIEW

The HACF may require that a resident transfer to another unit under some circumstances. For example, the HACF may require a resident to transfer to make an accessible unit available to a disabled family. The HACF may also transfer a resident in order to maintain occupancy standards based on family composition. Finally, the HACF may transfer residents in order to demolish or renovate the unit.

A transfer that is required by the HACF is an adverse action, and is subject to the notice requirements for adverse actions [24 CFR 966.4(e)(8)(i)].

12.4 TYPES OF HA REQUIRED TRANSFERS

The types of transfers that may be required by the HACF, include, but are not limited to,

1. Transfers to make an accessible unit available for a disabled family.

2. Transfers to comply with occupancy standards.
3. Transfers for demolition, disposition, revitalization, or rehabilitation.
4. Emergency transfers as discussed in Part I of this chapter.
5. Transfers required by the HACF are mandatory for the resident.

1. Transfers to Make an Accessible Unit Available

When a family is initially given an accessible unit, but does not require the accessible features, the HACF may require the family to agree to move to a non-accessible unit when it becomes available [24 CFR 8.27(b)].

When a non-accessible unit becomes available, the HACF will transfer a family living in an accessible unit that does not require the accessible features, to an available unit that is not accessible. The HACF may wait until a disabled resident requires the accessible unit before transferring the family that does not require the accessible features out of the accessible unit.

2. Occupancy Standards Transfers

The HACF will require a resident to move when a reexamination indicates that there has been a change in family composition, and the family is either overcrowded or over-housed according to HACF policy [24 CFR 960.257(a)(4)]. On some occasions, the HACF may initially place a resident in an inappropriately sized unit at lease-up, where the family is over-housed, to prevent vacancies. The public housing lease will include the resident's agreement to transfer to an appropriately sized unit based on family composition [24 CFR 966.4(c)(3)].

The HACF will transfer a family when the family size has changed and the family is now too large (overcrowded) or too small (over-housed) for the unit occupied.

For purposes of the transfer policy, overcrowded and over-housed are defined as follows:

> ***Overcrowded***: the number of household members exceeds the maximum number of persons allowed for the unit size in which the family resides, according to the chart in Chapter 5.
>
> ***Over-housed****:* the family no longer qualifies for the bedroom size in which they are living based on the HACF's occupancy standards as described in Chapter 5.

The HACF may also transfer a family who was initially placed in a unit in which the family was over-housed to a unit of an appropriate size based on the HACF's occupancy standards, when the HACF determines there is a need for the transfer.

The HACF may elect not to transfer an over-housed family in order to prevent vacancies.

A family that is required to move because of family size will be advised by the HACF that a transfer is necessary and that the family has been placed on the transfer list.

Families that request and are granted an exception to the occupancy standards (for either a larger or smaller size unit) in accordance with the policies in Chapter 5 will only be required to transfer if it is necessary to comply with the approved exception.

3. Demolition, Disposition, Revitalizations, or Rehabilitation Transfers

These transfers permit the HACF to demolish, sell or do major capital or rehabilitation work at a building site [PH Occ GB, page 148].

The HACF will relocate a family when the unit or site in which the family lives is undergoing major rehabilitation that requires the unit to be vacant, or the unit is being disposed of or demolished. The HACF's relocation plan may or may not require transferring affected families to other available public housing units.

If the relocation plan calls for transferring public housing families to other public housing units, affected families will be placed on the transfer list.

In cases of revitalization or rehabilitation, the family may be offered a temporary relocation if allowed under Relocation Act provisions, and may be allowed to return to their unit, depending on contractual and legal obligations, once revitalization or rehabilitation is complete.

12.5 ADVERSE ACTION [24 CFR 966.4(E)(8)(I)]

A HACF required transfer is an adverse action. As an adverse action, the transfer is subject to the requirements regarding notices of adverse actions. If the family requests a grievance hearing within the required timeframe, the HACF may not take action on the transfer until the conclusion of the grievance process.

PART III: TRANSFERS REQUESTED BY RESIDENTS

12.6 OVERVIEW

HUD provides the HACF with discretion to consider transfer requests from residents. The only requests that the HACF is required to consider are requests for reasonable accommodation. All other transfer requests are at the discretion of the HACF. To avoid administrative costs and burdens, this policy limits the types of requests that will be considered by the HACF.

Some transfers that are requested by residents will be treated as higher priorities than others due to the more urgent need for the transfer.

12.7 TYPES OF RESIDENT REQUESTED TRANSFERS

The types of requests for transfer that the HACF will consider are limited to requests for transfers:

1. To alleviate a serious or life threatening medical condition.
2. Transfers due to a threat of physical harm or criminal activity[3].
3. Reasonable accommodation.
4. Transfers to a different unit size as long as the family qualifies for the unit according to the HACF's occupancy standards[4].
5. Transfers to a location closer to employment.

No other transfer requests will be considered by the HACF.

The HACF will consider the following as high priority transfer requests:

1. When a transfer is needed to alleviate verified medical problems of a serious or life-threatening nature
2. When there has been a verified threat of physical harm or criminal activity. Such circumstances may, at the HACF's discretion, include an assessment by law enforcement indicating that a family member is the actual or potential victim of a criminal attack, retaliation for testimony, a hate crime, or domestic violence, dating violence, sexual assault, or stalking.
3. When a family requests a transfer as a reasonable accommodation. Examples of a reasonable accommodation transfer include, but are not limited to, a transfer to a first floor unit for a person with mobility impairment, or a transfer to a unit with accessible features.

The HACF will consider the following as regular priority transfer requests:

1. When a family requests a larger bedroom size unit even though the family does not meet the HACF's definition of overcrowded, as long as the family meets the HACF's occupancy standards for the requested size unit
2. When the head of household or spouse is employed 25 miles or more from the public housing unit, has no reliable transportation and public transportation is not adequate

Transfers requested by the resident are considered optional for the resident.

12.8 ELIGIBILITY FOR TRANSFER

Transferring residents do not have to meet the admission eligibility requirements pertaining to income or preference. The HACF has established the following standards for considering a transfer request [PH Occ GB, p. 150].

Except where reasonable accommodation is being requested, the HACF will only consider transfer requests from residents that meet the following requirements:

1. Have not engaged in criminal activity that threatens the health and safety or residents and staff
2. Owe no back rent or other charges, or have a pattern of late payment
3. Have no housekeeping lease violations or history of damaging property
4. Has resided in their unit for a minimum of 12 months before being eligible for a transfer to another housing development.
5. The resident may not request more than one transfer <u>every four years</u>. (Exceptions to this standard will be made for medical or other emergency situations.)

A resident with housekeeping standards violations will not be transferred until the resident passes a follow-up housekeeping inspection.

Exceptions to the good record requirement may be made when it is to the HACF's advantage to make the transfer.

If a family requested to be placed on the waiting list for a unit size smaller than designated by the occupancy guidelines, the family will not be eligible to transfer to a

larger size unit for a period of two years from the date of admission, unless they have a change in family size or composition, or it is needed as a reasonable accommodation.

12.9 SECURITY DEPOSITS

When a family transfers from one unit to another, the HACF will transfer their security deposit to the new unit. The resident will be billed for any maintenance or others charges due for the “old” unit.

12.10 HANDLING OF REQUESTS

Residents requesting a transfer to another unit or development will be required to submit a written request for transfer.

In case of a reasonable accommodation transfer, the HACF will encourage the resident to make the request in writing using a reasonable accommodation request form. However, the HACF will consider the transfer request any time the resident indicates that an accommodation is needed whether or not a formal written request is submitted.

The HACF will respond by approving the transfer and putting the family on the transfer list, by denying the transfer, or by requiring more information or documentation from the family.

If the family does not meet the “good record” requirements under Section 7.9, the property manager will address the problem and, until resolved, the request for transfer will be denied.

The HACF will respond within ten (10) business days of the submission of the family’s request. If the HACF denies the request for transfer, the family will be informed of its grievance rights.

PART IV: TRANSFER PROCESSING

12.11 OVERVIEW

Generally, transfers should be placed on a transfer list and handled in the appropriate order. The transfer process must be clearly auditable to ensure that residents do not experience disparate treatment.

12.12 TRANSFER LIST

The HACF’s E.S.U. will maintain a centralized transfer list to ensure that transfers are processed in the correct order and that procedures are uniform across all properties.

Emergency transfers will not automatically go on the transfer list. Instead emergency transfers will be handled immediately, on a case by case basis. If the emergency will not be finally resolved by a temporary accommodation, and the resident requires a permanent transfer, that transfer will be placed at the top of the transfer list.

Transfers will be processed in the following order:

1. Emergency transfers (hazardous maintenance conditions)

2. High-priority transfers (verified medical condition, threat of

harm or criminal activity, and reasonable accommodation)

3. Transfers to make accessible units available
4. Demolition, renovation, etc.
5. Occupancy standards
6. Other HACF-required transfers
7. Other resident-requested transfers

Within each category, transfers will be processed in order of the date a family was placed on the transfer list, starting with the earliest date.

With the approval of the senior manager, the HACF may, on a case-by-case basis, transfer a family without regard to its placement on the transfer list in order to address the immediate need of a family in crisis.

Demolition and renovation transfers will gain the highest priority as necessary to allow the HACF to meet the demolition or renovation schedule.

12.13 TRANSFER OFFER POLICY

1. Residents will receive one offer of a transfer. A resident must accept or reject the unit offered within three business days of the date the offer is made.
2. When the transfer is required by the HACF, refusal of that offer without good cause will result in lease termination.
3. When the transfer has been requested by the resident, refusal of that offer without good cause will result in the removal of the household from the transfer list and the family must wait six months to reapply for another transfer.
4. Residents requesting to transfer to another unit or development are required to submit a Resident Request to Transfer Form to the site management office. Within ten business days, the Property Manager will review the request and determine if the resident is in good standing with the HA, has met the **12** month residency requirement, and has not transferred from another site within the last four years.
5. Upon determination by the Property Manager that the resident has met the transfer eligibility criteria, the Resident Request to Transfer Form (RRTF) will be submitted to the E.S.U.
6. Should the request be approved, the RRTF will be forwarded to the E.S.U. Supervisor to determine if a vacant unit, of the appropriate size, is available. Upon acceptance of the unit by the resident, the receiving development staff will facilitate the lease-in appointment. Should a unit not be available, HA will notify the resident that their name has been placed on the transfer list for the location and/or bedroom size desired. If the request is denied, the family will be sent a letter stating the reason for denial, and offering the family an opportunity for an informal hearing.
7. Requests to transfer to another unit within the same development, generally for medical reasons or to accommodate a smaller/larger family composition, will be reviewed and approved by the Property Manager. As units become vacant, the

Property Manager will notify the E.S.U. Supervisor if a request has been approved for a unit of a particular bedroom size and/or accessibility features. The Property Manager will advise the E.S.U. Supervisor that the unit has been flagged for a resident transfer. In cases where the Property Manager denies the transfer request, the resident will be notified in writing of the decision and offered an opportunity for an informal hearing.

8. New applicants shall have priority over transfers, except for Emergency and/or HACF required transfers.

12.14 GOOD CAUSE FOR UNIT REFUSAL

Examples of good cause for refusal of a unit offer include, but are not limited to, the following:

Inaccessibility to source of employment, education, or job training, children's day care, or an educational program for children with disabilities, so that accepting the unit offer would require the adult household member to quit a job, drop out of an educational institution or job training program, or take a child out of day care or an educational program for children with disabilities.

The family demonstrates to the HACF's satisfaction that accepting the offer will place a family member's life, health or safety in jeopardy. The family should offer specific and compelling documentation such as restraining orders, other court orders, or risk assessments related to witness protection from a law enforcement agency. Reasons offered must be specific to the family. Refusals due to location alone do not qualify for this good cause exemption.

A health professional verifies temporary hospitalization or recovery from illness of the principal household member, other household members (as listed on final application) or live-in aide necessary to the care of the principal household member.

An elderly or disabled family makes the decision not to occupy or accept occupancy in designated housing; (24 CFR 945.303(d));

The unit is inappropriate for the applicant's disabilities, or the family does not need the accessible features in the unit offered and does not want to be subject to a 30-day notice to move.

The HA will require documentation of good cause for unit refusals.

12.15 SECURITY DEPOSITS

When a family transfers from one unit to another, the HACF will transfer their security deposit to the new unit. The resident will be billed for any maintenance or others charges due for the "old" unit.

In the case of HACF initiated transfers, the inability to pay the security deposit should not delay the transfer and will be handled on a case-by-case basis.

12.16 COST OF TRANSFER

Residents are responsible for all moving costs related to their transfer. The HACF will only incur the reasonable cost of transfers initiated by the HACF due to demolition, disposition, revitalization, rehabilitation, and/or a reasonable accommodation for a resident with a disability. Upon approval of the transfer, residents must complete their move within three business days.

The resident will be charged rent on both units until the keys from the old unit are turned in to the HACF.

12.17 RECERTIFICATION

The date of the annual recertification will not change upon the completion of the transfer.

12.18 DECONCENTRATION

If subject to deconcentration requirements, the HACF will consider its deconcentration goals when transfer units are offered. When feasible, families above the Established Income Range will be offered a unit in a development that is below the Established Income Range, and vice versa, to achieve the HACF's deconcentration goals. A deconcentration offer will be considered a "bonus" offer; that is, if a resident refuses a deconcentration offer, the resident will receive one additional transfer offer.

[1] 24 CFR 100.5

[2] If a unit becomes uninhabitable due to conditions caused by the resident, any member of the resident household, or the resident's guests, will be addressed through the lease violation process and the resident shall not have the rights set forth above, or if the cause for the conditions is determined after the transfer, the HACF may still terminate tenancy.

[3] Such transfers may be initiated after the HACF receives input from local law enforcement. In considering whether to initiate such transfers, the HACF will take account the circumstances creating the risk of violence and make a determination in the best interest of the resident and the HACF.

[4] Voluntary if the family is between the minimum and maximum occupancy standard but the family requests a transfer, e.g. to permit older children of opposite sexes to have separate bedrooms.

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CHAPTER 13 – LEASE TERMINATIONS [24 CFR 966.4]

INTRODUCTION

The HACF may terminate tenancy for a family based on the resident's action(s) or failure to act in accordance with HUD regulations [24 CFR 966.4 (l)(2)], and the terms of the Lease Agreement. This chapter describes the HACF's policies for notification of lease termination and provisions of the Lease Agreement.

This chapter presents the policies that govern both the family's and HACF's termination of the lease. It is presented in four parts:

Part I: Termination by Resident. This part discusses the family's voluntary termination of the lease and the requirements the HACF places upon families who wish to terminate their lease.

Part II: Termination by HACF - Mandatory. This part describes the policies that govern how, and under what circumstances, a mandatory lease termination by the HACF occurs. This part also includes nonrenewal of the lease for noncompliance with community service requirements.

Part III: Termination by HACF – Other Authorized Reasons. This part describes the HACF's options for lease termination that are not mandated by HUD regulation but for which HUD authorizes HACFs to terminate. For some of these options HUD requires the HACF to establish policies and lease provisions for termination, but termination is not mandatory. For other options the HACF has full discretion whether to consider the options as just cause to terminate as long as the HACF policies are reasonable, nondiscriminatory, and do not violate state or local landlord-resident law. This part also discusses the alternatives that the HACF may consider in lieu of termination, and the criteria the HACF will use when deciding what actions to take.

Part IV: Notification Requirements. This part presents the federal requirements for disclosure of criminal records to the family prior to termination, the HUD requirements and PHA policies regarding the timing and content of written notices for lease termination and eviction, and notification of the post office when eviction is due to criminal activity. This part also discusses record keeping related to lease termination.

PART I: TERMINATION BY RESIDENT

13.0 TERMINATION BY RESIDENT

The resident may terminate their Lease Agreement by providing the HACF with a written thirty-day advance notice as defined in the Lease Agreement.

The HACF in its sole discretion may reinstate the tenancy of a family 120 days after move-out. The resident must have been in good standing with the HACF. Good standing means the resident has demonstrated prompt rent paying habits; the resident demonstrated and maintained adequate housekeeping standards; the resident has a good overall record since living in public housing.

PART II: TERMINATION BY THE HACF – MANDATORY

13.1 OVERVIEW

HUD requires the HACF to terminate the lease in certain circumstances. In other circumstances HUD requires the HACF to establish provisions for lease termination, but it is still the HACF option to determine, on a case-by-case basis, whether termination is warranted. For those resident actions or failures to act where HUD requires termination, the HACF has no such option. In those cases, the family's lease must be terminated. This part describes situations in which HUD requires the HACF to terminate the lease.

13.2 MANDATORY TERMINATION

- **Failure To Provide Consent [24 CFR 960.259(a) and (b)]**
  The HACF must terminate the lease if any family member fails to sign and submit any consent form s/he is required to sign for any recertification.

- **Failure To Document Citizenship [24 CFR 5.514(c) and (d) and 24 CFR 960.259(a)]**
  The HACF must terminate the lease if (1) a family fails to submit required documentation within the required timeframe concerning any family member's citizenship or immigration status; (2) a family submits evidence of citizenship and eligible immigration status in a timely manner, but United States Citizenship and Immigration Services (USCIS) primary and secondary verification does not verify eligible immigration status of the family, resulting in no eligible family members; or (3) a family member, as determined by the HACF, has knowingly permitted another individual who is not eligible for assistance to reside (on a permanent basis) in the unit. For (3), such termination must be for a period of at least 24 months. This does not apply to ineligible noncitizens already in the household where the family's assistance has been prorated.

- **Failure To Disclose and Document Social Security Numbers [24 CFR 5.218(c), 24 CFR 960.259(a)(3),Notice PIH 2010-3]**
  The HACF must terminate the tenancy of Public Housing participants (the entire household) if s/he (including each member of the household required to disclose his/her SSN) does not disclose his/her SSN and provide the required documentation.

  However, if the family is otherwise eligible for continued program assistance, and the HACF determines that the family's failure to meet the SSN disclosure and documentation requirements was due to circumstances that could not have been foreseen and were outside of the family's control, the HACF may defer the family's termination and provide the opportunity to comply with the requirement within a period not to exceed 90 calendar days from the date the HACF determined the family to be noncompliant.

The HACF will defer the family's termination and provide the family with the opportunity to comply with the requirement for a period of 90 calendar days for circumstances beyond the participant's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency, if there is a reasonable likelihood that the participant will be able to disclose an SSN by the deadline.

See Chapter 7 for a complete discussion of documentation and certification requirements.

- **Failure To Accept The HACF's Offer Of A Lease Revision [24 CFR 966.4(l)(2)(ii)(E)]**
  The HACF must terminate the lease if the family fails to accept the HACF's offer of a lease revision to an existing lease.

- **Methamphetamine Conviction [24 CFR 966.4(l)(5)(i)(A)]**
  The HACF must immediately terminate the lease if the HACF determines that any household member has ever been convicted of the manufacture or production of methamphetamine on the *premises* of federally-assisted housing. *"Premises"* is defined as the building or complex in which the dwelling unit is located, including common areas and grounds.

- **Noncompliance With Community Service Requirements [24 CFR 966.4(l)(2)(ii)(D), 24 CFR 960.603(b) and 24 CFR 960.607(b)(2)(ii) and (c)]**
  The HACF is prohibited from renewing the lease at the end of the 12 month lease term when the family fails to comply with the community service requirements as described in Chapter 11.

- **Death of a Sole Family Member [Notice PIH 2010-3]**
  The HACF must immediately terminate program assistance for deceased single member households.

PART III: TERMINATION BY HACF – OTHER AUTHORIZED REASONS

13.3 OVERVIEW

HUD requires the HACF to establish provisions in the lease for termination pertaining to certain criminal activity, alcohol abuse, and certain household obligations stated in the regulations. The HACF has the discretion to consider circumstances surrounding the violation or, in applicable situations, whether the offending household member has entered or completed rehabilitation, and the HACF may, as an alternative to termination, require the exclusion of the culpable household member.

In addition, HUD authorizes the HACFs to terminate the lease for other grounds, but for only those grounds that constitute serious or repeated violations of material terms of the lease or that are for other good cause. In the development of the terms of the lease, the HACF has consider the limitations imposed by state and local landlord-resident law, as well as HUD regulations and federal statutes.

13.4 MANDATORY LEASE PROVISIONS [24 CFR 966.4(l)(5)]

This section addresses provisions for lease termination that must be included in the lease agreement according to HUD regulations. Although the provisions are required, HUD does not require the HACF to terminate for such violations in all cases, therefore the HACF policies are needed.

Definitions [24 CFR 5.100]
The following definitions will be used for this and other parts of this chapter:

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

Dating violence is defined in Chapter 3, Section 3.34

Domestic violence is defined in Chapter 3, Section 3.34

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

Drug-related criminal activity means the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with the intent to manufacture, sell, distribute, or use the drug.

Guest means a person temporarily staying in the unit with the consent of a resident or other member of the household who has express or implied authority to so consent on behalf of the resident.

Household means the family and HACF-approved live-in aide. The term household also includes foster children and/or foster adults that have been approved to reside in the unit [HUD-50058, Instruction Booklet, p. 65].

Immediate family member is defined in section 3-III.F.

Other person under the resident's control means that the person, although not staying as a guest in the unit, is, or was at the time of the activity in question, on the premises because of an invitation from the resident or other member of the household who has express or implied authority to so consent on behalf of the resident. Absent evidence to the contrary, a person temporarily and infrequently on the premises solely for legitimate commercial purposes is not *under the resident's control*.

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

Stalking is defined in Chapter 3, Section 3.34

Violent criminal activity means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

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

Pattern of abuse is defined as the use and/or possession of a controlled substance or alcohol if there is more than three (3) incident during the previous 24 months.

Incident includes but is not limited to arrest, convictions, no contest pleas, fines and city ordinance violations.

Currently engaged in as any use or possession of illegal drugs during the previous twelve months.

Abusive or violent behavior includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language (written or oral) that is customarily used to insult or intimidate, may be cause for denial of admission.

***Threatened* refers** to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

13.5 TERMINATION BY HACF – OTHER AUTHORIZED REASONS

The lease may be terminated at any time by the HACF who shall give written notice for serious or repeated violation of the terms of the lease such as, but not limited to:

- **Drug Crime On or Off the Premises [24 CFR 966.4(l)(5)(i)(B)]**
  The HACF will terminate the lease for drug-related criminal activity engaged in on or off the premises by any resident, member of the resident's household or guest, and any such activity engaged in on the premises by any other person under the resident's control.

  The HACF defines "drug related criminal activity" as the illegal manufacture, sale, distribution or use of, or possession with the intent to manufacture, sell, distribute or use, a controlled substance constitutes a drug-related criminal activity.

  The HACF will consider all credible evidence, including but not limited to, any record of arrests or convictions of covered persons related to the drug-related criminal activity.

- **Illegal Use of a Drug [24 CFR 966.4(l)(5)(i)(B)]**
  The HACF will terminate the lease in cases where the HACF determines there is reasonable cause to believe that a family member, or a guest of a family member, is illegally using or in possession of a controlled substance or engages in drug-related criminal or violent criminal activity or the HACF determines that a pattern of illegal use of a drug interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.

  The HACF defines "pattern of illegal drug use/abuse" as more than three (3) incident of any use of illegal drugs during the previous 24 months.

The HACF will consider all credible evidence, including but not limited to, any record of arrests or convictions of household members related to the use of illegal drugs.

- **Alcohol Abuse [24 CFR 966.4(l)(5)(vi)(A)]**
  The same will apply if it is determined that a family member, or a guest of a family member, abuses alcohol in a way that interferes with the health, safety or right to peaceful enjoyment of the premises by other residents.
  A pattern of such alcohol abuse means more than three (3) incident of any such abuse of alcohol during the previous 24 months.

  The HACF will consider all credible evidence, including but not limited to, any record of arrests or convictions of household members related to the abuse of alcohol.

- **Threat to Other Residents [24 CFR 966.4(l)(5)(ii)(A)]**
  The HACF will terminate the lease when a covered person engages in any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents or by persons residing in the immediate vicinity of the premises.

  Immediate vicinity means within a three-block radius of the premises.

  The HACF defines "abusive or violent behavior" includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language (written or oral) that is customarily used to insult or intimidate, may be cause for termination of assistance.

  "Threatened" refers to oral or written threats or physical gestures that communicate an intent to abuse or commit violence.

  Actual physical abuse or violence will always be cause for termination of assistance.

- **Furnishing False or Misleading Information Concerning Illegal Drug Use or Alcohol Abuse or Rehabilitation [24 CFR 966.4(l)(5)(vi)(B)]**
  The HACF will terminate the lease if the HAFC determines that a household member has furnished false or misleading information concerning illegal drug use, alcohol abuse, or rehabilitation of illegal drug users or alcohol abusers.

  The HACF will consider all credible evidence, including but not limited to, any record of arrests or convictions of household members related to the use of illegal drugs or the abuse of alcohol, and any records or other documentation (or lack of records or documentation) supporting claims of rehabilitation of illegal drug users or alcohol abusers.

Committing of any of the above acts is a material breach of the lease and *may result in termination of tenancy on three days' notice.*

13.6 OTHER SERIOUS OR REPEATED VIOLATIONS OF MATERIAL TERMS OF THE LEASE – MANDATORY LEASE PROVISIONS [24 CFR 966.4(L)(2)(I) AND 24 CFR 966.4(F)]

The HACF will terminate the lease for the following violations of resident obligations under the lease:

- Nonpayment of rent or other charges due under the Lease, or chronic late payment of rent (4 times in 12 months is considered chronic);
- Failure to provide timely and accurate statements of income, assets, expenses and family composition at Admission, Interim, Special or Annual Rent Recertifications;
- Assignment or subleasing of the premises or providing accommodation for boarders or lodgers;
- Use of the premises for purposes other than solely as a dwelling unit for the Resident and Resident's household as identified in this Lease, except as approved by the HA for a home based occupation;
- Failure to abide by reasonable rules made by the HA for the benefit and well being of the housing development and the Residents;
- Failure to abide by applicable building and housing codes materially affecting health or safety;
- Failure to dispose of garbage waste and rubbish in a safe and sanitary manner;
- Failure to use electrical, plumbing, sanitary, heating, ventilating, air conditioning and other equipment, in a safe manner;
- Acts of destruction, defacement or removal of any part of the premises, or failure to cause guests to refrain from such acts;
- Failure to pay reasonable charges (other than for normal wear and tear) for the repair of damages to the premises, development buildings, facilities, equipment, or common areas;
- Non-compliance with any assistance programs, governmental agency and/or law enforcement.

13.7 OTHER AUTHORIZED REASONS FOR TERMINATION [24 CFR 966.4(l)(2) and (5)(ii)(B)]

HUD authorizes the HACF to terminate the lease for reasons other than those described in the previous sections. These reasons are referred to as "other good cause."

Other Good Cause [24 CFR 966.4(l)(2)(ii)(B) and (C)]
HUD regulations state that the HACF may terminate tenancy for other good cause. The

Violence against Women Reauthorization Act of 2005 explicitly prohibits the HACF from considering incidents of actual or threatened domestic violence, dating violence, or stalking as “other good cause” for terminating the tenancy or occupancy rights of the victim of such violence. The HACF will terminate the lease for the following reasons:

- ***Fugitive Felon or Parole Violator.*** If a resident is fleeing to avoid prosecution, or custody or confinement after conviction, for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees, or that, in the case of the State of New Jersey, is a high misdemeanor; or violating a condition of probation or parole imposed under federal or state law.

- ***Persons subject to sex offender registration requirement.*** If any member of the household has, during their current public housing tenancy, become subject to a registration requirement under a state sex offender registration program.

  For families, failure to remove any household member(s) that are subject to a sex offender lifetime registration under a State sex offender registration program will result in eviction of the family.

- Discovery after admission of facts that made the resident ineligible

- Discovery of material false statements or fraud by the resident in connection with an application for assistance or with reexamination of income

- Failure to furnish such information and certifications regarding family composition and income as may be necessary for the HACF to make determinations with respect to rent, eligibility, and the appropriateness of dwelling size

- Failure to transfer to an appropriate size dwelling unit based on family composition, upon appropriate notice by the HACF that such a dwelling unit is available

- Failure to permit access to the unit by the HACF after proper advance notification for the purpose of performing routine inspections and maintenance, for making improvements or repairs, or to show the dwelling unit for re-leasing, or without advance notice if there is reasonable cause to believe that an emergency exists

- Failure to promptly inform the HACF of the birth, adoption or court-awarded custody of a child. In such a case, promptly means within 10 business days of the event.

- Failure to abide by the provisions of the HACF pet policy

- If the family has breached the terms of a repayment agreement entered into with the HACF

- If a family member has violated federal, state, or local law that imposes obligations in connection with the occupancy or use of the premises.

- If a ***covered person*** has engaged in or threatened violent or abusive behavior toward the HACF personnel, vendor and/or contractors.

Abusive or violent behavior towards HACF personnel, vendor and/or contractors includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior.

Threatening refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

- ***Family Absence from Unit*** [24 CFR 982.551(i)]
  The family must supply any information or certification requested by the HACF to verify that the family is living in the unit, or relating to family absence from the unit, including any HACF-requested information or certification on the purposes of family absences. The family must cooperate with the HACF for this purpose.

  The family must promptly notify the HACF when all family members will be absent from the unit for an extended period. An extended period is defined as any period greater than 60 calendar days in a 12-month period. In such a case promptly means within 10 business days of the start of the extended absence.

  Abandonment*.* If the entire family is absent from the unit more than 14 consecutive days, whether or not rent has been paid, the HACF will consider the family to have abandoned the unit. The HACF will follow state and local landlord-tenant law pertaining to abandonment before taking possession of the unit. If necessary, the HACF will secure the unit immediately to prevent vandalism and other criminal activity.

13.8 ALTERNATIVES TO TERMINATION OF TENANCY

Exclusion of Culpable Household Member [24 CFR 966.4(l)(5)(vii)(C)]
In evaluating whether to terminate the lease, the HACF will give fair consideration to the seriousness of the activity, and/or likelihood of favorable conduct in the future (including evidence of rehabilitation).

The HACF will also consider whether:

- The person demonstrates successful completion of a credible rehabilitation program approved by the HACF, and is willing to continue in a supportive program approved by the HACF; or

- The individual involved in drug-related criminal activity is no longer in the household due to incarceration.

If the HACF determines not to terminate the lease, and permit continued occupancy, the HACF may require the family accept imposed conditions such as that the involved family member(s) does not reside in or visit the unit. The HACF will consider evidence that the person is no longer in the household such as a divorce decree/incarceration/ death/ copy of a new lease for the person including the owner's telephone number and address/ or other substantiating evidence.

If a family member is terminated from assistance due to an arrest for a criminal charge,

the family may be re-instated upon documentation that the criminal charge was dismissed or the person was found “not guilty” by a court of law.

Repayment of Family Debts
If a family owes amounts to the HACF, as a condition of continued occupancy, the HACF will require the family to repay the full amount or to enter into a repayment agreement, within 30 days of receiving notice from the HACF of the amount owed

13.9 CRITERIA FOR DECIDING TO TERMINATE TENANCY

The HACF will consider all of the circumstances relevant to a particular case before making a decision, to terminate a tenancy, except as explained in Part II of this chapter,

Evidence [24 CFR 982.553(c)]
For criminal activity, HUD permits the HACF to terminate the lease if a ***preponderance of the evidence*** indicates that a household member has engaged in the activity, regardless of whether the household member has been arrested or convicted, and without satisfying the standard of proof used for a criminal conviction.

The HACF will use the concept of the preponderance of the evidence as the standard for making all termination decisions.

Preponderance of the evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

Consideration of Circumstances [24 CFR 966.4(l)(5)(vii)(B)]
Although it is required that certain lease provisions exist for criminal activity and alcohol abuse, HUD provides that the HACF may consider all circumstances relevant to a particular case in order to determine whether or not to terminate the lease.
Such relevant circumstances can also be considered when terminating the lease for any other reason.

The HACF will consider the following factors before deciding whether to terminate the lease for any of the HUD required lease provisions or for any other reasons:

- The seriousness of the offending action, especially with respect to how it would affect other residents
- The extent of participation or culpability of the leaseholder, or other household members, in the offending action, including whether the culpable member is a minor, a person with disabilities, or (as discussed further in section 13.10) a victim of domestic violence, dating violence, or stalking
- The effects that the eviction will have on other family members who were not involved in the action or failure to act

- The effect on the community of the termination, or of the HACF's failure to terminate the tenancy
- The effect of the HACF's decision on the integrity of the public housing program
- The demand for housing by eligible families who will adhere to lease responsibilities
- The extent to which the leaseholder has shown personal responsibility and whether they have taken all reasonable steps to prevent or mitigate the offending action
- The length of time since the violation occurred, the family's recent history, and the likelihood of favorable conduct in the future
- In the case of program abuse, the dollar amount of the underpaid rent and whether or not a false certification was signed by the family.

Consideration of Rehabilitation [24 CFR 966.4(l)(5)(vii)(D)]
HUD authorizes the HACFs to take into consideration whether a household member who had used illegal drugs or abused alcohol and is no longer engaging in such use or abuse is participating in or has successfully completed a supervised drug or alcohol rehabilitation program.

In determining whether to terminate the lease for illegal drug use or a pattern of illegal drug use, or for abuse or a pattern of abuse of alcohol, by a household member who is no longer engaging in such use or abuse, the HACF will consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program, or has otherwise been rehabilitated successfully.

For this purpose the HACF will require the resident to submit evidence of the household member's current participation in, or successful completion of, a supervised drug or alcohol rehabilitation program or evidence of otherwise having been rehabilitated successfully.

Reasonable Accommodation [24 CFR 966.7]
If the family includes a person with disabilities, the HACF's decision to terminate the family's lease is subject to consideration of reasonable accommodation in accordance with 24 CFR Part 8.

If a family indicates that the behavior of a family member with a disability is the reason for a proposed termination of lease, the HACF will determine whether the behavior is related to the disability. If so, upon the family's request, the HACF will determine whether alternative measures are appropriate as a reasonable accommodation. The HACF will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed lease termination. See Chapter 2 for a discussion of reasonable accommodation.
Nondiscrimination Limitation [24 CFR 966.4(l)(5)(vii)(F)]
The HACF's eviction actions must be consistent with fair housing and equal opportunity provisions of 24 CFR 5.105.

13.10 PROHIBITION AGAINST TERMINATING TENANCY OF VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, AND STALKING [24 CFR 5.2005]

The Violence against Women Reauthorization Act of 2005 (VAWA), provides that "criminal activity directly relating to domestic violence, dating violence, or stalking, engaged in by a member of a resident's household or any guest or other person under the resident's control, shall not be cause for termination of the tenancy or occupancy rights, if the resident or immediate family member of the resident's family is the victim or threatened victim of that abuse."

VAWA further provides that incidents of actual or threatened domestic violence, dating violence, or stalking may not be construed either as serious or repeated violations of the lease by the victim of such violence or as good cause for terminating the tenancy or occupancy rights of the victim of such violence.

Definitions

For the definitions of *domestic violence*, *dating violence*, *stalking*, and *immediate family member*, see section 3.34

VAWA and Other Laws [24 CFR 5.2009, 24 CFR 5.2005(d)]
VAWA does not supersede any other federal, state, or local law that provides greater protection to victims of domestic violence, dating violence, or stalking.

Moreover, VAWA does not limit the HACF's duty to honor court orders issued to protect a victim or to address the distribution of property when a family breaks up.

Limits on VAWA Protections [24 CFR 5.2005(b), 24 CFR 5.2005(e)]
While VAWA prohibits the HACF from using domestic violence, dating violence, or stalking as the cause for a termination or eviction action against a public housing resident who is the victim of the abuse, the protections it provides are not absolute. Specifically:

- VAWA does not limit the HACF's otherwise available authority to terminate assistance to or evict a victim for lease violations not premised on an act of domestic violence, dating violence, or stalking providing that the HACF does not subject the victim to a more demanding standard than other residents.

- VAWA does not limit the HACF's authority to terminate the tenancy of any public housing resident if the HACF can demonstrate an actual and imminent threat to other residents or those employed at or providing service to the property if that resident's tenancy is not terminated.

In determining whether a public housing resident who is a victim of domestic violence, dating violence, or stalking is an actual and imminent threat to other residents or those employed at or providing service to a property, the HACF will consider the following, and any other relevant, factors:

- Whether the threat is toward an employee or resident other than the victim of domestic violence, dating violence, or stalking
- Whether the threat is a physical danger beyond a speculative threat
- Whether the threat is likely to happen within a short period of time

- Whether the threat to other residents or employees can be eliminated in some other way, such as by helping the victim relocate to a confidential location

If the resident wishes to contest the HACF's determination that he or she is an actual and imminent threat to other residents or employees, the resident may do so as part of the grievance hearing or in a court proceeding.

Victim Notification [Notice PIH 2006-42]
VAWA requires the HACF to notify residents of their rights under VAWA and to inform them about the existence of form HUD-50066, Certification of Domestic Violence, Dating Violence, or Stalking. (For general VAWA notification policies, see Chapter 16-Part VII.)

- The HACF will include language discussing the protections provided by VAWA in the termination or eviction notice and request that a resident come to the HACF office and pick up the form HUD-50066, if the resident believes the VAWA protections apply.

- If the HACF has reason to suspect that the form HUD-50066 might place a victim of domestic violence at risk, it will attempt to deliver the notice by hand directly to the victim. The HACF will use the same caution if it decides to deliver VAWA information to a victim at any other time following an incident of domestic violence.

Victim Documentation [Notice PIH 2006-42]
When a resident family is facing lease termination because of the actions of a resident, household member, guest, or other person under the resident's control and a resident or immediate family member of the resident's family claims that she or he is the victim of such actions and that the actions are related to domestic violence, dating violence, or stalking, the HACF will request in writing that the individual submit documentation affirming that claim. The written request will include explicit instructions on where, when, and to whom the documentation must be submitted. It will also state the consequences for failure to submit the documentation by the deadline.

The documentation will consist of a completed and signed form HUD-50066, Certification of Domestic Violence, Dating Violence, or Stalking. In lieu of the certification form, the HACF will accept either of the following forms of documentation:

A police or court record documenting the actual or threatened abuse;

Documentation signed by a person who has assisted the victim in addressing domestic violence, dating violence, or stalking, or the effects of such abuse. This person may be an employee, agent, or volunteer of a victim service provider; an attorney; or a medical or other knowledgeable professional. The person signing the documentation must attest under penalty of perjury to the person's belief that the incidents in question are bona fide incidents of abuse. The victim must also sign the documentation.

The individual claiming victim status must submit the requested documentation within 14 business days after receipt of the HACF's written request or must request an extension within that time frame. The HACF may, at its discretion, extend the deadline for 10

business days.

If the individual provides the requested documentation within 14 business days, or any HACF-approved extension, the HACF will reconsider its termination decision in light of the documentation.

If the individual does not provide the requested documentation within 14 business days, or any HACF-approved extension, the HACF will proceed with termination of the family's lease in accordance with applicable local, state, and federal law and the policies in this ACOP.

Terminating or Evicting a Perpetrator of Domestic Violence [24 CFR 5.2005(c)]
The HACF will bifurcate a family's lease and terminate the tenancy of a family member if the PHA determines that the family member has committed criminal acts of physical violence against other family members or others. This action will not affect the tenancy or program assistance of the remaining, nonculpable family members.

In making its decision, the HACF will consider all credible evidence, including, but not limited to, a signed certification (form HUD-50066) or other documentation of abuse submitted to the HACF by the victim in accordance with this section. Upon such consideration, the HACF may, on a case-by-case basis, choose not to bifurcate the lease and terminate the tenancy of the culpable family member.

If the HACF does bifurcate the lease and terminate the tenancy of the culpable family member, it will do so in accordance with the lease, applicable law, and the policies in this ACOP. If necessary, the HACF will also take steps to ensure that the remaining family members have a safe place to live during the termination process. For example, the HACF may offer the remaining family members another public housing unit, if available; it may help them relocate to a confidential location; or it may refer them to a victim service provider or other agency with shelter facilities.

PHA Confidentiality Requirements [24 CFR 5.2007(a)(1)(v)]
All information provided to the HACF regarding domestic violence, dating violence, or stalking, including the fact that an individual is a victim of such violence or stalking, must be retained in confidence and may neither be entered into any shared data base nor provided to any related entity, except to the extent that the disclosure (a) is requested or consented to by the individual in writing, (b) is required for use in an eviction proceeding, or (c) is otherwise required by applicable law.

If disclosure is required for use in an eviction proceeding or is otherwise required by applicable law, the HACF will inform the victim before disclosure occurs so that safety risks can be identified and addressed.

PART IV: NOTIFICATION REQUIREMENTS, EVICTION PROCEDURES AND RECORD KEEPING

13.11 OVERVIEW

HUD regulations specify the requirements for the notice that must be provided prior to lease termination. This part discusses those requirements and the specific requirements that precede and follow termination for certain criminal activities which are addressed in the regulations. This part also discusses specific requirements pertaining to the actual eviction of families and record keeping.

13.12 CONDUCTING CRIMINAL RECORDS CHECKS [24 CFR 5.903(e)(ii) and 24 CFR 960.259]

The HACF will conduct criminal records checks at time of admission and part of the annual recertification process for continued occupancy or when it has come to the attention of the HACF, either from local law enforcement or by other means that an individual has engaged in the destruction of property, engaged in violent activity against another person, or has interfered with the right to peaceful enjoyment of the premises of other residents. Such checks will also include sex offender registration information. In order to obtain such information, all adult household members must sign consent forms for release of criminal conviction and sex offender registration records on an annual basis.

The HACF will not pass along to the resident the costs of a criminal records check.

13.13 DISCLOSURE OF CRIMINAL RECORDS TO FAMILY [24 CFR 5.903(f), 24 CFR 5.905(d) and 24 CFR 966.4(l)(5)(iv)]

In all cases where criminal record or sex offender registration information would result in lease enforcement or eviction, the HACF's Program Integrity Department will notify the household in writing of the proposed adverse action and will provide the subject of the record and the resident a copy of such information, and an opportunity to dispute the accuracy and relevance of the information before an eviction or lease enforcement action is taken.

The family will be given 10 business days from the date of the HACF notice, to dispute the accuracy and relevance of the information. If the family does not contact the HACF' Program Integrity Department to dispute the information within that 10 business day period, the HACF will proceed with the termination action.

Should the resident not exercise their right to dispute prior to any adverse action, the resident still has the right to dispute in the grievance hearing or court trial.

13.14 LEASE TERMINATION NOTICE [24 CFR 966.4(l)(3)]

Form, Delivery, and Content of the Notice
The HA's written notice of lease termination will state the reason for the proposed termination, the date of termination, and the rights and protections afforded the resident

by the regulations and this policy and their right to examine HACF documents directly relevant to the termination or eviction. If the HACF does not make the documents available for examination upon request by the resident, the HACF may not proceed with the eviction [24 CFR 996.4(m)].

When the HACF is required to offer the resident an opportunity for a grievance hearing, the notice must also inform the resident of their right to request a hearing in accordance with the HACF's grievance procedure. In these cases, the tenancy shall not terminate until the time for the resident to request a grievance hearing has expired and the grievance procedure has been completed.

When the HACF is not required to offer the resident an opportunity for a grievance hearing because HUD has made a due process determination and the lease termination is for criminal activity that threatens health, safety or right to peaceful enjoyment or for drug-related criminal activity, the notice of lease termination must state that the resident is not entitled to a grievance hearing on the termination. It must specify the judicial eviction procedure to be used by the HACF for eviction of the resident, and state that HUD has determined that the eviction procedure provides the opportunity for a hearing in court that contains the basic elements of due process as defined in HUD regulations. The notice must also state whether the eviction is for a criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises of other residents or employees of the HACF, or for a drug-related criminal activity on or off the premises.

The HACF will attempt to deliver notices of lease termination directly to the resident or an adult member of the household or posted on the unit; and in all cases sent by first class mail addressed to the resident at the unit on the same date. (For terminations related to domestic violence, see also the policy under "Victim Notification" in section 13.10.)

All notices of lease termination will include a statement of the protection against termination provided by the Violence against Women Reauthorization Act of 2005 (VAWA) for victims of domestic violence, dating violence, or stalking. A statement will also be included that form HUD-50066, Certification of Domestic Violence, Dating Violence, or Stalking maybe obtain at the site office. Any family member who claims that the cause for termination involves (a) criminal acts of physical violence against family members or others or (b) incidents of domestic violence, dating violence, or stalking of which a family member is the victim will be given the opportunity to provide documentation in accordance with the policies in section 13.10.

Timing of the Notice [24 CFR 966.4(l)(3)(i)]
If the HACF terminates the lease, written notice will be given as follows:

1. Fourteen (14) calendar days in the case of failure to pay rent;
2. Three (3) calendar days:

    a. If any member of the household has engaged in any drug-related criminal activity. or violent criminal activity;

    b. Other criminal activity which may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons

residing in the immediate vicinity;

c. If the health or safety of other residents, HACF employees, property management staff, or persons performing a contract administration function or responsibility on behalf of the HACF (including a HACF contractor, subcontractor or agent) or persons residing in the immediate vicinity of the premises is threatened; or

d. If any member of the household has engaged in a Violent Criminal activity.

e. If any member of the household has been convicted of a felony;

3. Thirty (30) calendar days in all other cases:

Period of time prohibited from admission or continued occupancy for 2a, 2b and 2c above would be up to three years from the date of the offense.

Period of time prohibited from admission for item “d” above would be up to five years from the date of offense; however depending upon the seriousness of the crime committed the prohibition would be up to seven years from the date of the offense.

Period of time prohibited for admission for item “e” above would be five years from the date of offense; however depending upon the seriousness of the felony committed the prohibit would be up to seven years from the date of the offense.

The Notice to Vacate that may be required under state or local law may be combined with or run concurrently with the notice of lease termination.

Notice of Nonrenewal Due to Community Service Noncompliance [24 CFR 966.4(l)(2)(ii)(D), 24 CFR 960.603(b) and 24 CFR 960.607(b)]
When the HACF finds that a family is in noncompliance with the community service requirement, the resident and any other noncompliant resident must be notified in writing of this determination. Notices of noncompliance will be issued in accordance with the requirements and policies in Chapter 11.

If after receiving a notice of initial noncompliance the family does not request a grievance hearing, or does not take either corrective action required by the notice within the required timeframe, a termination notice will be issued in accordance with the policies above.

If a family agreed to cure initial noncompliance by signing an agreement, and is still in noncompliance after being provided the 12-month opportunity to cure, the family will be issued a notice of continued noncompliance. The notice of continued noncompliance will be sent in accordance with the policies in Chapter 11, and will also serve as the notice of termination of tenancy.

Notice of Termination Based on Citizenship Status [24 CFR 5.514 (c) and (d)]
In cases where termination of tenancy is based on citizenship status, HUD requires the notice of termination to contain additional information. In addition to advising the family of the reasons their assistance is being terminated, the notice must also advise the

family of any of the following that apply: the family's eligibility for proration of assistance, the criteria and procedures for obtaining relief under the provisions for preservation of families, the family's right to request an appeal to the USCIS of the results of secondary verification of immigration status and to submit additional documentation or a written explanation in support of the appeal, and the family's right to request an informal hearing with the HACF either upon completion of the USCIS appeal or in lieu of the USCIS appeal. Please see Chapter 14 for the HACF's informal hearing procedures.

13.15 EVICTION [24 CFR 966.4(l)(4) and 966.4(m)]

When a family does not vacate the unit after receipt of a termination notice, by the deadline given in the notice, the HACF will follow state and local landlord-tenant law in filing an eviction action with the local court that has jurisdiction in such cases.

If the eviction action is finalized in court and the family remains in occupancy beyond the deadline to vacate given by the court, the HACF will seek the assistance of the court to remove the family from the premises as per state and local law.

The HACF may not proceed with an eviction action if the HACF has not made available the documents to be used in the case against the family, and has not afforded the family the opportunity to examine and copy such documents in accordance with the provisions of 24 CFR 966.4(l)(3) and (m).

13.16 NOTIFICATION TO POST OFFICE [24CFR 966.4(l)(5)(iii)(B)]

Following the eviction for criminal activity, including drug-related criminal activity, the HACF shall notify the local post office serving the dwelling unit that the individual or family is no longer residing in the unit.

13.17 RECORD KEEPING

A written record of every termination and/or eviction will be maintained by the HACF at the development where the family was residing, and will contain the following information:

- Name of resident, number and identification of unit occupied
- Date of the notice of lease termination and any other notices required by state or local law; these notices may be on the same form and will run concurrently
- Specific reason(s) for the notices, citing the lease section or provision that was violated, and other facts pertinent to the issuing of the notices described in detail (other than any criminal history reports obtained solely through the authorization provided in 24 CFR 5.903 and 5.905)
- Date and method of notifying the resident
- Summaries of any conferences held with the resident including dates, names of conference participants, and conclusions.

CHAPTER 14 – GRIEVANCES AND APPEALS [24 CFR 966.50–966.57]

INTRODUCTION

This chapter describes the policies to be used when applicants or residents disagree with a HA decision. It is the policy of the HA that all applicants and residents have the benefit of all appeal/grievance rights due to them under the law. The policies are discussed in the following three parts:

Part I: Informal Hearings for Public Housing Applicants. This part outlines the requirements and procedures for informal hearings for public housing applicants.

Part II: Informal Hearings with Regard to Noncitizens. This part discusses informal hearings regarding citizenship status and where they differ from the requirements for general applicant and tenant grievances.

Part III: Grievance Procedures for Public Housing Residents. This part outlines the requirements and procedures for handling grievances for public housing residents.

PART I: INFORMAL HEARINGS FOR PUBLIC HOUSING APPLICANTS

14.0 OVERVIEW

When the HACF makes a decision that has a negative impact on an applicant family, the family is often entitled to appeal the decision. For applicants, the appeal takes the form of an informal hearing. HUD regulations do not provide a structure for or requirements regarding informal hearings for applicants (except with regard to citizenship status, to be covered in Part II). This part discusses the HACF policies necessary to respond to applicant appeals through the informal hearing process.

14.1 INFORMAL HEARING PROCESS [24 CFR 960.208(A) AND PH OCC GB, P. 58]

Notice of Denial [24 CFR 960.208(a)]
Applicants who are determined ineligible because they do not meet the HACF's admission standards, will be given prompt written notification stating reason for the determination and the procedure for requesting an informal hearing.

Prior to notification of denial based on information obtained from criminal or sex offender registration records, the family, in some cases, must be given the opportunity to dispute the information in those records which would be the basis of the denial.

Scheduling an Informal Hearing
Applicants must submit their request for an informal hearing in writing to the HACF within ten business days from the date of the notification of their ineligibility.

Except for an applicant caused delay(s), if an applicant requests an informal hearing, the HACF will schedule the hearing to be held within ten business days of receiving the request. The HACF will notify the applicant of the time, date, and location.

Conducting an Informal Hearing [PH Occ GB, p. 58]
An impartial hearing officer will conduct informal hearings. The person who is designated as the hearing officer cannot be the person who made the determination of ineligibility or a subordinate of such person.

Informal Hearing Decision [PH Occ GB, p. 58]
The hearing officer will consider documentation or evidence provided by the applicant and data compiled by the HACF. The hearing officer will make a determination based upon the merits of the evidence presented by both sides. Within ten (10) business days of the date of the hearing, the hearing officer will mail a written decision to the applicant and place a copy of the decision in the applicant's file.

- If the informal hearing decision overturns the denial, processing for admission will resume.

- If the family fails to appear for their informal hearing, the denial of admission will stand and the family will be so notified.

The grievance procedure for public housing residents is not applicable to applicants, and applicants have no rights under the HACF's grievance procedures.

Reasonable Accommodation for Persons with Disabilities [24 CFR 966.7]

Persons with disabilities may request reasonable accommodations to participate in the informal hearing process and the HACF must consider such accommodations. The HACF must also consider reasonable accommodation requests pertaining to the reasons for denial if related to the person's disability. See Chapter 2 for more detail pertaining to reasonable accommodation requests.

PART II: INFORMAL HEARINGS WITH REGARD TO NONCITIZENS

14.2 HEARING AND APPEAL PROVISIONS FOR NON-CITIZENS [24 CFR 5.514]

Denial or termination of assistance based on immigration status is subject to special hearing and notice rules. These special hearings are referred to in the regulations as informal hearings, but the requirements for such hearings are different from the informal hearings used to deny applicants for reasons other than immigration status.

Assistance to a family may not be delayed, denied, or terminated on the basis of immigration status at any time prior to a decision under the United States Citizenship and Immigration Services (USCIS) appeal process. Assistance to a family may not be terminated or denied while the PHA hearing is pending, but assistance to an applicant may be delayed pending the completion of the informal hearing.

A decision against a family member, issued in accordance with the USCIS appeal

process or the PHA informal hearing process, does not preclude the family from exercising the right, that may otherwise be available, to seek redress directly through judicial procedures.

Notice of Denial or Termination of Assistance [24 CFR 5.514(d)]
As discussed in Chapters 3 and 13, the notice of denial or termination of assistance for noncitizens must advise the family of any of the following that apply:

- That financial assistance will be denied or terminated, and provide a brief explanation of the reasons for the proposed denial or termination of assistance.
- The family may be eligible for proration of assistance.
- In the case of a tenant, the criteria and procedures for obtaining relief under the provisions for preservation of families [24 CFR 5.514 and 5.518].
- That the family has a right to request an appeal to the USCIS of the results of secondary verification of immigration status and to submit additional documentation or explanation in support of the appeal.
- That the family has a right to request an informal hearing with the HACF either upon completion of the USCIS appeal or in lieu of the USCIS appeal.
- For applicants, assistance may not be delayed until the conclusion of the USCIS appeal process, but assistance may be delayed during the period of the informal hearing process.

United States Citizenship and Immigration Services Appeal Process [24 CFR 5.514(e)]
If a family member or applicant claims to be an eligible immigrant and the USCIS search do not verify the claim, the HACF notifies the applicant or resident within ten (10) business days of their right to appeal to the USCIS within thirty (30) days or to request an informal hearing with the HACF either in lieu of or subsequent to the USCIS appeal.

If the family or applicant appeals to the USCIS, they must provide the HACF a copy of the written request for appeal and proof of mailing within ten (10) business days of sending the request to USCIS or the HACF may proceed to deny or terminate.

The time period to request an appeal may be extended by the HACF for good cause. The request for a HACF hearing must be made within ten (10) business days of receipt of the notice offering the hearing or, if an appeal was made to the USCIS, within thirty (30) business days of receipt of the USCIS decision.

Informal Hearing Procedures for Applicants & Residents [24 CFR 5.514(f)]
After receipt of a request for an informal hearing, the hearing is conducted as described in the “Grievance Procedures” section of this chapter for both applicants and residents.

After notification of the USCIS decision on appeal, or in lieu of an appeal to the USCIS, an applicant family or resident may request that the HACF provide a hearing. The request for a hearing must be made either within 30 days of receipt of the HACF notice of denial, or within 30 days of receipt of the USCIS appeal decision.

The informal hearing procedures for resident families whose tenancy is being terminated

based on immigration status is the same as for any grievance under the grievance procedures for resident families found in Part III below.

The informal hearing procedures for applicant families and residents are described below.

Informal Hearing Officer
The HACF must provide an informal hearing before an impartial individual, other than a person who made or approved the decision under review, and other than a person who is a subordinate of the person who made or approved the decision.

Evidence
The family will be provided the opportunity to examine and copy at the family's expense, at a reasonable time in advance of the hearing, any documents in the possession of the HACF pertaining to the family's eligibility status, or in the possession of the USCIS (as permitted by USCIS requirements), including any records and regulations that may be relevant to the hearing.

The family will be allowed to copy any documents related to the hearing at a cost of $.50 cent for the first page and .30 cent per page thereafter. Research time is to be compensated at $20 per hour or $5 per quarter hour or fraction thereof. The family must request discovery of HACF documents no later than 12:00 p.m. on the business day prior to the hearing.

The family will be provided the opportunity to present evidence and arguments in support of eligible status. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

The family will also be provided the opportunity to refute evidence relied upon by the HACF, and cross-examine all witnesses on whose testimony or information the HACF relies.

Representation and Interpretive Services
The family is entitled to be represented by an attorney or other designee, at the family's expense, and to have such person make statements on the family's behalf.

The family is entitled to arrange for an interpreter to attend the hearing, at the expense of the family, or the HA, as may be agreed upon by the two parties. If the family does not arrange for their own interpreter, the HACF is still obligated to provide oral translation services in accordance with its LEP Plan.

Recording of the Hearing
The HACF will not provide a transcript of an audio taped informal hearing.

Hearing Decision
The HACF must provide the family with a written notice of the final decision, based solely on the facts presented at the hearing, within 14 calendar days of the date of the informal hearing. The notice must state the basis for the decision.

If the hearing officer decides that the individual is not eligible, and there are no other eligible family members the HACF will deny the applicant family.

If there are eligible members in the family, the HACF will offer to prorate assistance or give the family the option to remove the ineligible members.

All other complaints related to eligible citizen/immigrant status:

- If any family member fails to provide documentation or certification as required by the regulation, that member is treated as ineligible. If all family members fail to provide, the family will be denied assistance.

- Participants whose assistance is pro-rated (either based on their statement that some members are ineligible or due to failure to verify eligible immigration status for some members after exercising their appeal and hearing rights described above) are entitled to a hearing based on the right to a hearing regarding determinations of Resident Rent and Total Resident Payment.

- Families denied or terminated for fraud in connection with the non-citizens rule are entitled to a review or hearing in the same way as terminations for any other type of fraud.

Retention of Documents for Applicants [24 CFR 5.514(h)]
The HACF must retain for a minimum of 5 years the following documents that may have been submitted to the HACF by the family, or provided to the HACF as part of the USCIS appeal or the HACF informal hearing process:

- The application for assistance
- The form completed by the family for income reexamination
- Photocopies of any original documents, including original USCIS documents
- The signed verification consent form
- The USCIS verification results
- The request for a USCIS appeal
- The final USCIS determination
- The request for an informal hearing
- The final informal hearing decision

Retention of Documents for Residents [24 CFR 5.514(h)]
The HACF must retain for a minimum of 5 years the following documents that may have been submitted to the HACF by the family, or provided to the HACF as part of the USCIS appeal or the HACF informal hearing process:

- The application for assistance
- The form completed by the family for income reexamination
- Photocopies of any original documents, including original USCIS documents

- The signed verification consent form
- The USCIS verification results
- The request for a USCIS appeal
- The final USCIS determination
- The request for an informal hearing
- The final informal hearing decision

PART II: GRIEVANCE PROCEDURES

14.3 REQUIREMENTS [24 CFR 966.52]

HACF must have a grievance procedure in place through which residents of public housing are provided an opportunity to grieve any HACF action or failure to act involving the lease or HACF policies which adversely affect their rights, duties, welfare, or status.

The HACF grievance procedure will be incorporated by reference in the tenant lease.

14.4 DEFINITIONS

Grievance
Any dispute that a resident may have with respect to an HACF action or failure to act in accordance with the individual resident's lease or HACF regulations that adversely affects the individual resident's rights, duties, welfare, or status. Grievance does not include disputes between residents not involving the HACF; to class grievances such as rent strikes; as a forum for initiating or renegotiating policy changes between groups of residents and the HACF Board of Commissioners; nor to an eviction based upon violent criminal activity or drug-related criminal activity.

Complainant
Any resident, whose grievance is presented to the HACF or at the site/management office.

Due Process Determination
A determination by HUD that law of the jurisdiction requires that the resident must be given the opportunity for a hearing in court which provides the basic elements of due process before eviction from the dwelling unit

Elements of Due Process
An eviction action or a termination of tenancy in a state or local court in which the following procedural safeguards are required:

- Adequate notice to the tenant of the grounds for terminating the tenancy and for eviction
- Right of the tenant to be represented by counsel
- Opportunity for the tenant to refute the evidence presented by the PHA including the right to confront and cross-examine witnesses and to present any affirmative legal or equitable defense which the tenant may have
- A decision on the merits

Hearing Officer

A person selected in accordance with this grievance procedure to hear grievances and render a decision with respect thereto.

VAWA

An incident or incidents of actual or threatened domestic violence, dating violence, or stalking will not be construed as a serious or repeated violation of the lease by the victim or threatened victim of that violence and will not be good cause for terminating the tenancy rights of the victim of such violence.

Criminal activity directly relating to domestic violence, dating violence, or stalking, engaged in by a member of a resident's household or any guest or other person under the resident's control, shall not be cause for termination of the tenancy, if the resident, or immediate member of the resident's family is a victim of that domestic violence, dating violence, or stalking.

14.5 APPLICABILITY [24 CFR 966.51]

This Grievance Procedure applies to all individual grievances, except any grievance concerning a termination of tenancy or eviction that involves:

- Any activity, not just criminal activity, that threatens the health, safety, or right to peaceful enjoyment of the premises of other residents or HA employees, or
- Any drug-related criminal activity on or off such premises.
- Any criminal activity that resulted in felony conviction of a household member

14.6 INFORMAL HEARING [24 CFR 966.54]

The purpose of the informal hearing (also referred to as an informal conference and/or initial/informal discussion) is to discuss and to resolve the grievance without the necessity of a formal hearing. A formal hearing is only for current residents.

Any grievance shall be presented in writing through a "Grievance Request Form" submitted to the HACF office or to the housing management office that sent the notice on which the grievance is based. Written grievances must be signed by the resident/applicant. Except for resident/applicant caused delay(s), the grievance must be presented within ten (10) business days after receipt of the notice on which the grievance is based. It may be simply stated, but shall specify:

- The particular grounds upon which it is based,
- The action requested; and
- The name, address, and telephone number of the complainant, and similar information about the complainant's representative, if any.

The HACF will provide reasonable accommodation for persons with disabilities to participate in the informal hearing. The HACF must be notified within three days of the scheduled time if special accommodations are required.

A designated HACF representative shall hold an informal hearing with the resident/applicant within ten (10) business days of receipt of the grievance.

If the complainant fails to appear within 30 minutes of the scheduled time, the HACF representative may determine that the complainant has waived their right to a hearing.

When the informal hearing is completed and within (10) business days, the HACF representative is to complete a summary report. The report will include the date of the informal hearing, names of participants, nature of the disposition of the complaint and supporting reasons, date on which corrective action will be completed, if necessary, as well as procedures and final date by which a hearing may be obtained if the grievance has not been resolved at this level. One copy will be filed in the resident's file.

1. Dissatisfaction with Informal Hearing

If the resident, also known as the complainant, is dissatisfied with the proposed disposition of the grievance, s/he shall submit a "Grievance Request Form" requesting a formal hearing within ten (10) business days of the date of the summary of the informal meeting.

The request must specify the reason for the grievance request and the relief sought.

2. Failure to Request a Formal Hearing

If the complainant does not request a formal hearing within ten (10) business days of the date of service of the informal hearing decision, s/he waives his/her right to a hearing, and the HACF's proposed disposition of the grievance will become final. This section in no way constitutes a waiver of the complainant's right to contest the HACF's disposition in an appropriate judicial proceeding.

14.7 PROCEDURES TO OBTAIN A HEARING [24 CFR 966.55]

After exhausting the informal hearing procedures outlined above, a complainant shall be entitled to a formal hearing before a hearing officer.

Requests for Hearing and Failure to Request [24 CFR 966.55(a), (c), and (d)]
All grievances must be presented pursuant to the informal hearing procedure as a prerequisite to a formal hearing.

The hearing officer may waive the prerequisite informal hearing if, and only if, the complainant can show good cause why s/he failed to proceed informally [24 CFR 966.55(d)].

The resident must submit a written request for a grievance hearing to the HACF within ten (10) business days of the resident's receipt of the summary of the informal hearing [24 CFR 966.55(a)].. The request must specify the reasons for the grievance and the action or relief sought.

If the resident does not request a hearing, the HACF's disposition of the grievance under the informal hearing process will become final. However, failure to request a hearing does not constitute a waiver by the complainant of the right to contest the HACF's action in disposing of the complaint in an appropriate judicial proceeding [24 CFR 966.55(c)].

Escrow Deposit [24 CFR 966.55(e)]
Before a hearing is scheduled in any grievance involving an amount of rent the HACF claims is due, the complainant shall pay to the HACF all rent due and payable as of the month preceding the month in which the act or failure to act took place.

The complainant shall thereafter give the HACF their monthly rent and the HACF will deposit the monthly rent into an escrow account each month until the complaint is resolved by decision of the hearing officer.

The HACF will waive these escrow requirements if the complainant is paying minimum rent and the grievance is based on a request for hardship exemption or imputed welfare income.

Unless so waived, failure to make the required escrow payments shall result in termination of the grievance procedure.

Failure to make such payments does not constitute a waiver of any right the complainant may have to contest the HACF's disposition of the grievance in any appropriate judicial proceeding.

Scheduling of Hearings [24 CFR 966.55(f)
If the complainant complies with the procedures outlined above, a hearing shall be scheduled promptly by the HACF.

A written notification of the date, time, place, and procedures governing the hearing shall be delivered to the complainant and the appropriate HACF official.

The HACF will provide reasonable accommodation for persons with disabilities to participate in the hearing. The HACF must be notified within three days of the scheduled time if special accommodations are required.

14.8 SELECTION OF HEARING OFFICER/PANEL [24 CFR 966.55(B)]

A grievance hearing shall be conducted by an impartial person appointed by the HACF other than the person who made or approved the HACF action under review, or a subordinate of such person.

Hearing Officer shall be appointed by the HACF through an approved list of hearing officers or through an organization approved by the Executive Director of the HACF.

Each party may challenge the hearing officer for good cause and must file an objection stating reason prior to start of hearing.

The designated HACF representative will send written notification to the hearing officer with a copy of the grievance/complaint form, the informal hearing summary report, and a copy of the request for formal hearing.

The designated HACF representative advises the hearing officer of name(s) and addresses of all participants.

The hearing officer notifies all parties as to date, time and place of hearing.

14.9 PROCEDURES GOVERNING THE HEARING [24 CFR 966.56]

Rights of Complainant [24 CFR 966.56(b)]

The complainant will be afforded a fair hearing and be provided the basic safeguards of due process to include:

- The HACF shall also have the opportunity to examine and to copy at the expense of the HACF all documents; records and statements that the resident plans to submit during the hearing to refute the HACF's inaction or proposed action. Any documents not so made available to the HACF may not be relied upon at the hearing.

- The resident will be allowed to copy any documents related to the hearing at a cost of .50 cent for the first page and .30 cent per page thereafter. Research time is to be compensated at $20 per hour or $5 per quarter hour or fraction thereof. The family must request discovery of HACF documents no later than 12:00 p.m. on the business day prior to the hearing.
- The right to be represented by counsel or other person chosen as the resident's representative and to have such person makes statements on the tenant's behalf.
  Hearings may be attended by the following applicable persons:
  - A HACF representative(s) and any witnesses for the HACF;
  - The resident and any witnesses for the resident;
  - The resident's counsel or other representative;
  - Any other person approved by the HACF as a reasonable accommodation for a person with a disability;
- The right to a private hearing unless the complainant requests a public hearing;
- The right to present evidence and arguments in support of the resident's complaint, to controvert evidence relied on by the HACF or development management, and to cross-examine all witnesses upon whose testimony or information the HACF or development management relies;
- A decision based solely and exclusively upon the facts presented at the hearing;

- If the hearing officer determines that the issue has been previously decided in another proceeding, a decision may be rendered without proceeding with the hearing. Such a determination in no way waives the complainant's right to appropriate judicial proceedings in another forum.

Failure to Appear [24 CFR 966.56(d)]
The head of household must attend the formal hearing.

If the complainant fails to appear within 30 minutes of the scheduled time, the hearing officer may determine that the complainant has waived their right to a hearing.

If the resident fails to appear and was unable to reschedule the hearing in advance, the resident must contact the HACF within 24 hours of the scheduled hearing date, excluding weekends and holidays. The hearing officer will reschedule the hearing only if the resident can show good cause for the failure to appear, or it is needed as a reasonable accommodation for a person with disabilities.

"Good cause" is defined as an unavoidable conflict which seriously affects the health, safety, or welfare of the family.

The HACF will provide reasonable accommodation for persons with disabilities to participate in the hearing. The HACF must be notified within three days of the scheduled time if special accommodations are required.

14.10 GENERAL PROCEDURES [24 CFR 966.56(E), (F), AND (G)]

The hearing shall be held before a hearing officer.

At the hearing, the complainant must first make a showing of an entitlement to the relief sought and thereafter the HACF must sustain the burden of justifying the HACF action or failure to act against which the complaint is directed.

Any evidence to be considered by the hearing officer must be presented at the time of the hearing. There are four categories of evidence.

- **Oral evidence**: the testimony of witnesses
- **Documentary evidence**: a writing which is relevant to the case, for example, a letter written to the HACF. Writings include all forms of recorded communication or representation, including letters, emails, words, pictures, sounds, videotapes or symbols or combinations thereof.
- **Demonstrative evidence**: Evidence created specifically for the hearing and presented as an illustrative aid to assist the hearing officer, such as a model, a chart or other diagram.
- **Real evidence**: A tangible item relating directly to the case.

In general, all evidence is admissible and may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings [24 CFR 966.56(f)].

Hearsay Evidence is evidence of a statement that was made other than by a witness while testifying at the hearing and that is offered to prove the truth of the matter. Even though evidence, including hearsay, is generally admissible, hearsay evidence alone cannot be used as the sole basis for the hearing officer's decision.

The hearing officer shall require the HACF, complainant, counsel, and other participants and spectators to conduct themselves in an orderly manner The failure to comply with the directions of the hearing officer to maintain order will result in the exclusion from the proceedings, or a decision adverse to the interests of the disorderly party and granting or denial of the relief sought, as appropriate. [24 CFR 966.56(f)]

Either party may request a tape recording of the hearing. The HACF shall provide equipment and an operator for the purpose of recording the hearing. The complainant may secure a duplicate at his/her expense.

Accommodations of Persons with Disabilities [24 CFR 966.56(h)]
The HACF must provide reasonable accommodation for persons with disabilities to participate in the hearing. Reasonable accommodation may include qualified sign language interpreters, readers, accessible locations, or attendants.

14.11 DECISION OF THE HEARING OFFICER/PANEL [24 CFR 966.57]

The hearing officer shall mail to the HACF and the complainant a written decision, including the reasons for the decision, within 10 business days following the hearing. The HACF will place one copy in the resident files. The written decision will be sent to the address provided at the hearing.

The decision of the hearing officer shall be binding on the HACF which shall take all actions necessary to carry out the decision, unless the Board of Commissioners' intervene in the matter. The Board of Commissioners may overturn a hearing officer's decision in either of the following two situations:

- The grievance does not concern the HACF action or failure to act in accordance with or involving the complainant's lease or HA regulations that adversely affect the complainant's rights, duties, welfare or status.

- The decision of the hearing officer is contrary to applicable Federal, State, or local law, HUD regulations or requirements of the Annual Contributions Contract between HUD and the HACF.

A decision by the hearing officer or Board of Commissioners in favor of the HACF or which denies the relief requested by the complainant in whole or part shall not constitute a waiver of, nor affect in any manner whatever, the rights of the complainant to a trial or judicial review in any proceedings which may thereafter be brought in the matter.

Any grievance in which the Resident claims a right under VAWA, a hearing officer will not issue a decision and instead will postpone the hearing until such time as a decision on the VAWA request has been made in compliance with all VAWA references made in this ACOP.

14.12 DECISION OF THE HEARING OFFICER/PANEL [24 CFR 966.57]

If a resident has requested a hearing in accordance with these duly adopted Grievance Procedures on a complaint involving a HACF notice of termination of tenancy, and the hearing officer upholds the HACF action, the HACF shall not commence an eviction action until the notice of termination of tenancy expires. The notice of termination tolls pending the grievance hearing procedures. As the notice of termination tolls, rent shall be due and owing during and pending the grievance hearing procedures [24 CFR 966.57(c)].

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CHAPTER 15 – PROGRAM INTEGRITY

INTRODUCTION

Fraud is defined as the intentional, false representation or concealment of a material fact for the purpose of inducing another to act upon it to his or her injury. Fraud and abuse by a participant or applicant therefore, may constitute an intentional misrepresentation of income, assets, and allowances, or intentional misrepresentation of family composition or initiating and participating in bribes or other illegal activities. Intentional may mean a claim that a participant or applicant *knows or has reason to know* is false, fictitious, or fraudulent. *Knows or has reason to know* may mean a person acts in deliberate ignorance of the truth or acts in reckless disregard of the truth or falsity of the claim or statement.

Part I: Preventing, Detecting, and Investigating Errors and Program Abuse. This part presents HACF policies related to preventing, detecting, and investigating errors and program abuse.

Part II: Corrective Measures and Penalties. This part describes the corrective measures the HACF must and may take when errors or program abuses are found.

PART I: PREVENTING, DETECTING, AND INVESTIGATING ERRORS AND PROGRAM ABUSE

15.0 PREVENTING ERRORS AND PROGRAM ABUSE

Management and program staff utilize various methods and practices (listed below) to help prevent program abuse, noncompliance, and willful violations of program rules by applicants and participant families**.** This policy objective is to establish confidence and trust in the management by emphasizing education as the primary means to obtain compliance by participant families.

HUD created the Enterprise Income Verification (EIV) system to provide HACF with a powerful tool for preventing errors and program abuse. The HACF is required to use the EIV system in its entirety in accordance with HUD administrative guidance [24 CFR 5.233]. The HACF is further required to:

- Provide applicants and residents with forms:

"Debts Owed to PHAs and Terminations" [form HUD-52675]: All adult members of an applicant or participant family are required to acknowledge receipt of form HUD-52675 by signing a copy of the form for retention in the family file.

"Is Fraud Worth It?" [form HUD-1141-OIG]: which explains the types of actions a family must avoid and the penalties for program abuse.

"What You Should Know About EIV": a guide to the Enterprise Income Verification (EIV) system published by HUD as an attachment to Notice PIH 2010-19.

Program Orientation Sessions: Mandatory orientations sessions will be conducted by HA staff for all prospective participant families either prior to or upon execution of the lease**.** At the conclusion of all Program Orientation Sessions, the family representative will be required to sign forms HUD-52675 and "What You Should Know About EIV" to confirm that all rules and pertinent regulations were explained to him/her regarding fraud and abuse.

Participant Family Counseling: HACF staff will routinely provide participant family counseling as a part of the recertification interview in order to clarify any confusion pertaining to program rules and requirements**.**

Use of Instructive Sign and Warnings: Instructive signs will be conspicuously posted in common areas and interview areas to reinforce compliance with program rules and to warn about penalties for fraud and abuse.

Review and Explanation of Forms: During interviews, staff will explain all required forms and review the contents of all (re)certification documents prior to signature.

15.1 DETECTING ERRORS AND PROGRAM ABUSE

HACF staff will be trained to maintain a high level of alertness to indicators of possible abuse and fraud by assisted families. In addition to taking steps to prevent errors and program abuse, the HACF will use a variety of activities to detect errors and program abuse.

Quality Control File Reviews.

Prior to initial certification, and at the completion of all subsequent recertifications, each family file will be reviewed. Such reviews may include, but are not limited to:

- Changes in reported Social Security Numbers or dates of birth.
- Authenticity of file documents.
- Review of signatures for consistency with previously signed file documents.
- Assurance that verification of all income and deduction is present.
- Will use available sources of up-front income verification to compare with family-provided information, including HUD's EIV system to compare with family provided information.
- At each annual reexamination, current information provided by the family will be compared to information provided at the last annual reexamination to identify inconsistencies and incomplete information.
- The HACF will compare family-reported income and expenditures to detect possible unreported income.

Individual Reporting of Possible Errors and Program Abuse

Management and program staff (to include maintenance personnel and policing authorities) will be provided to maintain high awareness of circumstances which may

indicate program abuse or fraud, such as unauthorized persons residing in the household and unreported income and assets, including personnel and real property.

Public Record Bulletins

To be monitored by management and staff.

State Wage Data Record Keepers

Inquiries to State Wage and Employment record keeping agencies as authorized under Public Law 100-628, the Stewart B. McKinley Homeless Assistance Amendments Act of 1988, may be made annually in order to detect unreported wages or unemployment compensation benefits.

Credit Bureau Inquiries

Credit Bureau inquiries may be made in the following circumstances:

- Application Process.
- Annual Re-certification.
- When an allegation is received by the HA wherein unreported income sources are disclosed.
- When a family's expenditures exceed his/her reported income, and no plausible explanation is given.

Enterprise Income Verification (EIV) Inquiries

Enterprise Income Verification is a system that enables the HACF to verify participant reported income and identify households that may have under reported their household's annual income. EIV inquires may be made in the following circumstances:

- Annual Re-certification.
- When an allegation is received by the HA wherein unreported income sources are disclosed.
- When a family's expenditures exceed his /her reported income and no plausible explanation is given.

Independent Audits and HUD Monitoring

The HACF will use the results reported in any IPA or HUD monitoring reports to identify potential program abuses as well as to assess the effectiveness of the HACF's error detection and abuse prevention efforts.

15.2 INVESTIGATING ERRORS AND PROGRAM ABUSE

When the HACF will Investigate

The HACF does not intend to undertake an inquiry or an audit of a participant family arbitrarily. The HACF's expectation is that families will comply with HUD requirements,

provisions of the lease, and other program rules. The HACF staff will make an effort (formally and informally) to orient and educate all families in order to avoid unintentional violations**.** However, the HACF has a responsibility to HUD, to the community, and to eligible families in need of housing assistance, to monitor residents' lease obligations for compliance and, when indicators of possible abuse come to the HACF' s attention, to investigate such claims.

The HACF may initiate an investigation of a participant family in the event of one or more of the following circumstances:

Referrals, Complaints, or Tips: Referrals from other agencies, companies or persons which are received by mail, by telephone or in person, which allege that a participant family is in noncompliance with, or otherwise violating the lease or the program rules**.** Such follow-up will be made providing that the referral contains at least one item of information that is independently verifiable**.** A notation of the allegation will be retained in the participant family file.

Internal File Review: If the HACF staff discovers (as a function of a (re)certification, an interim redetermination, or a quality control review), information or facts which conflict with previous file data, the HACF's knowledge of the family, or is discrepant with statements made by the family.

Verification or Documentation: If the HACF receives independent verification or documentation, which conflicts with representations in the participant family file (such as public record information, credit bureau reports, police reports or reports from other agencies).

In order for the HACF to investigate, the allegation must contain at least one independently-verifiable item of information, such as the name of an employer or the name of an unauthorized household member.

The HACF will investigate inconsistent information related to the family that is identified through file reviews and the verification process.

Consent to Release of Information [24 CFR 960.259]

The HACF may investigate possible instances of error or abuse using all available PHA and public records. If necessary, the HACF will require applicant/resident families to give consent to the release of additional information.

Analysis and Findings

The HACF will base its evaluation on a preponderance of the evidence collected during its investigation.

Preponderance of the evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence that as a whole shows that the fact sought to be proved is more probable than not. Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence. For each investigation the HACF will determine (1) Whether an error or program abuse has occurred, (2) Whether any amount of money is owed the HACF, and (3) What corrective measures or penalties will be assessed.

Consideration of Remedies

In the case of family-caused errors or program abuse, the HACF will take into consideration:(1) The seriousness of the offense and the extent of participation or culpability of individual family members, (2) Any special circumstances surrounding the case, (3) Any mitigating circumstances related to the disability of a family member, (4) The effects of a particular remedy on family members who were not involved in the offense.

Notice and Appeals

The HACF will inform the relevant party in writing of its findings and remedies within 10 business days of the conclusion of the investigation. The notice will include (1) a description of the error or program abuse, (2) the basis on which the PHA determined the error or program abuses, (3) the remedies to be employed, and (4) the family's right to appeal the results through an informal hearing or grievance hearing (see Chapter 14).

15.3 THE HA'S HANDLING OF ALLEGATIONS OF POSSIBLE ABUSE AND FRAUD

HACF staff will encourage all families to report suspected abuse to the District Manager. All allegations, complaints and tips will be carefully evaluated in order to determine if they warrant follow-up. The HACF will not follow up on allegations which are vague or otherwise nonspecific. They will only review allegations, which contain one or more independently verifiable facts.

Preliminary File Review

An internal file review will be conducted to determine if the subject of the allegation is a participant family of a Housing Programs Department assisted program and, if so, to determine whether or not the information reported has been previously disclosed by the family.

It will then be determined if the HACF is the most appropriate authority to do a follow-up (more so than police or social services). Any file documentation of past behavior as well as corroborating complaints will be evaluated.

Conclusion of Preliminary Review

If, at the conclusion of the preliminary file review, there is/are fact(s) contained in the allegation which conflict with file data, and the fact(s) are independently verifiable, the staff person who discovered the discrepancy will initiate an investigation to determine if the allegation is true or false

Interviews with Head of Household and/or Family Members

The HACF staff person will discuss the allegation (or details thereof) with the head of household and/or family members by scheduling an appointment at the site office with the District Manager. If necessary, an additional staff person may attend such interviews. If appropriate, current consent for release of information forms will be obtained to assist in the HACF review.

Enterprise Income Verification (EIV) Inquiries

The HACF will conduct Enterprise Income Verification inquires to identify households that may have under reported their households annual income.

15.4 HOW THE HACF REVIEWS ALLEGATIONS OF ABUSE AND FRAUD

If the HACF determines that an allegation or referral warrants follow-up, HACF staff will conduct the review. The steps taken will depend upon the nature of the allegation and may include, but are not limited to, the items listed below. In all cases, the HACF will ensure, where required, that a written authorization from the program participant for the release of information has been obtained.

Credit Bureau Inquiries (CBIs) In cases involving previously unreported income sources, a CBI inquiry may be made to determine if there is financial activity which conflicts with the reported income of the family.

IRS Request for IRS Returns or W-2's may be required.

Verification of Credit In cases where the financial activity conflicts with file data, a Verification of Credit form may be mailed to the creditor in order to determine the unreported income source.

Employers and Ex-Employers Employers or ex-employers may be contacted to verify wages, which may have been previously undisclosed or misreported.

Neighbors/Witnesses Neighbors and/or other witnesses may be interviewed who are believed to have direct or indirect knowledge of facts pertaining to the HACF's review.

Other Agencies Investigators, caseworkers or representatives of other benefit agencies may be contacted.

Public Records If relevant, the HACF will review public records kept in any jurisdictional courthouse or county recorder's office. Examples of public records which may be checked are: real estate, marriage, and divorce, uniform commercial code financing statements, voter registration, judgments, court or police records, state wage records, utility records and postal records.

15.5 PLACEMENT OF DOCUMENTS, EVIDENCE AND STATEMENTS OBTAINED BY THE HACF

Documents and other evidence obtained by the HACF during the course of an investigation. Will be considered "work product" and will be kept in a separate "work file." The work file will be kept locked. Such cases under review will not be discussed among the HACF staff unless they are involved in the process, or have information, which may assist in the investigation.

The HACF will maintain a Fraud Data Base System (FDBS), which will document the status of the cases and additional information in order to provide a tracking devise for all fraud cases. Access of the FDBS will be limited to the Executive Director, Director of

Housing Programs, the Assistant Director of Housing Programs, and/or their designees.

In addition, the HACF will track all repayment agreements resulting from an investigation to ensure families are staying current on their repayment agreements.

15.6 EVAULATION OF THE FINDINGS

If it is determined that a program violation has occurred, the HACF staff will review the facts to determine:

1. The type of violation (non-compliance, fraud).
2. Whether the violation was intentional or unintentional.
3. What amount of money (if any) is owed by the resident?
4. If the family is eligible for continued assistance.

Intentional Misrepresentations

When a family falsifies, misstates, omits or otherwise misrepresents a material fact which results (or would have resulted) in an underpayment of rent by the family, an evaluation will determine whether or not:

1. The family had knowledge that his/her actions were wrong, and

2. That the family willfully violated a program requirement, a Family Obligation, or committed a serious violation of the lease.

Knowledge that the Action or Inaction Was Wrong

This will be evaluated by determining if the family was made aware of program requirements and prohibitions. The family's signature on various certifications, briefing certificate, Personal Declaration and forms HUD-52675 and "What You Should Know About EIV" are adequate to establish knowledge of wrongdoing.

The Family Willfully Violated the Law

Any of the following circumstances will be considered adequate to demonstrate willful intent:

1. An admission by the family of the misrepresentation.
2. That the act was done repeatedly.
3. If a false name or Social Security Number was used.
4. If there were admissions to others of the illegal action or omission.
5. That the family omitted material facts, which were known to them (e.g., employment of self or other household member).
6. That the family falsified, forged or altered documents.
7. That the family conveyed and certified to statements during a rent (re)determination which were later independently verified to be false.

15.7 NOTIFICATION OF INVESTIGATION RESULTS

The family will be notified by mail of the proposed action no later than ten (10) business days after the conclusion of the Family Conference advising the family that:

- No fraud or misrepresentation was found
- Fraud or misrepresentation was found, but no restitution is owed
- Fraud or misrepresentation was found, and restitution is due the HA

Where due process is required, the notice to the family will comply with the policy in the Appeals/Grievance chapter of this Plan giving the family 10 calendar days by which to request an appeal. If the family does not reply in this timeframe, the HACF will proceed to issue the Final Termination Notice.

PART II: CORRECTIVE MEASURES AND PENALTIES

15.8 UNDER- OR OVERPAYMENT

An under or overpayment includes an incorrect tenant rent payment by the family, or an incorrect utility reimbursement to a family.

Corrections

Whether the incorrect rental determination is an overpayment or underpayment, the HACF must promptly correct the family's rent and any utility reimbursement prospectively.

Increases in the tenant rent will be implemented only after the family has received 30 days notice.

Any decreases in tenant rent will become effective the first of the month following the discovery of the error.

Reimbursement

Whether the family is required to reimburse the HACF or the HACF is required to reimburse the family depends upon which party is responsible for the incorrect payment and whether the action taken was an error or program abuse. Policies regarding reimbursement are discussed in the three sections that follow.

15.9 FAMILY-CAUSED ERRORS AND PROGRAM ABUSE

General administrative requirements for participating in the program are discussed throughout the ACOP. This section deals specifically with errors and program abuse by family members.

An incorrect rent determination caused by a family generally would be the result of incorrect reporting of family composition, income, assets, or expenses, but also would include instances in which the family knowingly allows the HACF to use incorrect information provided by a third party.

Family Reimbursement to HACF

In the case of family-caused errors or program abuse, the family will be required to repay any amounts of rent underpaid. The HACF may, but is not required to, offer the family a

repayment agreement in accordance with Chapter 16. If the family fails to repay the amount owed, the HACF will terminate the family's lease in accordance with the policies in Chapter 13.

HACF Reimbursement to Family

The HACF will not reimburse the family for any overpayment of rent when the overpayment clearly is caused by the family.

Prohibited Actions

An applicant or resident in the public housing program must not knowingly:

- Make a false statement to the HACF [Title 18 U.S.C. Section 1001].
- Provide incomplete or false information to the HACF [24 CFR 960.259(a)(4)].
- Commit fraud, or make false statements in connection with an application for assistance or with reexamination of income [24 CFR 966.4(l)(2)(iii)(C)].

Any of the following will be considered evidence of family program abuse:

- Offering bribes or illegal gratuities to the HACF Board of Commissioners, employees, contractors, or other HACF representatives
- Offering payments or other incentives to a third party as an inducement for the third party to make false or misleading statements to the HACF on the family's behalf
- Use of a false name or the use of falsified, forged, or altered documents
- Intentional misreporting of family information or circumstances (e.g., misreporting of income or family composition)
- Omitted facts that were obviously known by a family member (e.g., not reporting employment income)
- Admission of program abuse by an adult family member
- The HACF may determine other actions to be program abuse based upon a preponderance of the evidence, as defined earlier in this chapter.

Penalties for Program Abuse

In the case of program abuse caused by a family the HACF may, at its discretion, impose any of the following remedies.

- The HACF may require the family to repay any amounts owed to the program (see 15.9, Family Reimbursement to HACF).
- The HACF may require, as a condition of receiving or continuing assistance, that a culpable family member not reside in the unit. See policies in Chapter 3 (for applicants) and Chapter 13 (for residents).
- The HACF may deny admission or terminate the family's lease following the policies set forth in Chapter 3 and Chapter 13 respectively.

- The HACF may refer the family for state or federal criminal prosecution as described in section 15.11.

15.10 HACF-CAUSED ERRORS OR PROGRAM ABUSE

The responsibilities and expectations of HACF staff with respect to normal program administration are discussed throughout the ACOP. This section specifically addresses actions of a HACF staff member that are considered errors or program abuse related to the public housing program. Additional standards of conduct may be provided in the HACF personnel policy.

HACF caused incorrect rental determinations include (1) failing to correctly apply public housing rules regarding family composition, income, assets, and expenses, and (2) errors in calculation.

Repayment to the PHA

The family is not required to repay an underpayment of rent if the error or program abuse is caused by HACF staff.

PHA Reimbursement to Family

The HACF will reimburse a family for any family overpayment of rent, regardless of whether the overpayment was the result of staff-caused error or staff program abuse.

Prohibited Activities

Any of the following will be considered evidence of program abuse by HACF staff:

- Failing to comply with any public housing program requirements for personal gain;
- Failing to comply with any public housing program requirements as a result of a conflict of interest relationship with any applicant or resident;
- Seeking or accepting anything of material value from applicants, residents, vendors, contractors, or other persons who provide services or materials to the HACF;
- Disclosing confidential or proprietary information to outside parties;
- Gaining profit as a result of insider knowledge of HACF activities, policies, or practices;
- Misappropriating or misusing public housing funds;
- Destroying, concealing, removing, or inappropriately using any records related to the public housing program;
- Committing any other corrupt or criminal act in connection with any federal housing program.

15.11 DISPOSITIONS OF CASES INVOLVING MISREPRESENTATIONS

In all cases of misrepresentations involving efforts to recover monies owed, the HACF may pursue, depending upon its evaluation of the criteria stated above, one or more of the following actions:

Civil Remedies:

The HACF may:

1. Terminate tenancy and demand payment of restitution in full.
2. Terminate assistance and execute an administrative repayment agreement in accordance with the HACF's Repayment Policy.
3. Terminate assistance and/or pursue restitution through civil litigation.
4. Terminate assistance and seek recovery through garnishment of wages or other forms of collection.
5. Permit continued assistance at the correct level and execute an administrative repayment agreement in accordance with the HACF's repayment policy.

Criminal Referral:

If the HACF believes that the case meets the criteria established by the HACF for prosecution, the HACF may refer the case to other enforcement agencies.

Termination by the HACF

In any event, and at the sole discretion of the HACF, the HACF may terminate a public housing tenancy for a material breach of the lease for discovery of material false statements or fraud, including but not limited to misrepresentation of facts, omitted pertinent information, or failure to inform Management of information it requires for an annual re-certification or interim adjustments, by the family or family member in connection with an application for assistance, with re-certification, or reexamination of income.

15.12 FRAUD AND PROGRAM ABUSE RECOVERIES

If the HACF enters into a repayment agreement with a family to collect rent owed, initiate litigation against the family to recover rent owed, or begin eviction proceedings against a family may retain 100 percent of program funds that the HACF recovers [Notice PIH 2005-7 (HA)].

If the HACF does none of the above, all amounts that constitute an underpayment of rent must be returned to HUD.

The family must be afforded the opportunity for a hearing through the HACF's grievance process.

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CHAPTER 16- PROGRAM ADMINISTRATION

INTRODUCTION

This chapter discusses administrative policies and practices that are relevant to the activities covered in this ACOP. The policies are discussed in seven parts as described below:

Part I: Setting Utility Allowances. This part describes how utility allowances are established and revised. Also discussed are the requirements to establish surcharges for excess consumption of HACF-furnished utilities.

Part II: Establishing Flat Rents and Public Housing Maximum Rents. This part describes the requirements and policies related to establishing and updating flat rent amounts and public housing maximum rents.

Part III: Repayment of Family Debts. This part contains policies for recovery of monies that have been underpaid by families, and describes the circumstances under which the HACF will offer repayment agreements to families. Also discussed are the consequences for failure to make payments in accordance with a repayment agreement.

Part IV: Public Housing Assessment System (PHAS). This part describes the PHAS indicators, how the HACF is scored under PHAS, and how those scores affect a HACF.

Part V: Record-Keeping. All aspects of the program involve certain types of record-keeping. This part outlines the privacy rights of applicants and participants and record retention policies the HACF will follow.

Part VI: Reporting and Record Keeping for Children with Environmental Intervention Blood Lead Level. This part describes the HACF's reporting responsibilities related to children with environmental intervention blood lead levels that are living in public housing.

Part VII: Notification to Applicants and Tenants regarding Protections under the Violence against Women Reauthorization Act of 2005 (VAWA). This part includes policies for notifying applicants and residents of VAWA requirements.

PART I: SETTING UTILITY ALLOWANCES [24 CFR 965 Subpart E]

16.0 OVERVIEW

The HACF must establish allowances for HACF-furnished utilities for all check metered utilities and for resident-purchased utilities for all utilities purchased directly by residents from a utility supplier [24 CFR 965.502(a)].

The HACF must also establish surcharges for excess consumption of HACF-furnished utilities [24 CFR 965.506].

The HACF must maintain a record that documents the basis on which utility allowances and scheduled surcharges are established and revised, and the record must be made available for inspection by residents [24 CFR 965.502(b)].

16.1 UTILITY ALLOWANCES [24 CFR 965, SUBPART E]

Utility allowances are provided to families paying income-based rents when the cost of utilities is not included in the rent. When determining a family's income-based rent, the HACF must use the utility allowance applicable to the type of dwelling unit leased by the family.

Utility Allowance Revisions [24 CFR 965.507]
The HACF reviews its schedule of utility allowances each year. Between annual reviews, the HACF will revise the utility allowance schedule if there is a rate change that by itself or together with prior rate changes not adjusted for, results in a change of 10 percent or more from the rate on which such allowances were based. Adjustments to resident payments as a result of such changes must be retroactive to the first day of the month following the month in which the last rate change taken into account in such revision became effective [PH Occ GB, p. 171].

The resident rent calculations must reflect any changes in the HACF's utility allowance schedule [24 CFR 960.253(c)(3)].

Unless the HACF is required to revise utility allowances retroactively, revised utility allowances will be applied to a family's rent calculations at the first annual reexamination after the allowance is adopted.

Utility Reimbursement
When the Utility Allowance exceeds the family's Total Tenant Payment, the HACF will provide a Utility Reimbursement Payment to the family each month. The check will be made out directly to the family.

Resident-Paid Utilities
The following requirements apply to residents living in developments with resident-paid utilities or applicants being admitted to such developments:

Paying the utility bill is the resident's obligation under the lease. Failure to pay utilities is grounds for eviction.

The HACF has a no seal contract with the Utility Company which requires the resident/applicant to provide documentation from the Utility Company that service has been transferred from the HA name to the resident/applicant's name within 24 hour of signing their lease.

16.2 SURCHARGES FOR PHA-FURNISHED UTILITIES [24 CFR 965.506]

Residents in units where the HACF pays the utilities may be charged for excess utilities if additional appliances or equipment are used in the unit. This charge shall be applied as specified in the lease. [24 CFR 966.4 (b)(2)]

16.3 NOTICE REQUIREMENTS [965.502]

The HACF must give notice to all residents of proposed allowances and scheduled surcharges, and revisions thereof. The notice must be given in the manner provided in the lease and must:

- Be provided at least 60 days before the proposed effective date of the allowances, scheduled surcharges, or revisions.
- Describe the basis for determination of the allowances, scheduled surcharges, or revisions, including a statement of the specific items of equipment and function whose utility consumption requirements were included in determining the amounts of the allowances and schedule of surcharges.
- Notify residents of the place where the HACF's documentation on which allowances and surcharges are based is available for inspection.
- Provide all residents an opportunity to submit written comments during a period expiring not less than 30 days before the proposed effective date of the allowances, scheduled surcharges, or revisions.

16.4 REASONABLE ACCOMMODATION [24 CFR 965.508]

On request from a family, the HACF must approve a utility allowance that is higher than the applicable amount for the dwelling unit if a higher utility allowance is needed as a reasonable accommodation to make the program accessible to and usable by the family with a disability [PH Occ GB, p. 172].

Residents with disabilities may not be charged for the use of certain resident-supplied appliances if there is a verified need for special equipment because of the disability [PH Occ GB, p. 172].

PART II: ESTABLISHING FLAT RENTS AND PUBLIC HOUSING MAXIMUM RENTS

16.5 OVERVIEW

Flat rents are designed to encourage self-sufficiency and to avoid creating disincentives for continued residency by families who are attempting to become economically self-sufficient.
Public housing maximum rents are needed to prorate assistance for a mixed family. A mixed family is one whose members include those with citizenship or eligible immigration status, and those without citizenship or eligible immigrations status [24 CFR 5.504].

This part discusses how the HACF establishes and updates flat rents and public housing maximum rents. Policies related to the use of flat rents, family choice of rent, flat rent hardships, and public housing maximum rents are discussed in Chapter 6.

16.6 FLAT RENTS [24 CFR 960.253(B)]

Flat rents for public housing units are based on the market rent charged for comparable units in the private unassisted rental market. The flat rent should be equal to the estimated rent for which the HACF could promptly lease the public housing unit after preparation for occupancy.

The HACF must use a reasonable method to determine flat rents. In determining the flat rents, HACF's has considered the following:

- Location
- Quality
- Unit size
- Unit type
- Age of property
- Amenities at the property and in immediate neighborhood
- Housing services provided
- Maintenance provided by the PHA
- Utilities provided by the PHA

Review of Flat Rents [24 CFR 960.253(b)]
The HACF will review flat rents on an annual basis, and adjust them as necessary to ensure that flat rents continue to mirror market rent values.

Posting of Flat Rents
The HACF will publicly post the schedule of flat rents in a conspicuous manner at HACF central office and at each site office.

Documentation of Flat Rents [24 CFR 960.253(b)(5)]
The HACF will maintain records that document the method used to determine flat rents, and that show how flat rents were determined by the HACF in accordance with this method.

16.7 PUBLIC HOUSING MAXIMUM RENTS

The HACF is prohibited from making financial assistance available to persons who are not citizens or nationals of the United States, and to those who do not have eligible immigration status [24 CFR 5.500]. Therefore, in order to assist mixed families, the HACF must prorate assistance. Public housing maximum rents are needed in order to calculate the tenant rent for a mixed family.

The public housing maximum rent is based on value of the 95th percentile of the total tenant payment (TTP) for each tenant within the HACF. The HACF has calculated the maximum rent on a PHA basis utilizing the "unit distribution" method for establishing the public housing maximum rents for each unit size. Appendix H, of Guidebook 7465.G, Restrictions on Assistance to Noncitizens provides detailed guidance on how to establish public housing maximum rents using the methodologies identified above.

Review of Public Housing Maximum Rents

The HACF will recalculate the public housing maximum rents on an annual basis.

Posting of Public Housing Maximum Rents

The HACF will publicly post the schedule of public housing maximum rents in a conspicuous manner at the HACF central office lobby and at the site offices.

Documentation of Public Housing Maximum Rents

The HACF will maintain records that document how the HACF determined the 95th percentile of TTP.

PART III: FAMILY DEBTS TO THE PHA

16.8 OVERVIEW

This section describes the HACF's policies and guidelines for the recovery of debts and the use of repayment agreements. Before a debt is assessed against a family, the file must contain documentation to support the HACF's claim that the debt is owed. The file must further contain written documentation of the method of calculation, in a clear format for review by the family, as appropriate.

When families owe money to the HACF, every effort will be made to collect the debt. A variety of collection tools to recover debts may be used including, but not limited to:

- Requests for lump sum payments
- Repayment agreements
- Abatements
- Deductions
- Collection agencies
- Civil suits and/or Small claims Court
- State income tax set-ff program
- Credit bureaus
- Submitting the resident's name to HUD's EIV database – Debts Owed to PHAs

16.9 REPAYMENT POLICY

Any amount due to the HACF by a public housing family must be repaid. If the family is unable to repay the debt within 30 days, the HACF will offer to enter into a repayment agreement in accordance with the policies below.

If the family refuses to repay the debt, does not enter into a repayment agreement, or breaches a prepayment agreement, the HACF will terminate the family's tenancy in accordance with the policies in Chapter 13. The HACF will also pursue other modes of collection.

A Repayment Agreement is a document entered into between the HACF and the resident who owes a debt to the HACF. The Repayment Agreement contains an acknowledgment by the person of the debt in a specific amount, the terms of repayment, any special provisions of the agreement, and the remedies available to the HACF upon default of the agreement.

Down Payment Requirement
The Repayment Agreement will require that the family pay 25% of the retroactive amount due and the remaining balance to be paid in equal payments over a period of time not to exceed 12 months for amounts under $2400 or 24 months for any amount in excess of $2400.

Payment Thresholds
The maximum amount for which the HACF will enter into a payment agreement with a family is $10,000.

If the family refuses to repay the debt, enter into a repayment agreement, or breaches a repayment agreement, the HACF will terminate the family's tenancy in accordance with the policies in Chapter 13. The HACF will also pursue other modes of collection.

Late Payments
A payment will be considered to be in arrears if: The payment has not been received by the close of the business day on which the payment was due. If the due date is on a weekend or holiday, the due date will be at the close of the next business day.

If the family's repayment agreement is in arrears, the HACF may do one or more of the following:

- Require the family to pay the entire amount that has not been paid timely plus the current month's payment in order to avoid termination of tenancy, or
- Require the family to pay the balance in full in order to avoid termination of tenancy, or
- Pursue civil collection of the balance due, or
- Terminate the tenancy.

If the payment is not received by the due date, it will be considered a breach of the

agreement and the HACF will terminate tenancy in accordance with the policies in Chapter 13.

Execution of the Agreement
Repayment Agreements will be executed signed and dated between the HACF and the head of household or other adult family member.

Due Dates
All payments are due by the close of business on the 1st day of the month. If the 1st does not fall on a business day, the due date is the close of business on the first business day after the 1st.

No Offer of Repayment Agreement
The HACF may not agree to a repayment agreement if the family already has a Repayment Agreement in place, or if the family has breached previous Repayment Agreements.

The HACF, at its sole discretion, will determine on a case-by-case basis whether or not to offer a family a repayment agreement for monies owed to the HACF. All Repayment Agreements must be approved by a District Manager.

The HACF may approve in writing a decrease in the monthly payments, either temporary or permanent, in cases of hardship after receiving from the family a written request for a decrease and verification of hardship.

Additional Debt Incurred
If the family has a Repayment Agreement in place and incurs an additional debt to the HACF:

- The HACF may choose, at its discretion, to agree to more than one Repayment Agreement at a time with the same family.

- If a Repayment Agreement is in arrears more than 30 days, any new debts must be paid in full.

16.10 FAMILY DEBTS DUE TO FRAUD/NON-REPORTING OF INFORMATION

HUD's definition of program fraud and abuse is a single act or pattern of actions that Constitutes a false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead the HACF.

Immediate Payment of Retroactive Rent where Debt is the Result of Resident Misrepresentation of Failure to Disclose Material Information
If the Resident submits false information on any application, Personal Declaration, certification documents or request for interim adjustment or does not report interim changes in family income or other factors as required by his/her Lease Agreement, and as a result, is charged a rent less than the amount required b HUD's rent formulas, the Resident agrees to reimburse the HACF for the difference between the rent he/she should have paid and the rent he/she was charged. The HACF, in its sole discretion, may terminate the Lease for a material breach and/or may make the rent increase

retroactive to the date the income increased. If the HACF determines that a Resident is liable for the payment of Retroactive Rent, the resulting retroactive rent amount shall be paid immediately by the Resident.

A decision by the HACF to accept the payment of Retroactive Rent from a Resident shall not constitute a waiver of its right to either terminate the Lease or otherwise pursue any additional actions allowable under Federal, State or Local Law.

Payment of Retroactive Rent Where Debt is Not the Result of Resident Misrepresentation of Failure to Disclose Material Information
The HACF, in its sole discretion, ma enter into a Repayment Agreement for debt to the HA that did not result from the Resident's submission of false information on any application, Person Declaration, certification documents or request for interim adjustment or from a failure to report interim changes in family income or other factors as required by his/her lease Agreement. (Example, employer supplied inaccurate earnings).

16.11 REPAYMENT AGREEMENTS AT CONCLUSION OF TENANCY OR RESOLUTION OF EVICTION PROCEEDINGS

The HACF may enter into a repayment agreement in resolution of a debt incurred by a Resident during the course of his or her tenancy where the Resident has indicated his or her intent to voluntarily vacate. The HACF may also enter into a repayment agreement in resolution of either a notice to terminate or not renew a tenancy. The terms of such agreements shall be determined at the discretion of the HACF. The resident name will be submitted to HUD's EIV database –Debts Owed to PHAs.

16.12 FAMILY DEBTS PAID IN FULL

If the HACF determines not to enter into a repayment agreement, or if the repayment agreement is breached, and the HACF demands payment of the balance in full. The family must pay the full amount due and owing in one lump sum. If the family fails to pay, the HACF may pursue collection through a collection agency or a civil action and may notify credit agencies of the debt. Whether or not the amount is paid, the HACF does not waive its right to take other action including termination of tenancy or referral for criminal prosecution in appropriate cases.

16.13 PROGRAM FRAUD

If a family owes an amount which equals or exceeds $10,000, as a result of program fraud, the case will be referred to the Inspector General. Where appropriate, the HACF will refer the case for criminal prosecution.

16.14 TRANSFER REQUEST WHILE UNDER A REPAYMENT AGREEMENT

If the family requests a move to another unit and has a repayment agreement in place and the repayment agreement is not in arrears, the family may be required to pay the balance in full prior to moving to the new unit.

If the family requests a move to another unit and is in arrears on a repayment

agreement, unless they pay the balance in full, the request will be denied.

Under special circumstances, the HACF may make an exception and allow a family to move without paying the entire balance of the debt if the family is current with its payments. The HACF may also allow a family who is in arrears to become current in order to process a move if the move is for one of the following reasons:

- A natural disaster.
- The unit is uninhabitable or has major UPCS deficiencies that are not the result of a family action or inaction.
- A life-threatening situation, such as the family is a witness to or a victim of a crime and must move for safety reasons. The family will be required to provide proof in such cases.

PART IV: PUBLIC HOUSING ASSESSMENT SYSTEM (PHAS)

16.15 OVERVIEW

The purpose of the Public Housing Assessment System (PHAS) is to improve the delivery of services in public housing and enhance trust in the public housing system among the HACFs, public housing residents, HUD and the general public by providing a management tool for effectively and fairly measuring the performance of a public housing agency in essential housing operations.

16.16 PHAS INDICATORS [24 CFR 902 SUBPARTS A, B, C, D, AND E]

The table below lists each of the PHAS indicators, the points possible under each indicator, and a brief description of each indicator. The HACF's performance is based on a combination of all four indicators.

Indicator 1: Physical condition of the PHA's properties **Maximum Score: 30** • The objective of this indicator is to determine the level to which a PHA is maintaining its public housing in accordance with the standard of decent, safe, sanitary, and in good repair. • To determine the physical condition of a PHA's properties, inspections are performed of the following five major areas of public housing: site, building exterior, building systems, dwelling units, and common areas. The inspections are performed by an independent inspector arranged by HUD, and include a statistically valid sample of the units in the PHA's public housing portfolio.
Indicator 2: Financial condition of a PHA **Maximum Score: 30** • The objective of this indicator is to measure the financial condition of a PHA for the purpose of evaluating whether it has sufficient financial resources and is capable of managing those financial resources effectively to support the provision of housing that is decent, safe, sanitary, and in good repair.

• A PHA's financial condition is determined by measuring the PHA's entity-wide performance in each of the following components: current ratio, number of months expendable fund balance, tenant receivable outstanding, occupancy loss, expense management/utility consumption, and net income or loss divided by the expendable fund balance.
Indicator 3: Management operations of a PHA **Maximum Score: 30** • The objective of this indicator is to measure certain key management operations and responsibilities of a PHA for the purpose of assessing the PHA's management operations capabilities. • A PHA's management operations are assessed based on the following sub-indicators: vacant unit turnaround time, capital fund, work orders, PHA annual inspection of units and systems, security, and economic self-sufficiency.
Indicator 4: Resident service and satisfaction **Maximum Score: 10** • The objective of this indicator is to measure the level of resident satisfaction with living conditions at the PHA. • The PHA's score for this indicator is based on the results of resident surveys and the level of implementation and follow-up or corrective actions the PHA takes based on the results of the survey.

16.17 PHAS SCORING [24 CFR 902.63 AND 902.67]

HUD's Real Estate Assessment Center (REAC) issues overall PHAS scores, which are based on the scores of the four PHAS indicators, and the components under each indicator. PHAS scores translate into a designation for each PHA as high performing, standard, or troubled.

A high performer is a PHA that achieves a score of at least 60 percent of the points available under each of the four indicators, and achieves an overall PHAS score of 90 or greater.

A standard performer is a PHA that has an overall PHAS score between 60 and 89, and does not achieve less than 60 percent of the total points available under one of the following Indicators: 1, 2, or 3.

A troubled performer is a PHA that achieves an overall PHAS score of less than 60, or achieves less than 60 percent of the total points available under more than one of the following indicators: 1, 2, or 3.

These designations can affect a PHA in several ways:

- High-performing PHAs are eligible for incentives including relief from specific HUD requirements and bonus points in funding competitions [24 CFR 902.71].
- PHAs that are standard performers may be required to submit an improvement plan to eliminate deficiencies in the PHA's performance [24 CFR 902.73(a)].
- PHAs with an overall rating of "troubled" are subject to additional HUD oversight, and are required to enter into a memorandum of agreement (MOA) with HUD to improve PHA performance [24 CFR 902.75].

- PHAs that fail to execute or meet MOA requirements may be referred to the Departmental Enforcement Center [24 CFR 902.77].

  The HACF will post a notice of its final PHAS score and status in appropriate conspicuous and accessible locations in its offices within two weeks of receipt of its final score and status.

PART V: RECORD KEEPING

16.18 OVERVIEW

The HACF must maintain complete and accurate accounts and other records for the program in accordance with HUD requirements, in a manner that permits a speedy and effective audit. All such records must be made available to HUD or the Comptroller General of the United States upon request.

In addition, the HACF must ensure that all applicant and participant files are maintained in a way that protects an individual's privacy rights.

16.19 RECORD RETENTION

During the term of each public housing tenancy, and for at least three years thereafter, the HACF will retain the Form HUD-50058 and supporting documentation related to the family's eligibility, tenancy, and termination, including, but limited to:

- Original Application; income documentation; screening documentation; criminal background check, and original lease processed at time of admission;
- Certification for the past three years, includes criminal background checks for an new adult members added to the household;
- Family's signed Declaration of not being assigned a SSN by the SSA;
- Earned Income Disallowance documentation to determine family has exhausted the 48-months lifetime maximum eligibility period.

The HACF will retain the above records for a period of at least three years from the end of participation (EOP) date [24 CFR 908.101].

In addition, the HACF will keep the following records for at least four years:

- An application from each ineligible family and notice that the applicant is not eligible
- Lead-based paint records as required by 24 CFR 35, Subpart B
- Documentation supporting the establishment of flat rents and the public housing maximum rent
- Documentation supporting the establishment of utility allowances and surcharges
- Documentation supporting PHAS scores

- Accounts and other records supporting HACF budget and financial statements for the program
- Other records as determined by the HACF or as required by HUD
- If a hearing to establish a family's citizenship status is held, retention of records is five year.

16.20 RECORDS MANAGEMENT

All applicant and participant information will be kept in a secure location and access will be limited to authorized HACF staff.

HACF staff will not discuss personal family information unless there is a business reason to do so. Inappropriate discussion of family information or improper disclosure of family information by staff will result in disciplinary action.

Privacy Act Requirements [24 CFR 5.212 and Form-9886]
The collection, maintenance, use, and dissemination of social security numbers (SSN), employer identification numbers (EIN), any information derived from these numbers, and income information of applicants and participants must be conducted, to the extent applicable, in compliance with the Privacy Act of 1974, and all other provisions of Federal, State, and local law.

Applicants and participants, including all adults in the household, are required to sign a consent form, HUD-9886, Authorization for Release of Information. This form incorporates the Federal Privacy Act Statement and describes how the information collected using the form may be used, and under what conditions HUD or the HACF may release the information collected.

Upfront Income Verification (UIV) Records
Prior to utilizing HUD's EIV system, the HACF will adopt and implement EIV security procedures required by HUD.

Criminal Records
The HACF may only disclose the criminal conviction records which the HACF receives from a law enforcement agency to officers or employees of the HACF, or to authorized representatives of the HACF who have a job-related need to have access to the information [24 CFR 5.903(e)].

The HACF has establish and implement a system of records management that ensures that any criminal record received by the HACF from a law enforcement agency is maintained confidentially, not misused or improperly disseminated, and destroyed, once the purpose for which the record was requested has been accomplished, including expiration of the period for filing a challenge to the HACF action without institution of a challenge or final disposition of any such litigation [24 CFR 5.903(g)].

The HACF has establish and implement a system of records management that ensures that any sex offender registration information received by the HACF from a State or local agency is maintained confidentially, not misused or improperly disseminated, and destroyed, once the purpose for which the record was requested has been accomplished, including expiration of the period for filing a challenge to the HACF action

without institution of a challenge or final disposition of any such litigation. This requirement does not apply to information that is public information, or is obtained by the HACF other than under 24 CFR 5.905.

Medical/Disability Records
The HACF is not permitted to inquire about the nature or extent of a person's disability. The HACF may not inquire about a person's diagnosis or details of treatment for a disability or medical condition. If the HACF receives a verification document that provides such information, the HACF should not place this information in the tenant file. The HACF should destroy the document

PART VI: REPORTING REQUIREMENTS FOR CHILDREN WITH ENVIRONMENTAL INTERVENTION BLOOD LEAD LEVEL

16.21 REPORTING REQUIREMENTS [24 CFR 35.1130(E)]

The HACF will provide the public health department written notice of the name and address of any child identified as having an environmental intervention blood lead level.

The HACF will provide written notice of each known case of a child with an environmental intervention blood level to the HUD field office within 5 business days of receiving the information.

PART VII: NOTIFICATION TO APPLICANTS AND TENANTS REGARDING PROTECTIONS UNDER THE VIOLENCE AGAINST WOMEN REAUTHORIZATION ACT OF 2005 (VAWA)

16.22 OVERVIEW

The Violence against Women Reauthorization Act of 2005 (VAWA) requires the HACF to inform public housing tenants of their rights under this law, including their right to confidentiality and the limits thereof. Since VAWA provides protections for applicants as well as tenants, the HACF may elect to provide the same information to applicants [24 CFR 5.2007(3)].

This part describes the steps that the HACF will take to ensure that all actual and potential beneficiaries of its public housing program are notified about their rights under VAWA.

16.23 VAWA NOTIFICATION

The HACF will post the following information regarding VAWA in its offices and on its Web site. It will also make the information readily available to anyone who requests it.

- A summary of the rights and protections provided by VAWA to public housing applicants and residents who are or have been victims of domestic violence, dating violence, or stalking (see sample notice in Exhibit 16-1)

- The definitions of *domestic violence*, *dating violence*, and *stalking* provided in VAWA (included in Exhibit 16-1)

- An explanation of the documentation that the HACF may require from an individual who claims the protections provided by VAWA (included in Exhibit 16-1)

- A copy of form HUD-50066, Certification of Domestic Violence, Dating Violence, or Stalking

- A statement of the HACF's obligation to keep confidential any information that it receives from a victim unless (a) the HACF has the victim's written permission to release the information, (b) it needs to use the information in an eviction proceeding, or (c) it is compelled by law to release the information (included in Exhibit 16-1)

- The National Domestic Violence Hot Line: 1-800-799-SAFE (7233) or 1-800-787-3224 (TTY) (included in Exhibit 16-1)

- Contact information for local victim advocacy groups or service providers.

16.24 NOTIFICATION TO APPLICANTS

The HACF will provide all applicants with notification of their protections and rights under VAWA at the time they request an application for housing assistance.

The notice will explain the protections afforded under the law, inform each applicant of the HACF confidentiality requirements, and provide contact information for local victim advocacy groups or service providers.

The HACF will also include in all notices of denial a statement explaining the protection against denial provided by VAWA.

16.25 NOTIFICATION TO TENANTS [24 CFR 5.2007(3)]

The HACF will provide all tenants with notification of their protections and rights under VAWA at the time of admission and at annual reexamination.

The notice will explain the protections afforded under the law, inform the tenant of the HACF confidentiality requirements, and provide contact information for local victim advocacy groups or service providers.

The HACF will also include in all lease termination notices a statement explaining the protection against termination or eviction provided by VAWA.

CHAPTER 17 – MIXED FINANCE DEVELOPMENTS [24 CFR PART 941 SUBPART F]

INTRODUCTION

This chapter will provide guidance related to the HA's mixed finance developments. The HACF will ensure that these units operate in accordance with federal requirements, including those in the Annual Contributions Contract (ACC) and the Mixed Finance ACC Amendment; governing regulations for the public housing program and its own policies contained in this ACOP; including requirements and policies as established by Section 42 of the federal tax code and HUD guidelines (HUD Handbook 4350.3 REV01) for tax credit units.

PART I: PUBLIC HOUSING

17.0 PUBLIC HOUSING UNITS

All public housing units in a mixed finance property shall follow all policies as set forth in this ACOP.

17.1 ELIGIBILITY/INCOME LIMITS

Households must be eligible for whichever program(s) applies to their unit and follow the income limits according to the program(s). An applicant must qualify for the program which sets the lowest income limit for the unit.

17.2 SITE-BASED WAITING LIST

All mixed finance developments will maintain a site-based wait list. For the purpose of establishing a wait list, pre-applications will be accepted from any family wishing to apply at any specific mix development. The HACF/Agent may select one or more of the following methods for pre-applications:

- Submitted in person
- By mail
- By phone
- Submitted on line via the mix development's website, if applicable
- By other method as described in the public announcement.

At the time the HACF/Agent announces its intent to open the wait list, the actual methods for accepting pre-applications will be clearly stated in the public announcement and similar outreach methods.

17.3 HOUSING CHOICE VOUCHERS

Applicants with a Housing Choice Voucher may not occupy a public housing unit. (24 CFR Part 982 Subpart H).

17.4 TRANSFERS

Residents in a fixed public housing unit may transfer to a new unit and retain their status as a public housing resident only if the new unit is designated as public housing. If the public housing unit floats then the residents may transfer and will retain their public housing status. Transfers will be made within the mixed finance development.

17.5 RENTS

Public housing units generating tax credits may collect more revenue than the maximum allowable tax credit rent; however, if the unit is a tax credit/public housing unit and the resident chooses the public housing established flat rent, the flat rent may not exceed the maximum allowable tax credit rent.

17.6 GRIEVANCE PROCEDURES

Public housing residents in a mixed finance development have the right to grievance procedures.

PART II - LOW INCOME HOUSING TAX CREDIT (LIHTC) UNITS

All LIHTC units shall follow all requirements and policies as established by Section 42 of the federal tax code and HUD guidelines (HUD Handbook 4350.3 REV01).

17.7 ELIGIBILITY/INCOME LIMITS

Households must be eligible for whichever program(s) applies to their unit and follow the income limits according to the program(s). An applicant must qualify for the program which sets the lowest income limit for the unit. When a public housing/tax credit resident loses status as a tax credit resident, tenancy will continue to be governed by the requirements of the public housing program.

17.8 MINIMUM INCOME

Households must meet the established minimum income policies for the development.

17.9 FULL TIME STUDENTS

Generally, households comprised entirely of full-time students are not eligible for the program. Program rules provide for four exceptions to this requirement. The lease will state that if at future recertification all family members are full time students and the family does not qualify for an exception, the household will be ineligible and will have to vacate the tax credit unit.

17.10 FAMILY SIZE AND THE INCOME LIMIT

Unborn children are included as household members when determining family size for comparison of annual income to the income limits.

17.11 VERIFICATION OF ASSETS

IRS Revenue Procedures 94-65 states that if the total cash value of the family assets does not exceed $5,000, the family could self-certify the existence, value of, and income earned from their assets. No further verification is necessary.

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CHAPTER 18 - BANNING POLICIES AND PROCEDURES

INTRODUCTION

The following are the policies and procedures governing the implementation, administration, and enforcement of the HACF banning regulation.

18.0 DUTIES AND RESPONSIBILITIES

At the discretion of the Director of the Housing Management Division, the District Manager and Property Manager shall have the primary responsibility for the implementation, administration and enforcement of the Banning Regulation as it pertains to their respective assigned housing development and scattered sites. Property Supervisors shall be responsible for notifying residents of persons banned from HACF property.

Security personnel and law enforcement personnel contracted to provide services at the various housing developments shall participate in the enforcement of the Banning Regulation. Such enforcement may include properly identifying trespassers, issuing citations, and notifying the respective Property Manager of such violation.

Resident Managers shall, upon approval by the Director of the Housing Management Division, and at the discretion of the Property Manager, be responsible for identifying Banning violators, documenting violations by both residents and non-residents, and notifying the appropriate Property Manager of such violations.

18.1 BANNING REGULATION

A non-resident, including, but not limited to, a guest or visitor of a resident, may be banned for twelve (12) consecutive months if they commit two or more of the following acts in or upon any area of the HACF development within a twelve (12) month period.

- Any misdemeanor or infraction that disturbs the peaceful enjoyment of the development, including, without limitation, illegal drug activity or violent criminal activity;
- Destruction of either HA property or private property;
- After warning, continuing to interfere with the job responsibilities of a HA employee or vendor; and/or
- After warning, continuing to disturb other residents' peaceful enjoyment of the complex.

The non-resident may be banned if they commit one misdemeanor or infraction involving possession of a controlled substance or one felony under state or federal law in or upon any area of the HACF development including without limitation, illegal drug activity or violent criminal activity.

The HACF development includes, but is not limited to, a private road or curb area, sidewalk, parking lot, alley, park grounds, playground, basketball court, hallway, stairway, laundry or recreational room, community center, or other common area grounds, place, building or vacant lot on HACF property.

If a non-resident violates paragraph 1 above, he or she can be served with a banning notice excluding the non-resident from the HACF development for twelve (12) consecutive months. At the time the non-resident is served, he or she will be requested to sign a form acknowledging receipt of the banning notice. A proof of service form indicating service of the banning notice on the non-resident shall be completed. A form documenting the incidents leading to the service of the banning notice shall also be completed.

Residents known to associate with the banned non-resident shall receive notice of the person banned from HACF property in the form of a letter from the HACF. The letter will also state that pursuant to the resident's Lease Agreement, the resident, or member of the resident's household, shall not allow the person who has been excluded to be a guest of the resident in the HACF development.

A list of banned non-residents will be distributed to HACF management and staff, security personnel and law enforcement, as appropriate.

If a banned non-resident comes on the HACF development, he or she may be cited for trespass.

If the banned non-resident comes on the HACF development with a resident who has received notice of the person's banned status, the resident will receive a lease violation. If the resident has not received notice, the resident will be provided notice and warned about future activities with the banned non-resident.

Pursuant to the Banning Policies and Procedures, a resident receiving a lease violation for violating this regulation will have his or her historical file reviewed to determine the subsequent course of action.

18.2 BREACH OF THE LEASE

One violation of the Banning Regulation by any household member of a unit shall constitute a minor breach of the Lease Agreement. Three or more violations of the Banning Regulation within a 12-month period of time by any household member (in any combination) shall constitute a material breach of the Lease Agreement, and shall be sufficient grounds for termination of the Lease Agreement.

18.3 NOTICES AND RECOMMENDATIONS

Once a resident is notified, in writing, of a non-resident being banned from the HACF's property, the resident is deemed to have been put on notice that pursuant to their Lease Agreement they are prohibited from allowing a person who has been banned from HACF property to be a guest of the resident at the housing development. If a resident is observed associating with a banned non-resident on the housing development, he or she will be cited for a lease violation.

First Violation: Written notice shall be served on the head of household, by the HACF, advising of the lease violation. The notice shall constitute a WARNING to the head of household that subsequent violations may result in termination of the Lease Agreement.

Second Violation: Written notice of a second lease violation shall be served on the head of household and shall provide an opportunity for counseling for the head of household and household members. The Property Manager shall schedule an appointment for said counseling with ten (10) business days of the second violation notice.

Third Violation: Written notice of a third lease violation shall be served on the head of household and the appropriate remedy shall be enforced as set forth below.

More Than Three Violations: A Thirty-Day Notice to Quit will be served on the head of household if more than three violations are issued within a twelve (12) month period.

18.4 REMEDIES

Review of the Resident File

When a household member or members have been cited three times within a 12-month period for violating the Banning Regulation, the Property Manager shall conduct a review of the resident's file to determine the overall resident record. Based on such review, one of the following actions shall be taken:

1. Recommendation for Referral: The Property Manager shall offer a referral to counseling, if available, to a family in lieu of an eviction notice. Such option is available only if within the last 12 months preceding the third violation, the resident or household members have not received three (3) or more of any combination of the following:

   14-Day Notice

   Notice to Comply

   Notice to Pay Maintenance Charges

   Counseling for Disturbing Neighbors

   Counseling for any lease violation(s)

   30-Day Notice to Cure or Quit

2. Thirty-Day Notice to Quit: If the head of household and/or members of household should fail to complete counseling sessions, or have received three (3) or more of the aforementioned notices, the Property Manager shall serve a Thirty-Day Notice to Quit based on the violations and if appropriate, other violations of the lease.

18.5 ENFORCEMENT

Security Personnel/Law Enforcement

Security personnel and law enforcement personnel contracted to provide services at the various housing developments shall participate in the enforcement of the Banning Regulation. Such enforcement shall include:

1. Violation Recognition: Should security/law enforcement officers observe a non-resident banned from the housing development in or about the HACF complex, said officers shall have the authority to inquire of the individual(s) as to their identity, whether they are guest(s) of a resident, and their reason(s) for being on the property. The purpose of this inquiry is to determine whether a resident is subject to a lease violation, or a non-resident is subject to a trespass citation.

2. Citing Violations: Upon determining that an individual or individuals is in violation of the Banning Regulation, the security/law enforcement officer may so inform the resident and/or non-resident of the violation. The officer may then issue a written citation. One copy of the citation shall be filed with the Property Manager for the development, and the security/law enforcement officer shall maintain a copy.

18.6 ENFORCEMENT BY RESIDENT MANAGERS

Resident Managers shall participate in the enforcement of the Banning Regulation by observing and reporting. Should Resident Managers observe a resident in violation of the Banning Regulation, the incident should be immediately documented, including the date, time, location, person's name (if known), and number of times the person has been observed in violation of the Banning Regulation. Such documentation should be recorded in the resident's file and a memorandum concerning the Banning Violation(s) send to the Property Manager.

18.7 ENFORCEMENT BY MANAGEMENT

District Managers and Property Manager shall have the authority to serve citations for violations of the Banning Regulation.

18.8 GRIEVANCE PROCEDURE

HACF residents shall have the right to file a grievance in response to actions taken by the HACF concerning issuance of a Banning Notice or violations of the Banning Regulation.

The HACF Grievance Procedure is subject to the Code of Federal Regulations, Title 24, Part 966, revised as of April 1, 1985, and as further amended. Residents shall follow the grievance procedures as set forth in the ACOP.

CHAPTER 19 – CURFEW AND LOITERING POLICIES AND PROCEDURES

INTRODUCTION

The following are the policies and procedures governing the implementation, administration, and enforcement of the HACF Curfew and Loitering Regulations.

19.0 DUTIES AND RESPONSIBILITIES

At the discretion of the Senior Manager of the Housing Management Division, the District Manager and Property Manager shall have the primary responsibility for implementation, administration and enforcement of the Curfew and Loitering Regulations as it pertains to their respective assigned housing developments and scattered sites.

Security personnel and law enforcement personnel contracted to provide services at the various housing developments shall participate in the enforcement of the Curfew and Loitering Regulations. Such enforcement may include properly identifying curfew and loitering violators, and notifying the appropriate Property Supervisor of such curfew and loitering violations.

19.1 NIGHTTIME CURFEW

No minor under the age of 18 years shall remain in or upon any common area of the HA or within any HACF community, including but not limited to a road, curb area, sidewalk, parking lot, alley, park grounds, playground, basketball court, hallway, stairway, laundry, or recreational room, community center, or other common area grounds, place, building or vacant lot between the hours of 10:00 p.m. on any day and 6:00 a.m. of the immediately following day, except for within an apartment unit or private yard area.

“Remain” means to stay behind, to tarry and to stay unnecessarily in or upon HACF common area, including the congregating of groups of persons, in whom any minor involved is not on or upon HACF common area for the purpose of mere passage or going home.

A parent, guardian or other person having the legal care, custody or control of any minor (under the age of 18 years) shall not knowingly permit or by ineffective control allow the minor to violate this curfew regulation. The term “knowingly” includes knowledge that a parent or guardian should reasonably by expected to have concerning the whereabouts of a minor in that person’s legal custody. This requirement is intended to hold a neglectful or careless parent or guardian up to a reasonable community standard of parental responsibility.

It shall be no defense that a parent or guardian was indifferent to the activities or conduct or whereabouts of such minor.

The following shall constitute valid exceptions to the regulation:

1. When the minor is accompanied by his or her parent or parents, legal guardian or

other person having the legal care or custody of the minor, or by his or her spouse 18 years of age or older; or

2. When the minor is on an errand or other legitimate business or activity directed by his or her parent or parents or legal guardian or other adult person having the legal care or custody of the minor, or by his or her spouse 18 years of age or older; or

3. When the minor is going directly to or returning directly home (without any unnecessary detour or stop), a public meeting, or activity of a religious or other voluntary association, a place of public entertainment such as a movie, play, sporting event, dance, school activity, or the minors place of employment; or

4. When the minor is actively participating in a sporting or community event on HA property, if the HACF rules or regulations permit the sporting or community event during said hours; or

5. When the presence of such minor in said place or places is connected with or required with respect to a business, trade, profession, or occupation in which said minor is lawfully engaged; or

6. When minor is exercising First Amendment rights protected by the United States or California Constitution; or

7. When the minor is involved in an emergency or seeking medical assistance; or

8. When the minor is emancipated pursuant to law.

19.2 DAYTIME CURFEW

No minor (under the age of 18 years) who is subject to compulsory education or to compulsory continuing education shall remain in or upon any common area of the HACF or within any HACF community including, but not limited to, a road curb area, sidewalk, parking lot, alley, park grounds, playground, basketball court, hallway, stairway, laundry or recreational room, community center, or other common area grounds, place or building, vacant lot or parking lot, between the hours of 8:30 a.m. and 1:30 p.m. on days when school is in session. The following shall constitute valid exceptions to this regulation:

1. When the minor is accompanied by his or her parent or parents, legal guardian or other adult person having the legal care or custody of the minor, or by his or her spouse 18 years of age or older; or

2. When the minor is upon an emergency errand directed by his or her parent or parents, legal guardian or other adult person having the legal care or custody of the minor, or by his or her spouse 18 years of age or older; or

3. When the minor is going directly to or returning directly home from, without any unnecessary detour or stop, his or her place of gainful employment or a medical, dental, optometry, or chiropractic appointment; or

4. When the minor has permission to leave school campus for lunch or school related activity and has in his or her possession a valid, school issued, off-campus permit; or

5. When the minor has in his or her possession a written excuse from the minors parent(s), legal guardian, or other adult person having the legal care or custody of the minor; or

6. When the minor is receiving instruction by a qualified tutor pursuant to Education Code Section 48224; or

7. When the minor is going to or returning directly from, without unnecessary detour or stop, a public meeting, or place of public entertainment, such as a movie, play, sporting event, dance or school activity, provided such meeting, event or activity is a school-approved activity for the minor or is otherwise supervised by school personnel of the minors school; or

8. When the minor is going to or returning directly from, without unnecessary detour or stop, an appearance in court, attendance at a funeral service, observance of a holiday or ceremony of his or her religion, attendance at religious retreats, or attendance at an employment conference; or

9. When the minor is emancipated pursuant to law.

19.3 LOITERING

No one will loiter in a common area of a housing site. A common area includes, but is not limited to a road, curb area, sidewalk, fire lane, parking lot, alley, park grounds, playground, basketball court, hallway, stairway, laundry, or recreational room, community center, or other common area grounds, place, building or vacant lot. This pertains to adults and minors.

“Loitering” is defined as when a person delays, lingers, idles or remains in an area and does not have a lawful purpose for being there.

19.4 BREACH OF THE LEASE

One violation of the Curfew Regulation by any household member of a unit shall constitute a minor breach of the Lease Agreement. Three or more violations of the Curfew Regulation within a 12-month period of time by any household member (in any combination) shall constitute a material breach of the Lease Agreement, and shall be sufficient grounds for termination of the Lease Agreement.

One violation of the Loitering Regulation by any household member of a unit or guest of the unit shall constitute a minor breach of the Lease Agreement. Two or more violations of the Loitering Regulation within a 12-month period of time by any household member or guest (in any combination) shall constitute a material breach of the Lease Agreement, and shall be sufficient grounds for termination of the Lease Agreement.

19.5 NOTICES AND RECOMMENDATIONS

Notice

The Head of Household shall receive a copy of the citation for violation of the Curfew Regulation and written notification from HACF management of each violation of the Curfew Regulation occurring within a 12-month period as follows:

First Violation: Written notice shall be served on Head of Household, by HACF management, advising of curfew violation and that Head of Household is responsible for the minor's conduct. The notice shall constitute a WARNING to the Head of Household that subsequent violations may result in termination of the Lease Agreement.

Second Violation: Written notice of a second curfew violation shall be served on the Head of Household and shall provide an opportunity for counseling for the Head of Household and minor(s). The Property Manager should schedule the appointment for said counseling with ten (10) business days of the second violation notice.

Third Violation: Written notice of third curfew violation shall be served on the Head of Household and the appropriate remedy shall be enforced as set forth below.

The Head of Household shall receive a copy of the citation for violation of the Loitering Regulation and written notification from HA management of each violation of the Loitering Regulation occurring within a 12-month period as follows:

First Violation: Written notice shall be served on Head of Household, by HACF management, advising of loitering violation and that Head of Household is responsible for the household member or guests' conduct. The written notice shall also provide an opportunity for counseling for the Head of Household. The Property Manager should schedule the appointment for said counseling within ten (10) business days of the notice. The notice shall constitute a WARNING to the Head of Household that subsequent violations may result in termination of the Lease Agreement.

Second Violation: Written notice of second loitering violation shall be served on the Head of Household and the appropriate remedy shall be enforced as set forth below.

19.6 REMEDIES

Review of Resident File

When a household member or members have been cited three times within a 12-month period for violating the Curfew or Loitering Regulations, the Property Manager shall conduct a review of the resident's historical file to determine the overall resident record. Based on such review, one of the following actions shall be taken:

Recommendation for Referral: The Property Manager shall offer a referral to counseling, if available, to a family in lieu of an eviction notice. Such option is available only if within the last 12 months preceding the third curfew or loitering violation the resident or household members have not received three (3) or more of any combination of the following:

14-Day Notice

Notice to Comply

Notice to Pay Maintenance Charges

Counseling for Disturbing Neighbors

Counseling for any lease violation(s)

30-Day Notice to Cure or Quit

Thirty-Day Notice to Quit

If head of household and/or minor(s) should fail to complete referred sessions, or have received three (3) or more of the aforementioned notices, the Property Manager shall serve a Thirty-Day Notice to Quit based on the curfew or loitering violations and, if appropriate, other violations of the lease.

19.7 ENFORCEMENT

Security Personnel/Law Enforcement

Security personnel and law enforcement personnel contracted to provide services at the various housing developments shall participate in the enforcement of the Curfew and Loitering Regulations. Such enforcement shall include:

Violation Recognition: Should security/law enforcement officers observe a minor or minors in or about any common area of the HACF developments between the hours of 10:00 p.m. and 6:00 a.m., said officers shall have the authority to inquire of the minor(s) as to their identity, whether they are residents of the housing development, and their reason(s) for being out during curfew hours. The purpose of the inquiry is to determine whether the minor(s) are in violation of the Curfew Regulation or whether any of the exceptions to the Curfew Regulation apply.

Should security/law enforcement officers observe anyone loitering in any common area of the HACF developments, said officers shall have the authority to inquire of the person(s) as to their identity, whether they are residents of the housing development, and their reason(s) for being in the common area.

Citing Violations: Upon determining that a minor is in violation of the Curfew Regulation, the security/law enforcement officer may so inform the minor(s) of the violation. The officer may then issue a written citation. One copy of the citation shall be filed with the Property Manager for the development, and the security/law enforcement

officer shall maintain a copy.

Upon determining that a person is in violation of the Loitering Regulation, the security/law enforcement officer may so inform the person(s) of the violation. The officer may then issue a written citation. One copy of the citation shall be filed with the Property Manager for the development, and the security/law enforcement officer shall maintain a copy.

Enforcement by Resident Managers

Resident Managers shall participate in the enforcement of the Curfew Regulation by observing and reporting only. Should Resident Managers observe a minor or minors in violation of the Curfew Regulation the incident should be immediately documented, including the date, time, location, name of minor (if known), and number of times minor has been observed in violation of the Curfew Regulation. Such documentation should be recorded in the resident's file and a memorandum concerning the curfew violation(s) sent to the Property Supervisor.

Resident Managers shall participate in the enforcement of the Loitering Regulation by observing and reporting only. Should Resident Managers observe a person or persons in violation of the Loitering Regulation the incident should be immediately documented, including the date, time, location, name of person(s) (if known), and number of times person(s) has been observed in violation of the Loitering Regulation. Such documentation should be recorded in the resident's file and a memorandum concerning the loitering violation(s) sent to the Property Manager.

Enforcement by Management

District Managers and Property Manager shall have the authority to serve citations for violations of the Curfew and Loitering Regulations.

19.8 GRIEVANCE PROCEDURE

Residents shall have the right to file a grievance in response to actions taken by the HACF concerning violations of the Curfew and Loitering Regulations.

The HACF Grievance Policy is subject to the Code of Federal Regulations, Title 24, Part 966, revised as of April 1, 1985, and as further amended. Residents shall follow the grievance procedures as set forth in the ACOP.

CHAPTER 20 – LIPH FAMILY SELF-SUFFICIENCY (FSS) PROGRAM [24 CFR 984.101 – 401]

INTRODUCTION

The FSS program encourages families to attain economic independence and self-sufficiency. Families receiving Low Income Public Housing (LIPH) rental assistance and participating in FSS are provided one-on-one case management services to identify career/education goals, build assets, increase earnings, and/or achieve homeownership. The objective of the FSS program is to assist low-income families in reducing/eliminating dependency on government assistance programs.

20.0 FAMILY ELIGIBILITY [24 CFR 984.103]

Participation in the FSS program is on a voluntary basis for families receiving rental assistance through the LIPH program administered by the HACF.

20.1 PROGRAM COORDINATING COMMITTEE (PCC) [24 CFR 984.202]

The HACF collaborates with a program coordinating committee (PCC) consisting of representatives from the public and private sector. The PCC is responsible to assist the HACF in developing the FSS Action Plan. Other responsibilities include partnering with community organizations to provide supportive services and community resources to assist FSS families in overcoming barriers to self-sufficiency. These include, but are not limited to:

- Childcare
- Education
- Transportation
- Counseling
- Employment readiness
- Vocational training
- Homeownership education

20.2 FSS FAMILY SELECTION PROCESS [24 CFR 984.203]

The HACF will open the FSS interest list as needed in order to maintain the minimum program size. When the interest list is open, families may use any one or more options to be placed on the interest list:

- Call the HA
- Submit an FSS Application in person or by mail

Families are contacted according to the date and time the family expressed an interest.

Eligible families are mailed an invitation to attend a one-on-one FSS orientation with an FSS Coordinator. At the orientation the family is given a general overview of the program and details on the roles and responsibilities of FSS participants, as well as the role of the HACF. A description of supportive services, escrow accounts, program policies, expectations, and requirements for successful completion of the program is provided. Families and HACF representative sign a Contract of Participation, Individual Training and Services Plan (ITSP), and complete the family profile. A needs assessment is conducted to develop the ITSP for achieving self-sufficiency.

Families who decide at the orientation not to participate in FSS will be removed from the FSS interest list.

20.3 DENIAL OF FSS PARTICIPATION [24 CFR 984.303]

The HACF may deny participation to families who:

- Owe money to the HACF or any other Public Housing Authority (PHA)
- Failed to comply with the LIPH program at any PHA
- Failed to comply with the FSS program at any PHA
- Have successfully graduated from the FSS program with any PHA and received a full escrow payout.

20.4 CONTRACT OF PARTICIPATION [24 CFR 984.303]

The designated Head-of-Household (HOH) and the HACF representative must sign a Contract of Participation, which describes the rights and responsibilities of the FSS family and the HACF. The effective date of the contract is the first month following the date both parties have signed the Contract of Participation. The term limit is five (5) years.

Essential Components

The following information must be entered into the contract for it to be valid:

- Contract start and end date
- Annual income
- Earned income
- Family rent portion (TTP or 30 percent of Monthly Adjusted Income for vouchers)
- Participant's signature and date
- HACF Representative signature and date

Contract Extensions

Contracts may be extended up to a maximum of two (2) additional years with the approval of the HACF. A written request must include "good cause," e.g., an FSS family is unable to complete the ITSP goals due to circumstances beyond the family's control. Other examples of "good cause" include but are not limited to:

- Serious illness
- Involuntary loss of employment
- Death in the family
- Separation/divorce
- Physical/mental impairment, external economic factors or other excruciating circumstances beyond the participants control which will require additional time to change and/or complete education/career goals
- Pursuit to homeownership
- Pursuit of higher education

During an extension to the contract, the family continues to have FSS amounts credited to the escrow account in accordance with 24 CFR 984.304.

Termination of the Contract
[24 CFR 984.303(h)]

The contract of participation is automatically terminated if the family's LIPH rental assistance is terminated in accordance with HUD requirements. The contract of participation may be terminated before the expiration of the contract term, and any extension granted by the HACF. The contract may be terminated for terms and conditions listed below:

- Failure of the FSS family to meet the obligations under the Contract of Participation without good cause;
- Failure to comply with the Contract requirements because the family has moved outside the jurisdiction of the HACF;
- Such other act as is deemed inconsistent with the purpose of the FSS program.

The Contract of Participation may also terminate due to:

- Mutual consent of the parties;
- The family's withdrawal from the FSS program.

Completion of the Contract
The Contract of Participation is considered to be completed, and a family's participation in the FSS program is considered to be concluded when one of the following occurs:

- The FSS family has fulfilled all of its obligations under the contract and obtained suitable employment on or before the expiration of the contract term, including any extension thereof, or

- The thirty (30) percent of the FSS family's monthly adjusted income equals or exceeds the base rent for the size of the unit for which the family qualifies based on HACF occupancy standards.

20.5 INDIVIDUAL TRAINING AND SERVICES PLAN (ITSP) [24 CFR 984.303]

The ITSP plan identifies the participants' job-related final goal, as well as interim goals. Timelines for completion are established for each goal. The final goal must include suitable full-time employment, which also demonstrates advancement in education/employment/vocational training. FSS coordinators monitor the progress of each FSS family.

The ITSP shall include:

- The resources and services to be provided by the HA
- Targeted completion dates for each individual interim goal
- Referrals for career, education, and job-related activities
- Final goal to obtain suitable full-time employment
- Interim goal must include the requirement to be off welfare assistance for twelve (12) consecutive months prior to the completion/expiration of the Contract, including any extensions. [24 CFR 984.303(b)(2)]
- Participant's signature and date
- HACF Representative signature and date

The participant may change the goals and services in the ITSP by submitting a written request for the change. The final employment goal can be changed only if; 10 the new goal demonstrates full-time suitable employment and supports FFS program goals for self sufficiency and 2) The interim goals aligns with the final goal. The ITSP goals may be revised no more than three (3) times during the five-year contract period or any extension thereof.

Change in Head of Household

The FSS participant may designate a new HOH if the current HOH is unable to complete his/her obligations under the Contract of Participation. The request must be submitted to the HACF in writing. The new HOH must sign and complete a new contract of participation and a new ITSP for goals and services. The start and end date of the new contract will remain the same as the original contract of participation.

Household with more than one ITSP

The FSS family may have more than one ITSP in a single household. Although, other adults are eligible to enter into their own individual ITSP, the Contract of Participation remains with the HOH and each adult family member with an ITSP must complete the activities in the ITSP. The additional adults will not be eligible for an escrow pay out.

20.6 FSS ESCROW ACCOUNTS [24 CFR 984.305]

As incentive for families to join the FSS program and as a strategy to assist families in building assets, HUD regulations allow an escrow account to be established on behalf of eligible families. Eligibility for an escrow account is determined according to a HUD-defined formula using the family's earned income data [24 CFR 982.505].

As the family's earned income increases and the household rent increases, the HACF calculates escrow eligibility according to the HUD formula to determine the amount of escrow credits. Escrow funds are held in the participant's name until the participant has met the requirements for final escrow disbursement.

Under the requirements for escrow disbursement, the FSS participant must have:

- Completed the goals in the ITSP
- Obtained suitable employment. The HACF has determined suitable employment for the HOH as year round full-time sustainable employment to be not less than thirty (30) hours per week and the gross annual income is equal to or exceeds the state minimum wage multiplied by nineteen hundred and fifty (1950) hours. Seasonal employment does not meet the HACF standards for suitable employment unless the HOH is employed all year round with multiple seasonal jobs.
- Certify that all members of the household have not received welfare assistance for twelve (12) consecutive months prior to the expiration of the term of the contract, including any extension thereof.
- Achieve an annual anticipated income whereby thirty (30) percent of the family's monthly adjusted income is equal to or exceeds the base rent for the size of unit which the FSS family qualifies based on the HA's occupancy standards.

The HACF cannot restrict a family's use of FSS escrow account funds withdrawn by the family unless it is an interim disbursement to aid in the completion of an interim goal.

Interim Disbursement
[24 CFR 984.305(2)(ii)

The HACF may disburse a portion of the funds from the family's escrow account during the Contract of Participation for completing an interim goal, if the funds are used for purposes consistent with the Contract of Participation, such as, but not limited to:

- School tuition
- Business start-up expenses
- A vehicle if public transportation is unavailable or inaccessible to the family
- Job training expenses
- Down payment for a home

Forfeiture of Escrow Account
[24 CFR 984.305(f)

The FSS escrow account may be forfeited if the family fails to comply with the FSS program, and any one of the following is true:

- The Contract of Participation is terminated, according to 24 CFR 984.303 (e),(h)
- The Contract of Participation is declared null and void
- The family has not met its responsibilities as stated in the Contract of Participation
- The HOH has failed to obtain suitable employment on or before the expiration of the contract term, including any extension thereof
- An intergenerational family, whose HOH becomes independent of welfare assistance, however another family member (or other members) of another household in the same family continue to receive Temporary Assistance for Needy Families (TANF). Note: if the family is receiving a TANF child-only grant, or TANF non-needy grant as stated in HUD Notice PIH 2007-20, forfeiture of the escrow account will not be considered.
- The head of the family dies and the remaining members of the family choose not to continue participating in the program, and the contract obligations were not met by the HOH prior to his/her departure.

Succession to FSS Account
[24 CFR 984.305(d)]

If the FSS HOH no longer resides with other family members in the assisted unit, the other remaining adult members of the FSS family have the right to designate another adult family member to receive the funds. The HACF must be consulted and must approve this change. The request for change of HOH must be submitted in writing, and must include the following:

- The name of the new designated FSS HOH
- The signature of the new FSS HOH
- The effective date of the change

An addendum to the FSS Contract must include the effective date of change and must be signed by the new HOH and the HACF representative.

20.7 GRIEVANCE

The FSS participant will be notified via mail of decisions affecting the family's participation in the FSS program. The notification will include the reasons for the decision and the HACF policies and HUD regulations supporting it. If the participant disagrees with the decision, an appeal may be made within ten (10) business days of the notification (for any issues which can be appealed per 24 CFR 982.555(a)(1) and

984.303(i). The appeal must be submitted in writing to the HACF for review. The family will be notified in writing of the due process, including the date set for an informal hearing.

20.8 TRANSFER

The FSS family cannot port outside HACF jurisdiction. However, the FSS family may transfer from one unit to another within the jurisdiction with the approval of HACF, when the following occurs.

- Emergency Transfers
- Required Transfers
- Resident Requested Transfers

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CHAPTER 21 – LIMITED ENGLISH PROFICIENCY (LEP)

INTRODUCTION

In accordance with Executive Order 13166, the HACF will provide meaningful access to its programs and activities by persons with Limited English Proficiency (LEP). This chapter describes how the HACF will undertake reasonable efforts to provide or arrange free language assistance for its LEP participants and applicants to the public housing programs as well as the general public.

21.0 MEANINGFUL ACCESS; FOUR-FACTOR ANALYSIS

Meaningful access is free language assistance in accordance with federal guidelines. The HACF will annually assess and update the following four-factor analysis, including but not limited to:

- The number or proportion of LEP persons eligible to be served or likely to be served by the HACF.
- The frequency with which LEP persons using a particular language come into contact with the HACF.
- The nature and importance of the HACF program, activity or service to the person's life.
- The HACF's resources and the cost of providing meaningful access.

21.1 LANGUAGE ASSISTANCE

The following language assistance policies will apply:

- A person who does not speak English as their primary language AND who has a limited ability to read, write, speak or understand English may be a Limited English Proficient (LEP) person and may be entitled to language assistance with respect to HA programs and activities.

- Language assistance includes interpretation, which means oral or spoken transfer of a message from one language into another language; and/or translation, which means the written transfer of a message from one language into another language. The HACF will determine when interpretation and/or translation services are needed and are reasonable based upon the four-factor analysis.

- HACF staff will take reasonable steps to provide language assistance to LEP clients who have difficulty communicating in English. Should a client ask for language assistance and the HACF determines that: a) the client is an LEP person and b) such assistance is necessary to provide meaningful access, the HACF will make reasonable efforts to provide free language assistance. The

HACF will provide the language assistance in the LEP client's preferred language upon request.

The HACF will periodically assess client needs for language assistance based on the frequency of requests for interpreters and/or translation, as well as the literacy skills of clients.

21.2 TRANSLATION OF DOCUMENTS

The HACF will consider the following factors in determining whether a document requires translation:

- Whether the document meets the threshold of a "vital document". Per the HUD guidance, "vital documents" are those that are critical for ensuring meaningful access by beneficiaries or potential beneficiaries generally and LEP persons specifically. For further details see the HACF's Language Assistance Plan.

- The costs and benefits of translating documents for potential LEP groups, the barriers to meaningful translation or interpretation of technical housing information, the likelihood of frequent changes in documents, the existence of multiple dialects within a single language group, the literacy rate in an LEP group and other relevant factors. The HACF will undertake this examination when an eligible LEP group constitutes 5 percent of an eligible client group (for example, 5 percent of households living in HA housing developments) or 1,000 persons, whichever is less.

In consideration of the above, the HACF provides translations of the following assisted public housing "vital documents" listed in Appendix A. As the HACF continues to translate further assisted public housing program "vital documents", this Appendix will be updated on an annual basis.

As opportunities arise, the HACF may work with other local Public Housing Authorities (PHAs) to share the costs of translating common documents.

As HUD continues to translate standard housing documents in multiple languages, the HACF will replace its translated versions with the official HUD versions. The HACF encourages HUD to provide this service to PHAs and other federally funded agencies whose limited resources hinder their LEP efforts.

The HACF will consider technological aids such as Internet-based translation services, which may provide helpful, although perhaps not authoritative, translations of written materials.

21.3 AUDIOVISUAL MATERIALS

The HACF will make reasonable efforts to produce multiple translations of audiovisual materials it uses to inform or educate applicants, participants and other client groups. For example, the HACF provides headsets and interpreters at community or other meetings.

21.4 INTERPRETERS

Formal Interpreters

To provide meaningful access for LEP clients, the HACF will use the Language Line Services which provides accurate and complete interpretation in 156 languages. At important stages that require one-on-one contact, written translation and verbal interpretation services will be provided consistent with the four-factor analysis herein.

Outside vendors who are qualified interpreters shall be used at the following:

- Informal hearing(s) for denial of admission to public housing;
- Informal meetings for settlement agreements and formal hearings for termination of public housing;

Informal Interpreters

Informal interpreters may include the family members, friends, legal guardians, service representatives or advocates of the LEP client. HACF staff will determine whether it is appropriate to rely on informal interpreters, depending upon the circumstances and subject matter of the communication. However in many circumstances, informal interpreters, especially children, may not be an appropriate option to provide accurate interpretations. There may be issues of confidentiality, competency or conflict of interest.

An LEP person may use an informal interpreter of his/her own choosing and at his/her expense, either in place of or as a supplement to the free language assistance offered by the HA. If possible, the Housing Authority should accommodate an LEP client's request to use an informal interpreter in place of a formal interpreter.

If an LEP client prefers an informal interpreter, after the HACF has offered free interpreter services, the informal interpreter may interpret. If the LEP person decides to provide his/her own interpreter, the LEP person's election of this choice will be documented. The HACF may require the family to sign a waiver of their right to the HACF-supplied interpreter.

If an LEP client wants to use his/her own informal interpreter, the HACF reserves the right to also have a formal interpreter present.

21.5 OUTSIDE RESOURCES

Outside resources may include community volunteers, HACF residents or Housing Choice Voucher/Section 8 participants.

Outside resources may be used for interpreting services at public or informal meetings or events if a timely request has been made.

The HACF will establish and maintain relationships with organizations that assist specific cultural and ethnic groups living in Fresno County. To help their clients obtain or keep housing assistance through the HACF, these organizations may provide qualified interpreters for LEP persons.

21.6 MONITORING

The HACF will review and revise this LEP Policy annually as part of the Agency Plan process. The review will include:

a. Reports from the HACF's software system on the number of LEP clients, to the extent that the software and staff data entry can provide such information. Such reports may be supplemented by staff observations.

b. A determination as to whether 5 percent or 1,000 persons from the HACF public housing participants speak a specific language, which triggers consideration of document translation needs as described above.

c. Analysis of staff requests for contract interpreters: number of requests, languages requested costs, etc.

21.7 LEP POLICY DISTRIBUTIONS AND TRAINING

The LEP Policy will be:

1. Distributed to all HACF staff.

2. Available at the HACF Administrative Office.

3. Posted on HACF's website at www.hafresno.org

4. Explained in orientation and training sessions for supervisors and other staff who need to communicate with LEP clients.

CHAPTER 22 – ENTERPRISE INCOME VERIFICATION (EIV) SECURITY POLICIES AND PROCEDURES

22.0 PRIVACY PROTECTION POLICY

EIV resident data will be used only to verify a resident's eligibility for participation in the Housing Choice Voucher Program and Low Income Public Housing to determine the level of assistance for which resident is eligible.

22.1 PRIVACY ACT

Data provided via the EIV System will be protected to ensure that information is used only for official purposes and not disclosed in any way that would violate the privacy of the individuals represented in the system data. Privacy of data and data security for computer systems are covered by a verity of Federal laws and regulations. The Privacy Act of 1974 as amended, 5 U.S.C. 552(a) is one such regulation.

Appendix 1 of the HACF's EIV Security Policies and Procedures manual is a summary of the safeguards of the Privacy Act.

In compliance with HUD requirements, the HACF will implement three types of safeguards, technical safeguards, administrative safeguards, and physical safeguards.

Technical Safeguards

The purpose of the Technical Safeguards is to:

- Reduce the risk of a security violation related to the EIV system's software, network, or applications
- Identify and authenticate all users seeking access to the UIV data
- Monitor the user activity on the EIV system

Description of the Technical Safeguards includes two types of controls built into the EIV system:

1. User Identification and Authentication:

- Each user is required to have their own User ID and Password;
- The User ID identifies the program administrators and resident information that the user is authorized to access;
- Passwords are encrypted and the password file is protected from unauthorized access;
- The system forces all users to change their password every 21 days and limits the reuse of previous passwords;

- After three unsuccessful attempts to log in, the User ID is locked and the user has to contact the PIH Security Administrator or the PIH User Administrator for further instructions.

2. Online User Alerts:

   - Online Warning messages that inform user of the civil and criminal penalties associated with unauthorized use of the UIV data.

Physical Safeguards

1. The purpose of Physical Safeguards is to:

   - Provide barriers between unauthorized persons and documents containing private data and computer media containing files that contain private data;
   - Provide immediate notification, noticeable under normal operating conditions, if the barrier is penetrated by unauthorized persons;
   - Prevent viewing or sensing of private information by any person by any means from outside the area confined by the barrier.

2. Physical Safeguards:

   - Locked and monitored buildings, offices, or storage rooms;
   - Locked and monitored metal file cabinets;
   - Designated secure areas and equipment;
     - Security rooms or locked office space with limited (minimum required) points of entry (e.g., doors)
     - Security rooms or locked office space with limited (minimum required) means of entry (e.g., keys)
     - Restricted areas with prominently posted signs or other indicators identifying them and limited points of entry
     - Physical and administrative means for monitoring access to the secure areas and access and use of the protected data
     - Restricted use printers, copiers, facsimile machines, etc.

   - Secure computer systems and output
     - Retrieve all computer printouts as soon as they are generated so that UIV data is not left lying unattended in printers;
     - Avoid leaving a computer unattended with UIV data displayed on the screen;
     - Staff is prohibited from downloading UIV data information into computer or a CD.

   - Secure disposal of UIV information
     - It is the HACF's policy and procedures to shred all UIV information upon purging resident file.

Administrative Safeguards

1. Purposes of the administrative safeguards:

   - Ensure all users who have access to EIV data have an Access Authorization form signed by the Executive Director of the Housing Authority on File
   - Ensure all users who access the EIV system have a current signed Rules of Behavior and User Agreement on file
   - Conduct quarterly reviews of all User IDs to determine if the user still has a valid need to access the EIV data, and
   - Ensure the access rights are modified or revoked as appropriate.

2. The PIH Security Administrator and the PIH User Administrator will maintain the following security records and forms:

   - EIV Rules of Behavior and User Agreement forms
   - EIV Access Authorization Forms
   - EIV Disposal records list
   - EIV Security violation information
   - Key control logs for secure areas or filing cabinets
   - EIV Security Awareness Training records
   - Records of internal audits to ensure that the Form HUD-9886 has been signed by each adult member of the household and is kept in the Confidential Resident File.
   - A record of all users who have approved access to EIV data including the date the access was granted and the date access was terminated
   - Monitor User Session and Activity Report
   - Monitor the Resident Data Access Audit Report

3. Conducting Security Awareness Training:

   - Ensure that all users of UIV data receive training in UIV security policies and procedures at the time of employment and at least annually afterwards;
   - Maintain a record of all personnel who have attended training sessions;
   - Communicate security information and requirements to appropriate personnel using various methods including discussions at group and managerial meetings and security bulletins posted throughout the work areas;
   - Distribute all User Guides and Security Procedures to personnel using UIV data.

22.2 REPORTING OF IMPROPER DISCLOSURES

These security violations may include the disclosure of private data as well as attempts to access unauthorized data and the sharing of User IDs and passwords. Upon the discovery of a possible improper disclosure of UIV information or another security violation by a program administrator employee or any other person, the individual making the observation or receiving the information should contact the PIH Security Administrator or the PIH User Administrator. The Security Administrator or the User Administrator or designated staff should document all improper disclosures in writing

providing details including who was involved, what was disclosed, how the disclosure occurred, and where and when it occurred regardless if the security violation was intentional or unintentional.

The following contacts should be made:

- The program administrator security officer should contact and provide the HACF Executive Director or the designee with the written documentation; and
- The HACF Executive Director or the designee should provide the HUD Field Office Public Housing Director with the written documentation

Enforcement

Any employee found to have violated this policy may be subject to disciplinary action, up to and including termination of employment.

Appendix 1. Safeguards Provided by the Privacy Act

The Privacy Act provides safeguards for individuals against invasion of privacy by requiring Federal agencies, except as otherwise provided by the law or regulation to:

1. Permit individuals to know what records pertaining to them are collected, maintained, used or disseminated;

2. Allow individuals to prevent records pertaining to them, obtained for a particular purpose from being used or made available for another purpose without their consent;

3. Permit individuals to gain access to information pertaining to them, obtain a copy of all or any portions thereof, and correct or amend such records;

4. Collect, maintain, use or disseminate personally identifiable information in a manner that ensure the information is current and accurate, and that adequate safeguards are provided to prevent misuses of such information;

5. Permit exemption from the requirements of the Act only where an important public policy need exists as determined by specific statutory authority; and

6. Be subject to a civil suit for any damages that occur as a result of action that violates any individual's rights under this Act.

EXHIBITS

EXHIBIT 2-1: DEFINITION OF A PERSON WITH A DISABILITY UNDER FEDERAL CIVIL RIGHTS LAWS [24 CFR PARTS 8.3 AND 100.201]

EXHIBIT 3-1: DETAILED DEFINITIONS RELATED TO DISABILITIES

EXHIBIT 6-1: ANNUAL INCOME INCLUSIONS

EXHIBIT 6-2: ANNUAL INCOME EXCLUSIONS

EXHIBIT 6-3: TREATMENT OF FAMILY ASSETS

EXHIBIT 6-4: EARNED INCOME DISALLOWANCE

EXHIBIT 6-5: THE EFFECT OF WELFARE BENEFIT REDUCTION

EXHIBIT 7-1: EXCERPT FROM HUD VERIFICATION GUIDANCE NOTICE (PIH 2004-01, PP. 11-14)

EXHIBIT 7-2: SUMMARY OF DOCUMENTATION REQUIREMENTS FOR NONCITIZENS [HCV GB, PP. 5-9 AND 5-10)

EXHIBIT 11-1: COMMUNITY SERVICE AND SELF-SUFFICIENCY POLICY

EXHIBIT 11-2: DEFINITION OF A PERSON WITH A DISABILITY UNDER SOCIAL SECURITY ACTS 216(I)(L) AND SECTION 1416(EXCERPT) FOR PURPOSES OF EXEMPTION FROM COMMUNITY SERVICE

EXHIBIT 11-3: PHA DETERMINATION OF EXEMPTION FOR COMMUNITY SERVICE

EXHIBIT 16-1: SAMPLE NOTICE TO PUBLIC HOUSING APPLICANTS AND RESIDENTS REGARDING THE VIOLENCE AGAINST WOMEN ACT (VAWA)

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EXHIBIT 2-1: DEFINITION OF A PERSON WITH A DISABILITY UNDER FEDERAL CIVIL RIGHTS LAWS [24 CFR Parts 8.3 and 100.201]

A person with a disability, as defined under federal civil rights laws, is any person who:

- Has a physical or mental impairment that substantially limits one or more of the major life activities of an individual, or
- Has a record of such impairment, or
- Is regarded as having such impairment

The phrase "physical or mental impairment" includes:

- Any physiological disorder or condition, cosmetic or disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genito-urinary; hemic and lymphatic; skin; and endocrine; or
- Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term "physical or mental impairment" includes, but is not limited to: such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.

"Major life activities" includes, but is not limited to, caring for oneself, performing manual tasks, walking, seeing, hearing, breathing, learning, and/or working.

"Has a record of such impairment" means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major live activities.

"Is regarded as having an impairment" is defined as having a physical or mental impairment that does not substantially limit one or more major life activities but is treated by a public entity (such as the PHA) as constituting such a limitation; has none of the impairments defined in this section but is treated by a public entity as having such an impairment; or has a physical or mental impairment that substantially limits one or more major life activities, only as a result of the attitudes of others toward that impairment.

The definition of a person with disabilities does not include:

- Current illegal drug users
- People whose alcohol use interferes with the rights of others
- Persons who objectively pose a direct threat or substantial risk of harm to others that cannot be controlled with a reasonable accommodation under the public housing program

The above definition of disability determines whether an applicant or participant is entitled to any of the protections of federal disability civil rights laws. Thus, a person who does not meet this definition of disability is not entitled to a reasonable accommodation under federal civil rights and fair housing laws and regulations.

The HUD definition of a person with a disability is much narrower than the civil rights definition of disability. The HUD definition of a person with a disability is used for purposes of receiving the disabled family preference, the $400 elderly/disabled household deduction, the allowance for medical expenses, or the allowance for disability assistance expenses.

The definition of a person with a disability for purposes of granting a reasonable accommodation request is much broader than the HUD definition of disability. Many people will not qualify as a disabled person under the public housing program, yet an accommodation is needed to provide equal opportunity.

EXHIBIT 3-1: DETAILED DEFINITIONS RELATED TO DISABILITIES
Person with Disabilities [24 CFR 5.403]

The term *person with disabilities* means a person who has any of the following types of conditions.

- Has a disability, as defined in 42 U.S.C. Section 423(d)(1)(A), which reads:
  Inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months
  In the case of an individual who has attained the age of 55 and is blind (within the meaning of "blindness" as defined in section 416(i)(1) of this title), inability by reason of such blindness to engage in substantial gainful activity, requiring skills or ability comparable to those of any gainful activity in which he has previously engaged with some regularity and over a substantial period of time.

- Has a developmental disability as defined in the Developmental Disabilities Assistance and Bill of Rights Act of 2000 [42 U.S.C.15002(8)], which defines developmental disability in functional terms as follows:

  (A) IN GENERAL – The term *developmental disability* means a severe, chronic disability of an individual that-
  (i) is attributable to a mental or physical impairment or combination of mental and physical impairments;
  (ii) is manifested before the individual attains age 22;
  (iii) is likely to continue indefinitely;
  (iv) results in substantial functional limitations in 3 or more of the following areas of major life activity: (I) self-care, (II) receptive and expressive language, (III) learning, (IV) mobility, (V) self-direction, (VI) capacity for independent living, (VII) economic self-sufficiency; and
  (v) reflects the individual's need for a combination and sequence of special, interdisciplinary, or generic services, individualized supports, or other forms of assistance that are of lifelong or extended duration and are individually planned and coordinated.

  (B) INFANTS AND YOUNG CHILDREN – An individual from birth to age 9, inclusive, who has a substantial developmental delay or specific congenital or acquired condition, may be considered to have a developmental disability without meeting 3 or more of the criteria described in clauses (i) through (v) of subparagraph (A) if the individual, without services and supports, has a high probability of meeting those criteria later in life.

- Has a physical, mental, or emotional impairment that is expected to be of long-continued and indefinite duration; substantially impedes his or her ability to live independently, and is of such a nature that the ability to live independently could be improved by more suitable housing conditions.

People with the acquired immunodeficiency syndrome (AIDS) or any conditions arising from the etiologic agent for AIDS are not excluded from this definition.
A person whose disability is based solely on any drug or alcohol dependence does not qualify as a person with disabilities for the purposes of this program.
For purposes of reasonable accommodation and program accessibility for persons with disabilities, the term person with disabilities refers to an individual with handicaps.

Individual with Handicaps [24 CFR 8.3]

Individual with handicaps means any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such an impairment; or is regarded as having such an impairment. The term does not include any individual who is an alcoholic or drug abuser whose current use of alcohol or drugs prevents the individual from participating in the program or activity in question, or whose participation, by reason of such current alcohol or drug abuse, would constitute a direct threat to property or the safety of others. As used in this definition, the phrase:

(1) Physical or mental impairment includes:

   (a) Any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genito-urinary; hemic and lymphatic; skin; and endocrine

   (b) Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term physical or mental impairment includes, but is not limited to, such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.

(2) Major life activities means functions such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning and working.

(3) Has a record of such an impairment means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major life activities.

(4) Is regarded as having an impairment means:

   (a) Has a physical or mental impairment that does not substantially limit one or more major life activities but that is treated by a recipient as constituting such a limitation

   (b) Has a physical or mental impairment that substantially limits one or more major life activities only as a result of the attitudes of others toward such impairment

   (c) Has none of the impairments defined in paragraph (a) of this section but is treated by a recipient as having such an impairment

EXHIBIT 6-1: ANNUAL INCOME INCLUSIONS

24 CFR 5.609

(a) *Annual income means all amounts, monetary or not, which:*

(1) Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or

(2) Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and

(3) Which are not specifically excluded in paragraph (c) of this section.

(4) Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

(b) *Annual income includes, but is not limited to:*

(1) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;

(2) The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family;

(3) Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (b)(2) of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of $5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD;

(4) The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except as provided in paragraph (c)(14) of this section);

(5) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (except as provided in paragraph (c)(3) of this section);

(6) Welfare assistance payments.

(i) Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) program are included in annual income only to the extent such payments:

(A) Qualify as assistance under the TANF program definition at 45 CFR 260.311; and

(B) Are not otherwise excluded under paragraph (c) of this section.

(ii) If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:

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1 Text of 45 CFR 260.31 follows (next page).

(A) The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus

(B) The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage.

(7) Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling;

(8) All regular pay, special pay and allowances of a member of the Armed Forces (except as provided in paragraph (c)(7) of this section)

(9) For section 8 programs only and as provided in 24 CFR 5.612, any financial assistance, in excess of amounts received for tuition, that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 *et seq*.), from private sources, or from an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except that financial assistance described in this paragraph is not considered annual income for persons over the age of 23 with dependent children. For purposes of this paragraph, "financial assistance" does not include loan proceeds for the purpose of determining income.

HHS DEFINITION OF "ASSISTANCE"

45 CFR: General Temporary Assistance for Needy Families

260.31 What does the term "assistance" mean?

(a)(1) The term "assistance" includes cash, payments, vouchers, and other forms of benefits designed to meet a family's ongoing basic needs (i.e., for food, clothing, shelter, utilities, household goods, personal care items, and general incidental expenses).

(2) It includes such benefits even when they are:

(i) Provided in the form of payments by a TANF agency, or other agency on its behalf, to individual recipients; and

(ii) Conditioned on participation in work experience or community service (or any other work activity under 261.30 of this chapter).

(3) Except where excluded under paragraph (b) of this section, it also includes supportive services such as transportation and child care provided to families who are not employed.

(b) [The definition of "assistance"] excludes: (1) Nonrecurrent, short-term benefits that:

(i) Are designed to deal with a specific crisis situation or episode of need;

(ii) Are not intended to meet recurrent or ongoing needs; and

(iii) Will not extend beyond four months.

(2) Work subsidies (i.e., payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, and training);

(3) Supportive services such as child care and transportation provided to families who are employed;

(4) Refundable earned income tax credits;

(5) Contributions to, and distributions from, Individual Development Accounts;

(6) Services such as counseling, case management, peer support, child care information and referral, transitional services, job retention, job advancement, and other employment-related services that do not provide basic income support; and

(7) Transportation benefits provided under a Job Access or Reverse Commute project, pursuant to section 404(k) of [the Social Security] Act, to an individual who is not otherwise receiving assistance

EXHIBIT 6-2: ANNUAL INCOME EXCLUSIONS

24 CFR 5.609

(c) *Annual income does not include the following:*

(1) Income from employment of children (including foster children) under the age of 18 years;

(2) Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);

(3) Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (except as provided in paragraph (b)(5) of this section);

(4) Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;

(5) Income of a live-in aide, as defined in Sec. 5.403;

(6) Subject to paragraph (b)(9) of this section, the full amount of student financial assistance paid directly to the student or to the educational institution;

(7) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;

(8) (i) Amounts received under training programs funded by HUD;

(ii) Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);

(iii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;

(iv) Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed $200 per month) received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time;

(v) Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program;

(9) Temporary, nonrecurring or sporadic income (including gifts);

(10) Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;

(11) Earnings in excess of $480 for each full-time student 18 years old or older (excluding the head of household and spouse);

(12) Adoption assistance payments in excess of $480 per adopted child;

(13) [Reserved]

(14) Deferred periodic amounts from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts.

(15) Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;

(16) Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or

(17) Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply. A notice will be published in the Federal Register and distributed to PHAs and housing owners identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary. [See the following chart for a list of benefits that qualify for this exclusion.]

Sources of Income Excluded by Federal Statute from Consideration as Income for Purposes of Determining Eligibility or Benefits

a) The value of the allotment provided to an eligible household under the Food Stamp Act of 1977 (7 U.S.C. 2017 (b));

b) Payments to Volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(g), 5058);

c) Payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626(c));

d) Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 459e);

e) Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f));

f) Payments received under programs funded in whole or in part under the Job Training Partnership Act (29 U.S.C. 1552(b); (effective July 1, 2000, references to Job Training Partnership Act shall be deemed to refer to the corresponding provision of the Workforce Investment Act of 1998 (29 U.S.C. 2931);

g) Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Pub.L- 94-540, 90 Stat. 2503-04);

h) The first $2000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U. S. Claims Court, the interests of individual Indians in trust or restricted lands, including the first $2000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands (25 U.S.C. 1407-1408);

i) Amounts of scholarships funded under title IV of the Higher Education Act of 1965, including awards under federal work-study program or under the Bureau of Indian Affairs student assistance programs (20 U.S.C. 1087uu);

j) Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056(f));

k) Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in In Re Agent-product liability litigation, M.D.L. No. 381 (E.D.N.Y.);

l) Payments received under the Maine Indian Claims Settlement Act of 1980 (25 U.S.C. 1721);

m) The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858q);

n) Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 U.S.C. 32(j));

o) Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation (Pub. L. 95-433);

p) Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d));

q) Any allowance paid under the provisions of 38 U.S.C. 1805 to a child suffering from spina bifida who is the child of a Vietnam veteran (38 U.S.C. 1805);

r) Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act (42 U.S.C. 10602); and

s) Allowances, earnings and payments to individuals participating in programs under the Workforce Investment Act of 1998 (29 U.S.C. 2931).

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EXHIBIT 6-3: TREATMENT OF FAMILY ASSETS

24 CFR 5.603(b) Net Family Assets

(1) Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.

(2) In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income under Sec. 5.609.

(3) In determining net family assets, PHAs or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefor. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms.

(4) For purposes of determining annual income under Sec. 5.609, the term "net family assets" does not include the value of a home currently being purchased with assistance under part 982, subpart M of this title. This exclusion is limited to the first 10 years after the purchase date of the home.

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EXHIBIT 6-4: EARNED INCOME DISALLOWANCE

24 CFR 960.255 Self-sufficiency incentive–Disallowance of increase in annual income.

(a) *Definitions*. The following definitions apply for purposes of this section.

Disallowance. Exclusion from annual income.

Previously unemployed includes a person who has earned, in the twelve months previous to employment, no more than would be received for 10 hours of work per week for 50 weeks at the established minimum wage.

Qualified family. A family residing in public housing:

(i) Whose annual income increases as a result of employment of a family member who was unemployed for one or more years previous to employment;

(ii) Whose annual income increases as a result of increased earnings by a family member during participation in any economic self-sufficiency or other job training program; or

(iii) Whose annual income increases, as a result of new employment or increased earnings of a family member, during or within six months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the PHA in consultation with the local agencies administering temporary assistance for needy families (TANF) and Welfare-to-Work (WTW) programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance—provided that the total amount over a six-month period is at least $500.

(b) *Disallowance of increase in annual income*.

(1) *Initial twelve month exclusion*. During the cumulative twelve month period beginning on the date a member of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the PHA must exclude from annual income (as defined in 5.609 of this title) of a qualified family any increase in income of the family member as a result of employment over prior income of that family member.

(2) *Second twelve month exclusion and phase-in*. During the second cumulative twelve month period after the date a member of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the PHA must exclude from annual income of a qualified family fifty percent of any increase in income of such family member as a result of employment over income of that family member prior to the beginning of such employment.

(3) *Maximum four year disallowance*. The disallowance of increased income of an individual family member as provided in paragraph (b)(1) or (b)(2) of this section is limited to a lifetime 48 month period. It only applies for a maximum of twelve months for disallowance under paragraph (b)(1) and a maximum of twelve months for disallowance under paragraph (b)(2), during the 48 month period starting from the initial exclusion under paragraph (b)(1) of this section.

(c) *Inapplicability to admission*. The disallowance of increases in income as a result of employment under this section does not apply for purposes of admission to the program (including the determination of income eligibility and income targeting).

(d) *Individual Savings Accounts*. As an alternative to the disallowance of increases in income as a result of employment described in paragraph (b) of this section, a PHA may choose to provide for individual savings accounts for public housing residents who pay an income-based rent, in accordance with a written policy, which must include the following provisions:

(1) The PHA must advise the family that the savings account option is available;

(2) At the option of the family, the PHA must deposit in the savings account the total amount that would have been included in tenant rent payable to the PHA as a result of increased income that is disallowed in accordance with paragraph (b) of this section;

(3) Amounts deposited in a savings account may be withdrawn only for the purpose of:

(i) Purchasing a home;

(ii) Paying education costs of family members;

(iii) Moving out of public or assisted housing; or

(iv) Paying any other expense authorized by the PHA for the purpose of promoting the economic self-sufficiency of residents of public housing;

(4) The PHA must maintain the account in an interest bearing investment and must credit the family with the net interest income, and the PHA may not charge a fee for maintaining the account;

(5) At least annually the PHA must provide the family with a report on the status of the account; and

(6) If the family moves out of public housing, the PHA shall pay the tenant any balance in the account, minus any amounts owed to the PHA

EXHIBIT 6-5: THE EFFECT OF WELFARE BENEFIT REDUCTION

24 CFR 5.615

Public housing program and Section 8 tenant-based assistance program: How welfare benefit reduction affects family income.

(a) *Applicability.* This section applies to covered families who reside in public housing (part 960 of this title) or receive Section 8 tenant-based assistance (part 982 of this title).

(b) *Definitions.* The following definitions apply for purposes of this section:

Covered families. Families who receive welfare assistance or other public assistance benefits ("welfare benefits") from a State or other public agency ("welfare agency") under a program for which Federal, State, or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for such assistance.

Economic self-sufficiency program. See definition at Sec. 5.603.

Imputed welfare income. The amount of annual income not actually received by a family, as a result of a specified welfare benefit reduction, that is nonetheless included in the family's annual income for purposes of determining rent.

Specified welfare benefit reduction.

(1) A reduction of welfare benefits by the welfare agency, in whole or in part, for a family member, as determined by the welfare agency, because of fraud by a family member in connection with the welfare program; or because of welfare agency sanction against a family member for noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

(2) "Specified welfare benefit reduction" does not include a reduction or termination of welfare benefits by the welfare agency:

(i) at expiration of a lifetime or other time limit on the payment of welfare benefits;

(ii) because a family member is not able to obtain employment, even though the family member has complied with welfare agency economic self-sufficiency or work activities requirements; or

(iii) because a family member has not complied with other welfare agency requirements.

(c) *Imputed welfare income.*

(1) A family's annual income includes the amount of imputed welfare income (because of a specified welfare benefits reduction, as specified in notice to the PHA by the welfare agency), plus the total amount of other annual income as determined in accordance with Sec. 5.609.

(2) At the request of the PHA, the welfare agency will inform the PHA in writing of the amount and term of any specified welfare benefit reduction for a family member, and the reason for such reduction, and will also inform the PHA of any subsequent changes in the term or amount of such specified welfare benefit reduction. The PHA will use this information to determine the amount of imputed welfare income for a family.

(3) A family's annual income includes imputed welfare income in family annual income, as determined at the PHA's interim or regular reexamination of family income and composition, during the term of the welfare benefits reduction (as specified in information provided to the PHA by the welfare agency).

(4) The amount of the imputed welfare income is offset by the amount of additional income a family receives that commences after the time the sanction was imposed. When such additional income from other sources is at least equal to the imputed

(5) The PHA may not include imputed welfare income in annual income if the family was not an assisted resident at the time of sanction.

(d) *Review of PHA decision.*

(1) Public housing. If a public housing tenant claims that the PHA has not correctly calculated the amount of imputed welfare income in accordance with HUD requirements, and if the PHA denies the family's request to modify such amount, the PHA shall give the tenant written notice of such denial, with a brief explanation of the basis for the PHA determination of the amount of imputed welfare income. The PHA notice shall also state that if the tenant does not agree with the PHA determination, the tenant may request a grievance hearing in accordance with part 966, subpart B of this title to review the PHA determination. The tenant is not required to pay an escrow deposit pursuant to Sec. 966.55(e) for the portion of tenant rent attributable to the imputed welfare income in order to obtain a grievance hearing on the PHA determination.

(2) Section 8 participant. A participant in the Section 8 tenant-based assistance program may request an informal hearing, in accordance with Sec. 982.555 of this title, to review the PHA determination of the amount of imputed welfare income that must be included in the family's annual income in accordance with this section. If the family claims that such amount is not correctly calculated in accordance with HUD requirements, and if the PHA denies the family's request to modify such amount, the PHA shall give the family written notice of such denial, with a brief explanation of the basis for the PHA determination of the amount of imputed welfare income. Such notice shall also state that if the family does not agree with the PHA determination, the family may request an informal hearing on the determination under the PHA hearing procedure.

(e) *PHA relation with welfare agency.*

(1) The PHA must ask welfare agencies to inform the PHA of any specified welfare benefits reduction for a family member, the reason for such reduction, the term of any such reduction, and any subsequent welfare agency determination affecting the amount or term of a specified welfare benefits reduction. If the welfare agency determines a specified welfare benefits reduction for a family member, and gives the PHA written notice of such reduction, the family's annual incomes shall include the imputed welfare income because of the specified welfare benefits reduction.

(2) The PHA is responsible for determining the amount of imputed welfare income that is included in the family's annual income as a result of a specified welfare benefits reduction as determined by the welfare agency, and specified in the notice by the welfare agency to the PHA. However, the PHA is not responsible for determining whether a reduction of welfare benefits by the welfare agency was correctly determined by the welfare agency in accordance with welfare program requirements and procedures, nor for providing the opportunity for review or hearing on such welfare agency determinations.

(3) Such welfare agency determinations are the responsibility of the welfare agency, and the family may seek appeal of such determinations through the welfare agency's normal due process procedures. The PHA shall be entitled to rely on the welfare agency notice to the PHA of the welfare agency's determination of a specified welfare benefits reduction

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Exhibit 7-1: Excerpt from HUD Verification Guidance Notice (PIH 2004-01, pp. 11-14)

Upfront (UIV)	**Highest (Highly Recommended, highest level of third party verification)**
Written 3rd Party	**High (Mandatory if upfront income verification is not available or if UIV data differs substantially from tenant-reported information)**
Oral 3rd Party	**Medium (Mandatory if written third party verification is not available)**
Document Review	**Medium-Low (Use on provisional basis)**
Tenant Declaration	**Low (Use as a last resort)**

Income Type	Upfront	Written Third Party	Oral Third Party	Document Review	Tenant Declaration
	(LEVEL 5)	(LEVEL 4)	(LEVEL 3)	(LEVEL 2)	(LEVEL 1)
Wages/Salaries	Use of computer matching agreements with a State Wage Information Collection Agency (SWICA) to obtain wage information electronically, by mail or fax or in person.	The PHA mails, faxes, or e-mails a verification form directly to the independent sources to obtain wage information.	In the event the independent source does not respond to the PHA's written request for information, the PHA may contact the independent source by phone or make an in person visit to obtain the requested information.	When neither form of third party verification can be obtained, the PHA may accept original documents such as consecutive pay stubs (HUD recommends the PHA review at least three months of pay stubs, if employed by the same employer for three months or more), W-2 forms, etc. from the tenant. **Note:** The PHA must document in the tenant file, the reason third party verification was not available.	The PHA may accept a notarized statement or affidavit from the tenant that declares the family's total annual income from earnings. **Note:** The PHA must document in the tenant file, the reason third party verification was not available.
	Agreements with private vendor agencies, such as The Work Number or ChoicePoint to obtain wage and salary information.	The PHA may have the tenant sign a Request for Earnings Statement from the SSA to confirm past earnings. The PHA mails the form to SSA and the statement will be sent to the address the PHA specifies on the form.			
	Use of HUD systems, when available.				

Verification of Employment Income: The PHA should always obtain as much information as possible about the employment, such as start date (new employment), termination date (previous employment), pay frequency, pay rate, anticipated pay increases in the next twelve months, year-to-date earnings, bonuses, overtime, company name, address and telephone number, name and position of the person completing the employment verification form.
Effective Date of Employment: The PHA should always confirm start and termination dates of employment.

Income Type	Upfront	Written Third Party	Oral Third Party	Document Review	Tenant Declaration
	(LEVEL 5)	(LEVEL 4)	(LEVEL 3)	(LEVEL 2)	(LEVEL 1)
Self-Employment	Not Available	The PHA mails or faxes a verification form directly to sources identified by the family to obtain income information.	The PHA may call the source to obtain income information.	The PHA may accept any documents (i.e. tax returns, invoices and letters from customers) provided by the tenant to verify self-employment income. **Note:** The PHA must document in the tenant file, the reason third party verification was not obtained.	The PHA may accept a notarized statement or affidavit from the tenant that declares the family's total annual income from self-employment. **Note:** The PHA must document in the tenant file, the reason third party verification was not available.
Verification of Self-Employment Income: Typically, it is a challenge for PHAs to obtain third party verification of self-employment income. When third party verification is not available, the PHA should always request a notarized tenant declaration that includes a perjury statement.					
Social Security Benefits	Use of HUD Tenant Assessment System (TASS) to obtain current benefit history and discrepancy reports.	The PHA mails or faxes a verification form directly to the local SSA office to obtain social security benefit information. **(Not Available in some areas because SSA makes this data available through TASS. SSA encourages PHAs to use TASS.)**	The PHA may call SSA, with the tenant on the line, to obtain current benefit amount. **(Not Available in some areas because SSA makes this data available through TASS. SSA encourages PHAs to use TASS.)**	The PHA may accept an original SSA Notice from the tenant. **Note:** The PHA must document in the tenant file, the reason third party verification was not available.	The PHA may accept a notarized statement or affidavit from the tenant that declares monthly social security benefits. **Note:** The PHA must document in the tenant file, the reason third party verification was not available.
Welfare Benefits	Use of computer matching agreements with the local Social Services Agency to obtain current benefit amount electronically, by mail or fax or in person.	The PHA mails, faxes, or e-mails a verification form directly to the local Social Services Agency to obtain welfare benefit information.	The PHA may call the local Social Services Agency to obtain current benefit amount.	The PHA may review an original award notice or printout from the local Social Services Agency provided by the tenant. **Note:** The PHA must document in the tenant file, the reason third party verification was not available.	The PHA may accept a notarized statement or affidavit from the tenant that declares monthly welfare benefits. **Note:** The PHA must document in the tenant file, the reason third party verification was not available.

Income Type	Upfront	Written Third Party	Oral Third Party	Document Review	Tenant Declaration
	(LEVEL 5)	(LEVEL 4)	(LEVEL 3)	(LEVEL 2)	(LEVEL 1)
Child Support	Use of agreement with the local Child Support Enforcement Agency to obtain current child support amount and payment status electronically, by mail or fax or in person.	The PHA mails, faxes, or e-mails a verification form directly to the local Child Support Enforcement Agency or child support payer to obtain current child support amount and payment status.	The PHA may call the local Child Support Enforcement Agency or child support payer to obtain current child support amount and payment status.	The PHA may review an original court order, notice or printout from the local Child Support Enforcement Agency provided by the tenant to verify current child support amount and payment status. **Note:** The PHA must document in the tenant file, the reason third party verification was not available.	The PHA may accept a notarized statement or affidavit from the tenant that declares current child support amount and payment status. **Note:** The PHA must document in the tenant file, the reason third party verification was not available.
Unemployment Benefits	Use of computer matching agreements with a State Wage Information Collection Agency to obtain unemployment compensation electronically, by mail or fax or in person. Use of HUD systems, when available.	The PHA mails, faxes, or e-mails a verification form directly to the State Wage Information Collection Agency to obtain unemployment compensation information.	The PHA may call the State Wage Information Collection Agency to obtain current benefit amount.	The PHA may review an original benefit notice or unemployment check stub, or printout from the local State Wage Information Collection Agency provided by the tenant. **Note:** The PHA must document in the tenant file, the reason third party verification was not available.	The PHA may accept a notarized statement or affidavit from the tenant that declares unemployment benefits. **Note:** The PHA must document in the tenant file, the reason third party verification was not available.
Pensions	Use of computer matching agreements with a Federal, State, or Local Government Agency to obtain pension information electronically, by mail or fax or in person.	The PHA mails, faxes, or e-mails a verification form directly to the pension provider to obtain pension information.	The PHA may call the pension provider to obtain current benefit amount.	The PHA may review an original benefit notice from the pension provider provided by the tenant. **Note:** The PHA must document in the tenant file, the reason third party verification was not available.	The PHA may accept a notarized statement or affidavit from the tenant that declares monthly pension amounts. **Note:** The PHA must document in the tenant file, the reason third party verification was not available.

Income Type	Upfront	Written Third Party	Oral Third Party	Document Review	Tenant Declaration
	(LEVEL 5)	(LEVEL 4)	(LEVEL 3)	(LEVEL 2)	(LEVEL 1)
Assets	Use of cooperative agreements with sources to obtain asset and asset income information electronically, by mail or fax or in person.	The PHA mails, faxes, or emails a verification form directly to the source to obtain asset and asset income information.	The PHA may call the source to obtain asset and asset income information.	The PHA may review original documents provided by the tenant. **Note: The PHA must document in the tenant file, the reason third party verification was not available.**	The PHA may accept a notarized statement or affidavit from the tenant that declares assets and asset income. **Note: The PHA must document in the tenant file, the reason third party verification was not available.**
Comments	Whenever HUD makes available wage, unemployment, and SSA information, the PHA should use the information as part of the reexamination process. Failure to do so may result in disallowed costs during a RIM review.	**Note:** The independent source completes the form and returns the form directly to the PHA. Agency. The tenant should not hand carry documents to or from the independent source.	The PHA should document in the tenant file, the date and time of the telephone call or in person visit, along with the name and title of the person that verified the current income amount.		The PHA should use this verification method as a last resort, when all other verification methods are not possible or have been unsuccessful. **Notarized statement should include a perjury penalty statement.**

Note: The PHA must not pass verification costs along to the participant.

Note: In cases where the PHA cannot reliably project annual income, the PHA may elect to complete regular interim reexaminations (this policy should be apart of the PHA's written policies.)

Exhibit 7-2: Summary of Documentation Requirements for Noncitizens [HCV GB, pp. 5-9 and 5-10)	
• **All** noncitizens claiming eligible status must sign a declaration of eligible immigrant status on a form acceptable to the PHA. • Except for persons 62 or older, all noncitizens must sign a verification consent form • Additional documents are required based upon the person's status.	
Elderly Noncitizens • A person 62 years of age or older who claims eligible immigration status also must provide proof of age such as birth certificate, passport, or documents showing receipt of SS old-age benefits.	
All other Noncitizens • Noncitizens that claim eligible immigration status also must present the applicable USCIS document. Acceptable USCIS documents are listed below.	

• Form I-551 Alien Registration Receipt Card (for permanent resident aliens)
• Form I-94 Arrival-Departure Record annotated with one of the following:
  • "Admitted as a Refugee Pursuant to Section 207"
  • "Section 208" or "Asylum"
  • "Section 243(h)" or "Deportation stayed by Attorney General"
  • "Paroled Pursuant to Section 221 (d)(5) of the USCIS"
	• Form I-94 Arrival-Departure Record with no annotation accompanied by:
	  • A final court decision granting asylum (but only if no appeal is taken);
	  • A letter from a USCIS asylum officer granting asylum (if application is filed on or after 10/1/90) or from a USCIS district director granting asylum (application filed before 10/1/90);
	  • A court decision granting withholding of deportation; or
	  • A letter from an asylum officer granting withholding or deportation (if application filed on or after 10/1/90).

• Form I-688 Temporary Resident Card annotated "Section 245A" or Section 210".	Form I-688B Employment Authorization Card annotated "Provision of Law 274a. 12(11)" or "Provision of Law 274a.12".
• A receipt issued by the USCIS indicating that an application for issuance of a replacement document in one of the above listed categories has been made and the applicant's entitlement to the document has been verified; or • Other acceptable evidence. If other documents are determined by the USCIS to constitute acceptable evidence of eligible immigration status, they will be announced by notice published in the *Federal Register*	

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EXHIBIT 11-1: COMMUNITY SERVICE AND SELF-SUFFICIENCY POLICY

A. Background

The Quality Housing and Work Responsibility Act of 1998 requires that all nonexempt (see definitions) public housing adult residents (18 or older) contribute eight (8) hours per month of community service (volunteer work) or participate in eight (8) hours of training, counseling, classes or other activities that help an individual toward self-sufficiency and economic independence. This is a requirement of the public housing lease.

B. Definitions

Community Service – community service activities include, but are not limited to work at:

- Local public or nonprofit institutions such as schools, head start programs, before or after school programs, child care centers, hospitals, clinics, hospices, nursing homes, recreation centers, senior centers, adult day care programs, homeless shelters, feeding programs, food banks (distributing either donated or commodity foods), or clothes closets (distributing donated clothing)
- Nonprofit organizations serving PHA residents or their children such as: Boy or Girl Scouts, Boys or Girls Club, 4-H clubs, Police Assistance League (PAL), organized children's recreation, mentoring or education programs, Big Brothers or Big Sisters, garden centers, community clean-up programs, beautification programs
- Programs funded under the Older Americans Act, such as Green Thumb, Service Corps of Retired Executives, senior meals programs, senior centers, Meals on Wheels
- Public or nonprofit organizations dedicated to seniors, youth, children, residents, citizens, special-needs populations or with missions to enhance the environment, historic resources, cultural identities, neighborhoods, or performing arts
- PHA housing to improve grounds or provide gardens (so long as such work does not alter the PHA's insurance coverage); or work through resident organizations to help other residents with problems, including serving on the Resident Advisory Board
- Care for the children of other residents so parent may volunteer

NOTE: Political activity is excluded.

Self-Sufficiency Activities – activities that include, but are not limited to:

- Job readiness or job training
- Training programs through local one-stop career centers, workforce investment boards (local entities administered through the U.S. Department of Labor), or other training providers
- Employment counseling, work placement, or basic skills training
- Education, including higher education (junior college or college), GED classes, or reading, financial, or computer literacy classes
- Apprenticeships (formal or informal)
- English proficiency or English as a second language classes

- Budgeting and credit counseling
- Any activity required by the Department of Public Assistance under Temporary Assistance for Needy Families (TANF)
- Any other program necessary to ready a participant to work (such as substance abuse or mental health counseling)

Exempt Adult – an adult member of the family who meets any of the following criteria:

- Is 62 years of age or older
- Is blind or a person with disabilities (as defined under section 216[i][l] or 1614 of the Social Security Act), and who certifies that because of this disability he or she is unable to comply with the service provisions, or is the primary caretaker of such an individuals
- Is engaged in *work activities*
- Is able to meet requirements under a state program funded under part A of title IV of the Social Security Act, or under any other welfare program of the state in which the PHA is located, including a state-administered welfare-to-work program; or
- Is a member of a family receiving assistance, benefits, or services under a state program funded under part A of title IV of the Social Security Act, or under any other welfare program of the state in which the PHA is located, including a state-administered welfare-to-work program, and has not been found by the state or other administering entity to be in noncompliance with such program.

Work Activities – as it relates to an exemption from the community service requirement, *work activities* means:

- Unsubsidized employment
- Subsidized private sector employment
- Subsidized public sector employment
- Work experience (including work associated with the refurbishing of publicly assisted housing) if sufficient private sector employment is not available
- On-the-job training
- Job search and job readiness assistance
- Community service programs
- Vocational educational training (not to exceed 12 months with respect to any individual)
- Job skills training directly related to employment
- Education directly related to employment, in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency
- Satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence, in the case of a recipient who has not completed secondary school or received such a certificate
- Provision of child care services to an individual who is participating in a community service

program

C. Requirements of the Program

1. The eight (8) hours per month may be either volunteer work or self-sufficiency program activity, or a combination of the two.
2. At least eight (8) hours of activity must be performed each month. An individual may not skip a month and then double up the following month, unless special circumstances warrant special consideration. The housing authority will make the determination of whether to allow or disallow a deviation from the schedule based on a family's written request.
3. Family obligation:
   - At lease execution, all adult members (18 or older) of a public housing resident family must:
     - Sign a certification (Attachment A) that they have received and read this policy and understand that if they are not exempt, failure to comply with the community service requirement will result in a nonrenewal of their lease; and
     - Declare if they are exempt. If exempt, they must complete the Exemption Form (Exhibit 11-3) and provide documentation of the exemption.
   - Upon written notice from the PHA, nonexempt family members must present complete documentation of activities performed during the applicable lease term. This documentation will include places for signatures of supervisors, instructors, or counselors, certifying to the number of hours contributed.
   - If a family member is found to be noncompliant at the end of the 12-month lease term, he or she, and the head of household, will be required to sign an agreement with the housing authority to make up the deficient hours over the next twelve (12) month period, or the lease will be terminated.
4. Change in exempt status:
   - If, during the twelve (12) month lease period, a nonexempt person becomes exempt, it is his or her responsibility to report this to the PHA and provide documentation of exempt status.
   - If, during the twelve (12) month lease period, an exempt person becomes nonexempt, it is his or her responsibility to report this to the PHA. Upon receipt of this information the PHA will provide the person with the appropriate documentation form(s) and a list of agencies in the community that provide volunteer and/or training opportunities.

D. Authority Obligation

1. To the greatest extent possible and practicable, the PHA will:
   - Provide names and contacts at agencies that can provide opportunities for residents, including residents with disabilities, to fulfill their community service obligations.
   - Provide in-house opportunities for volunteer work or self-sufficiency activities.
2. The PHA will provide the family with a copy of this policy, and all applicable exemption verification forms and community service documentation forms, at lease-up, lease renewal, when a family member becomes subject to the community service requirement during the lease term, and at any time upon the family's request.
3. Although exempt family members will be required to submit documentation to support their exemption, the PHA will verify the exemption status in accordance with its verification policies. The PHA will make the final determination as to whether or not a family member is exempt from the community service requirement. Residents may use the PHA's grievance procedure if they disagree with the PHA's determination.
4. Noncompliance of family member:
   - At least thirty (30) days prior to the end of the 12-month lease term, the PHA will begin reviewing the exempt or nonexempt status and compliance of family members;
     - The PHA will secure a certification of compliance from nonexempt family members (Attachment B).
   - If, at the end of the initial 12-month lease term under which a family member is subject to the community service requirement, the PHA finds the family member to be noncompliant, the PHA will not renew the lease unless:
     - The head of household and any other noncompliant resident enter into a written agreement with the PHA, to make up the deficient hours over the next twelve (12) month period; or
     - The family provides written documentation satisfactory to the PHA that the noncompliant family member no longer resides in the unit.
   - If, at the end of the next 12-month lease term, the family member is still not compliant, a 30-day notice to terminate the lease will be issued and the entire family will have to vacate, unless the family provides written documentation satisfactory to the PHA that the noncompliant family member no longer resides in the unit;
   - The family may use the PHA's grievance procedure to dispute the lease termination.

All adult family members must sign and date below, certifying that they have read and received a copy of this Community Service and Self-Sufficiency Policy.

Resident	Date
Resident	Date
Resident	Date
Resident	Date

EXHIBIT 11-2: DEFINITION OF A PERSON WITH A DISABILITY UNDER SOCIAL SECURITY ACTS 216(i)(l) and Section 1416(excerpt) FOR PURPOSES OF EXEMPTION FROM COMMUNITY SERVICE

Social Security Act:

216(i)(1): Except for purposes of sections 202(d), 202(e), 202(f), 223, and 225, the term "disability" means (A) inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or has lasted or can be expected to last for a continuous period of not less than 12 months, or (B) blindness; and the term "blindness" means central visual acuity of 20/200 or less in the better eye with the use of a correcting lens. An eye which is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees shall be considered for purposes of this paragraph as having a central visual acuity of 20/200 or less.

Section 1416 (excerpt):

SEC. 1614. *[42 U.S.C. 1382c]* (a)(1) For purposes of this title, the term "aged, blind, or disabled individual" means an individual who—

> (A) is 65 years of age or older, is blind (as determined under paragraph (2)), or is disabled (as determined under paragraph (3)), and
>
> (B)(i) is a resident of the United States, and is either (I) a citizen or (II) an alien lawfully admitted for permanent residence or otherwise permanently residing in the United States under color of law (including any alien who is lawfully present in the United States as a result of the application of the provisions of section 212(d)(5) of the Immigration and Nationality Act), or
>
> (ii) is a child who is a citizen of the United States and, who is living with a parent of the child who is a member of the Armed Forces of the United States assigned to permanent duty ashore outside the United States.
>
> (2) An individual shall be considered to be blind for purposes of this title if he has central visual acuity of 20/200 or less in the better eye with the use of a correcting lens. An eye which is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees shall be considered for purposes of the first sentence of this subsection as having a central visual acuity of 20/200 or less. An individual shall also be considered to be blind for purposes of this title if he is blind as defined under a State plan approved under title X or XVI as in effect for October 1972 and received aid under such plan (on the basis of blindness) for December 1973, so long as he is continuously blind as so defined.
>
> (3)(A) Except as provided in subparagraph (C), an individual shall be considered to be disabled for purposes of this title if he is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve months.

EXHIBIT 11-3: PHA DETERMINATION OF EXEMPTION FOR COMMUNITY SERVICE

Family: _____

Adult family member: _____

This adult family member meets the requirements for being exempted from the PHA's community service requirement for the following reason:

❒ 62 years of age or older *(Documentation of age in file)*

❒ Is a person with disabilities and self-certifies below that he or she is unable to comply with the community service requirement (*Documentation of HUD definition of disability in file)*

Tenant certification: I am a person with disabilities and am unable to comply with the community service requirement.

_____ _____

Signature of Family Member Date

❒ Is the primary caretaker of such an individual in the above category. *(Documentation in file)*

❒ Is engaged in work activities *(Verification in file)*

❒ Is able to meet requirements under a state program funded under part A of title IV of the Social Security Act, or under any other welfare program of the state in which the PHA is located, including a state-administered welfare-to-work program (*Documentation in file*)

❒ Is a member of a family receiving assistance, benefits, or services under a state program funded under part A of title IV of the Social Security Act, or under any other welfare program of the state in which the PHA is located, including a state-administered welfare-to-work program, and has not been found by the state or other administering entity to be in noncompliance with such program *(Documentation in file)*

_____ _____

Signature of Family Member Date

_____ _____

Signature of PHA Official Date

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EXHIBIT 16-1: SAMPLE NOTICE TO PUBLIC HOUSING APPLICANTS AND RESIDENTS REGARDING THE VIOLENCE AGAINST WOMEN ACT (VAWA)

This sample notice was adapted from a notice prepared by the National Housing Law Project.

A federal law that went into effect in 2006 protects individuals who are victims of domestic violence, dating violence, and stalking. The name of the law is the Violence against Women Act, or "VAWA." This notice explains your rights under VAWA.

Protections for Victims

If you are eligible for public housing, the housing authority cannot refuse to admit you to the public housing program solely because you are a victim of domestic violence, dating violence, or stalking.

If you are the victim of domestic violence, dating violence, or stalking, the housing authority cannot evict you based on acts or threats of violence committed against you. Also, criminal acts directly related to the domestic violence, dating violence, or stalking that are caused by a member of your household or a guest can't be the reason for evicting you if you were the victim of the abuse.

Reasons You Can Be Evicted

The housing authority can still evict you if the housing authority can show there is an *actual* and *imminent* (immediate) threat to other tenants or housing authority staff if you are not evicted. Also, the housing authority can evict you for serious or repeated lease violations that are not related to the domestic violence, dating violence, or stalking against you. The housing authority cannot hold you to a more demanding set of rules than it applies to tenants who are not victims.

Removing the Abuser from the Household

The housing authority may split the lease to evict a tenant who has committed criminal acts of violence against family members or others, while allowing the victim and other household members to stay in the public housing unit. If the housing authority chooses to remove the abuser, it may not take away the remaining tenants' rights to the unit or otherwise punish the remaining tenants. In removing the abuser from the household, the housing authority must follow federal, state, and local eviction procedures.

Proving that You Are a Victim of Domestic Violence, Dating Violence, or Stalking

The housing authority can ask you to prove or "certify" that you are a victim of domestic violence, dating violence, or stalking. In cases of termination or eviction, the housing authority must give you at least 14 business days (i.e. Saturdays, Sundays, and holidays do not count) to provide this proof. The housing authority is free to extend the deadline. There are three ways you can prove that you are a victim:

- Complete the certification form given to you by the housing authority. The form will ask for your name, the name of your abuser, the abuser's relationship to you, the date, time, and location of the incident of violence, and a description of the violence.
- Provide a statement from a victim service provider, attorney, or medical professional who has helped you address incidents of domestic violence, dating violence, or stalking. The professional must state that he or she believes that the incidents of abuse are real. Both you and the professional must sign the statement, and both of you must state that you are signing "under penalty of perjury."
- Provide a police or court record, such as a protective order.

If you fail to provide one of these documents within the required time, the housing authority may

evict you.

Confidentiality

The housing authority must keep confidential any information you provide about the violence against you, unless:

- You give written permission to the housing authority to release the information.
- The housing authority needs to use the information in an eviction proceeding, such as to evict your abuser.
- A law requires the housing authority to release the information.

If release of the information would put your safety at risk, you should inform the housing authority.

VAWA and Other Laws

VAWA does not limit the housing authority's duty to honor court orders about access to or control of a public housing unit. This includes orders issued to protect a victim and orders dividing property among household members in cases where a family breaks up.

VAWA does not replace any federal, state, or local law that provides greater protection for victims of domestic violence, dating violence, or stalking.

For Additional Information

If you have any questions regarding VAWA, please contact _____ at _____.

For help and advice on escaping an abusive relationship, call the National Domestic Violence Hotline at 1-800-799-SAFE (7233) or 1-800-787-3224 (TTY).

Definitions
For purposes of determining whether a tenant may be covered by VAWA, the following list of definitions applies:
VAWA defines ***domestic violence*** to include felony or misdemeanor crimes of violence committed by any of the following:

- A current or former spouse of the victim
- A person with whom the victim shares a child in common
- A person who is cohabitating with or has cohabitated with the victim as a spouse
- A person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies
- Any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction

VAWA defines ***dating violence*** as violence committed by a person (1) who is or has been in a social relationship of a romantic or intimate nature with the victim AND (2) where the existence of such a relationship shall be determined based on a consideration of the following factors:

- The length of the relationship
- The type of relationship
- The frequency of interaction between the persons involved in the relationship

VAWA defines ***stalking*** as (A)(i) to follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate another person OR (ii) to place under surveillance with the intent to kill, injure, harass, or intimidate another person AND (B) in the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to (i) that person, (ii) a member of the immediate family of that person, or (iii) the spouse or intimate partner of that person.

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GLOSSARY

A. TERMS USED IN DETERMINING RENT

ANNUAL INCOME (24 CFR 5.609)

Annual income is the anticipated total income from all sources. This includes net income derived from assets, received by the family head and spouse (even if temporarily absent) and by each additional family member for the 12 month period following the effective date of initial determination or reexamination of income. It does not include income that is temporary, non-recurring, or sporadic as defined in this section, or income that is specifically excluded by other federal statute. Annual income includes:

> The full amount before any payroll deductions, of wages and salaries, overtime pay, commissions fees, tips and bonuses, and other compensation for personal services.
>
> The net income from operation of a business or profession, including any withdrawal of cash or assets from the operation of the business. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining the net income from a business. An allowance for the straight line depreciation of assets used in a business or profession may be deducted as provided in IRS regulations. Withdrawals of cash or assets will not be considered income when used to reimburse the family for cash or assets invested in the business.
>
> Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for the straight line depreciation of real or personal property is permitted. Withdrawals of cash or assets will not be considered income when used to reimburse the family for cash or assets invested in the property.
>
> When the family has net family assets in excess of $5,000, Annual Income shall include the greater of the actual income derived from all net family assets, or a percentage of the value of such assets based on the current passbook savings rate as determined by HUD.
>
> The full amount of periodic payments received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts.
>
> *NOTE: Treatment of lump sum payments for delayed or deferred periodic payment of social security or SSI benefits is dealt with later in this section.*
>
> Payments in lieu of earnings, such as unemployment and disability compensation, workers' compensation, and severance pay.
>
> All welfare assistance payments received by or on behalf of any family member. (24 CFR 913.106(b)(6) contains rules applicable to "as-paid" States).

Periodic and determinable allowances, such as alimony and child care support payments, and regular cash contributions or gifts received from persons not residing in the dwelling.

All regular pay, special pay and allowances of a member of the Armed Forces (except special pay to a family member serving the Armed Forces who is exposed to hostile fire).

EXCLUSIONS FROM ANNUAL INCOME (24 CFR 5.609)

Annual income does not include the following:

Income from the employment of children (including foster children) under the age of 18 years;

Payments received for the care of foster children or foster adults (usually individuals with disabilities, unrelated to the resident family, who are unable to live alone);

Lump sum additions to family assets, such as inheritances, insurance payments (including payments under health, and accident insurance and workers' compensation) capital gains, and settlement for personal property losses;

Amounts received by the family that are specifically for, or in reimbursement of the cost of medical expenses for any family member.

Income of a live-in aide, provided the person meets the definition of a live-in aide.

The full amount of student financial assistance paid directly to the student or the educational institution.

The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.

Amounts received under HUD funded training programs (e.g. Step-up program); excludes stipends, wages, transportation payments and child care vouchers for the duration of the training.

Amounts received by a person with disabilities that are disregarded for a limited time for purposes of Supplemental Security Income and benefits that are set aside for use under a Plan to Attain Self Sufficiency (PASS).

Amounts received by a participant in other publicly assisted programs that are specifically for, or in reimbursement of, out of pocket expenses incurred for items such as special equipment, clothing, transportation and childcare, to allow participation in a specific program.

Amount received as a Resident services stipend. A modest amount (not to exceed $200 per month) received by a public housing resident for performing a service for the PHA, on a part-time basis, that enhances the quality of life in public housing. Such services may include but are not limited to, fire patrol, hall monitoring, lawn maintenance,

resident initiatives coordination, and serving as the resident member of the PHA governing Board. No resident may receive more than one such stipend during the same period of time.

Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of family members as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program.

Temporary, non-recurring, or sporadic income (including gifts).

Reparation payments paid by foreign governments pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era. (For all initial determinations and reexaminations of income on or after April 23, 1993.)

Earnings in excess of $480 for each full-time student 18 years old or older, (excluding the head of household and spouse).

Adoption assistance payments in excess of $480 per adopted child.

The earnings and benefits to any resident resulting from the participation in a program providing employment training and supportive services in accordance with the Family Support Act of 1988 (42 U.S.C. 1437 et seq.), or any comparable Federal, State or local law during the exclusion period. For purposes of this paragraph the following definitions apply:

> Comparable Federal, State or local law means a program providing employment training and supportive services that: (1) is authorized by a Federal, State or local law; (2) is funded by the Federal, State or local government; (3) is operated or administered by a public agency; and (4) has as its objective to assist participants in acquiring job skills.
>
> Exclusion period means the period during which the resident participates in a program as described in this section plus 18 months from the date the resident begins the first job acquired by the resident after completion of such program that <u>is not</u> funded by public housing assistance under the U.S. Housing Act of 1937. If the resident is terminated from employment without good cause, the exclusion period shall end.
>
> Earnings and benefits means the incremental earnings and benefits resulting from a qualifying employment training program or subsequent job.

Deferred periodic payments from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts.

Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit.

Amounts paid by a State agency to a family with a developmentally disabled family member living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home.

Amounts specifically excluded by any other Federal Statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the United States Housing Act of 1937.(A notice will be published by HUD in the Federal Register identifying the benefits that qualify for this exclusion.

The following benefits are excluded by other Federal Statute as of August 3, 1933:

The value of the allotment provided to an eligible household for coupons under the Food Stamp Act of 1977;

Payments to volunteers under the Domestic Volunteer Service Act of 1973; examples of programs under this Act include but are not limited to:

The Retired Senior Volunteer Program (RSVP)

Foster Grandparent Program (FGP)

Senior Companion Program (SCP)

Older American Committee Service Program

National Volunteer Antipoverty Programs such as:

VISTA

Peace Corps

Service Learning Program

Special Volunteer Programs

Small Business Administration Programs such as:

National Volunteer Program to Assist Small Businesses

Service Corps of Retired Executives

Payments received under the Alaska Native Claims Settlement Act. [43 USC 1626 (a)]

Income derived from certain submarginal land of the United States that is held in

trust for certain Indian tribes. [25 USC 459e]

Payments or allowances made under the Department of HHS' Low Income Home Energy Assistance Program. [42 USC 8624 (f)]

Payments received under programs funded in whole or in part under the Job Training Partnership Act (29 USC 1552 (b)

Income derived from the disposition of funds of the Grand River Band of Ottawa Indians (Pub. L. 94-540).

The first $2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the Court of Claims (25 USC. 1407-08), or from funds held in trust for an Indian Tribe by the Secretary of Interior.

Amounts of scholarships funded under Title IV of the Higher Education Act of 1965 including awards under the Federal work-study program or under the Bureau of Indian Affairs student assistance programs. [20 USC 1087 uu] Examples: Basic Educational Opportunity Grants (Pell Grants), Supplemental Opportunity Grants, State Student Incentive Grants, College-Work Study, and Byrd Scholarships.

Payments received under programs funded under Title V of the Older Americans Act of 1965 [42 USC 3056 (f)] Examples include Senior Community Services Employment Program, National Caucus Center on the Black Aged, National Urban League; Association National Pro Personas Mayores, National Council on Aging, American Association of Retired Persons, National Council on Senior Citizens, and Green Thumb.

Payments received after January 1, 1989 from the Agent Orange Settlement Fund or any other fund established in the In-Re Orange Product Liability litigation.

The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs of incurred in such care) under the Child Care and Development Block Grant Act of 1990. (42 USC 9858q)

Earned income tax credit refund payments received on or after January 1, 1991. (26 USC 32)(j).

Living allowances under Americorps Program (Nelson Diaz Memo to George Latimer 11/15/94)

ADJUSTED INCOME
Annual income, less allowable HUD deductions.

Note: Under the Continuing Resolution, PHAs are permitted to adopt other adjustments to earned income for residents of Public Housing, but must absorb any resulting loss in rental income.

All Families are eligible for the following:

Child Care Expenses: A deduction of amounts anticipated to be paid by the family for the care of children under 13 years of age for the period for which the Annual Income is computed. Child care expenses are only allowable when such care is necessary to enable a family member to be gainfully employed or to further his/her education. Amounts deducted must be unreimbursed expenses and shall not exceed: (1) The amount of income earned by the family member released to work, or (2) an amount determined to be reasonable by the PHA when the expense is incurred to permit education.

Dependent Deduction. An exemption of $480 for each member of the family residing in the household (other than the head or spouse, live-in aide, foster child) who is under eighteen years of age or who is eighteen years of age or older and disabled, or a full-time student.

Disabled Person Expenses. A deduction of unreimbursed amounts paid for attendant care or auxiliary apparatus expenses for disabled family members where such expenses are necessary to permit a family member(s), including the disabled member to be employed. In no event may the amount of the deduction exceed the employment income earned by the family member(s) freed to work.

Equipment and auxiliary apparatus may include but are not limited to: wheelchairs, lifts, reading devices for visually disabled, and equipment added to cars and vans to permit use by the disabled family member.

For non-elderly families and elderly families without medical expense: The amount of the deduction equals the cost of all unreimbursed expenses for disabled care and equipment less three percent of Annual Income, provided the amount so calculated does not exceed the employment income earned.

For elderly families with medical expenses: The amount of the deduction equals the cost of all unreimbursed expenses for disabled care and equipment less three percent of Annual Income, (provided the amount does not exceed earnings) plus medical expenses as defined below.

For Elderly and Disabled Families Only:

Medical Expenses: A deduction of unreimbursed medical expenses, including insurance premiums anticipated for the period for which Annual Income is computed. Medical expenses include, but are not limited to: services of physicians and other health care professionals, services of health care facilities; insurance premiums, including the cost of Medicare), prescription and non-prescription medicines, transportation to and from treatment, dental expenses, eyeglasses, hearing aids and batteries, attendant care (unrelated to employment of family members), and payments on accumulated medical bills. To be considered by the PHA for the purpose of determining a deduction from the income, the expenses claimed must be verifiable.

For elderly families without disabled person expenses: The amount of the deduction shall equal total medical expenses less 3% of annual income.

For elderly families with both disabled and medical expenses: The amount of disabled assistance is calculated first, then medical expenses are added.

Elderly/Disabled Household Exemption: An exemption of $400 per household.

B. HOUSING TERMS

ACCESSIBLE DWELLING UNITS. When used with respect to the design, construction or alteration of an individual dwelling unit, means that the unit is located on an accessible route, and when designed, constructed, or altered, can be approached, entered, and used by individuals with a physical disability.

A unit that is on an accessible route and is adaptable and otherwise in compliance with the standards set forth in 24 CFR 8.32 & 40, (the Uniform Federal Accessibility Standards) is "accessible" within the meaning of this paragraph.

ACCESSIBLE FACILITY. All or any portion of a facility other than an individual dwelling unit used by individuals with physical disabilities.

ACCESSIBLE ROUTE. For persons with a mobility impairment, a continuous, unobstructed path that complies with space and reach requirements of the Uniform Federal Accessibility Standards (UFAC). For persons with hearing or vision impairments, the route need not comply with requirements specific to mobility.

ADAPTABILITY. Ability to change certain elements in a dwelling unit to accommodate the needs of disabled and non-disabled persons; or ability to meet the needs of persons with different types and degrees of disability.

ADMISSION. Admission to the program is the effective date of the lease. The point at which a family becomes a resident.

ALLOCATION PLAN. The plan submitted by the PHA and approved by HUD under which the PHA is permitted to designate a building, or portion of a building, for occupancy by Elderly Families or Disabled Families.

ANNUAL INCOME AFTER ALLOWANCES. The Annual Income (described above) less the HUD-approved allowances.

APPLICANT (or applicant family). A family that has applied for admission to a program, but is not yet a participant in the program.

"AS-PAID" STATES. States where the welfare agency adjusts the shelter and utility component of the welfare grant in accordance with actual housing costs.

ASSETS. (See Net Family Assets.)

AUXILIARY AIDS. Services or devices that enable persons with impaired sensory, manual, or speaking skills to have an equal opportunity to participate in and enjoy the benefits of programs and activities.

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

COVERED FAMILIES. The statutory term "covered families" designates the universe of families who are required to participate in a welfare agency economic self-sufficiency program and may, therefore, be the subject of a welfare benefit sanction for noncompliance with this obligation. "Covered families" means families who receive welfare assistance or other public assistance benefits from a State or other public agency under a program for which Federal, State, or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for the assistance.

DEPENDENT. A member of the family household (excluding foster children) other than the family head or spouse, who is under 18 years of age or is a Disabled Person, or is a full-time student 18 years of age or older.

DESIGNATED FAMILY. The category of family for whom the PHA elects to designate a development (e.g. elderly family in a development designated for elderly families) in accordance with the 1992 housing Act. (24 CFR 945.105)

DISABILITY ASSISTANCE EXPENSE. Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and or auxiliary apparatus for a disabled family member and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.

DISABILITY. This term is used where "handicap" was formerly used.

DISABLED FAMILY. A family whose head, spouse, or sole member is a person with disabilities. A disabled family may include two or more persons with disabilities living together, or one or more persons with disabilities living with one or more live-in aides

DISABLED PERSON. See Person with Disabilities.

DISALLOWANCE. Exclusion from annual income.

DISPLACED FAMILY. A family in which each member, or whose sole member, is a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal Disaster relief laws.

DOMICILE. The legal residence of the household head or spouse as determined in accordance

with State and local law.

DRUG-RELATED CRIMINAL ACTIVITY. Term means:

Drug-trafficking; or

Illegal use, or possession for personal use of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

DRUG TRAFFICKING. The illegal manufacture, sale, distribution or the possession with intent to manufacture, sell, or distribute a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

ECONOMIC SELF-SUFFICIENCY PROGRAM. Any program designed to encourage, assist, train, or facilitate the economic independence of assisted families or to provide work for such families. Economic self-sufficiency programs can include job training, employment counseling, work placement, basic skills training, education, English proficiency, Workfare, financial or household management, apprenticeship, any other program necessary to ready a participant to work (such as: substance abuse or mental health treatment. Economic self-sufficiency program includes any work activities as defined in the Social Security Act (42 U.S.C. 607(d)). See the definition of work activities at Sec. 5.603(c). The new definition of the term "economic self-sufficiency program'' is used in the following regulatory provisions, pursuant to the Public Housing Reform Act: family income includes welfare benefits reduced because of family failure to comply with welfare agency requirements to participate in an economic self-sufficiency program; and the requirement for public housing residents to participate in an economic self-sufficiency program or other eligible activities.

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

ELDERLY PERSON. A person who is at least 62 years old.

ELIGIBLE FAMILY (Family). A family is defined by the PHA in the Admission and Continued Occupancy Plan.

EXCEPTIONAL MEDICAL OR OTHER EXPENSES. Prior to the regulation change in 1982, this meant medical and/or unusual expenses as defined in Part 889 which exceeded 25% of the Annual Income. It is no longer used.

EXCESS MEDICAL EXPENSES. Any medical expenses incurred by elderly families only in excess of 3% of Annual Income which are not reimbursable from any other source.

EXTREMELY LOW-INCOME FAMILY. A family whose annual income does not exceed 30 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 30 percent of the median income for the area if HUD finds that such variations are necessary because of unusually high or low family incomes.

FAMILY.

•Two or more persons (with or without children) regularly living together, related by blood, marriage, adoption, guardianship or operation of law who will live together in PHA housing; OR

•two or more persons who are not so related, but are regularly living together, can verify shared income or resources who will live together in PHA housing.

The term family also includes the following terms defined in this section:

•Elderly family

•Disabled family

•Displaced person

•Single person

•Remaining member of a resident family,

•A foster care arrangement, or a kinship care arrangement

Other persons, including members temporarily absent (e.g. a child temporarily placed in foster care or a student temporarily away at college), may be considered a part of the applicant family's household if they are living or will live regularly with the family.

•Live-In Aides may also be considered part of the applicant family's household. However, live-in aides are not family members and have no right of tenancy or continued occupancy.

• Foster Care Arrangements include situations in which the family is caring for a foster adult, child or children in their home who have been placed there by a public child placement agency, or a foster adult or adults placed in the home by a public adult placement agency. For purposes of continued occupancy; the term family also includes the remaining member of a resident family with the capacity to execute a lease.

FAMILY OF VETERAN OR SERVICE PERSON. A family is a "family of veteran or serviceperson" when:

> The veteran or serviceperson (a) is either the head of household or is related to the head of the household; or (b) is deceased and was related to the head of the household, and was a family member at the time of death.
>
> The veteran or serviceperson, unless deceased, is living with the family or is only temporarily absent unless s/he was (a) formerly the head of the household and is permanently absent because of hospitalization, separation, or desertion, or is divorced; provided, the family contains one or more persons for whose support s/he is legally responsible and the spouse has not remarried; or (b) not the head of the household but is permanently hospitalized; provided, that s/he was a family member at the time of hospitalization and there remain in the family at least two related persons.

FAMILY SELF-SUFFICIENCY PROGRAM (FSS PROGRAM). The program established by a PHA to promote self-sufficiency of assisted families, including the provision of supportive services.

FLAT RENT. Rent for a public housing dwelling unit that is based on the market rent. The market rent is the rent charged for comparable units in the private, unassisted rental market at which the PHA could lease the public housing unit after preparation for occupancy.

FOSTER CHILD CARE PAYMENT. Payment to eligible households by state, local, or private agencies appointed by the State, to administer payments for the care of foster children.

FULL-TIME STUDENT. A person who is attending school or vocational training on a full-time basis.

GUEST. For the purposes of determining whether an individual's criminal activity is the responsibility of the resident, a guest is a person temporarily staying in the unit with the consent of a resident or other member of the household who has express or implied authority to so consent on behalf of the resident. The requirements of the lease apply to a guest as so defined.

HEAD OF HOUSEHOLD. The person who assumes legal and financial responsibility for the household and is listed on the application as head.

HOUSING AGENCY. A state, country, municipality or other governmental entity or public body authorized to administer the program. The term "PHA" includes an Indian housing authority (IHA). ("PHA" and "PHA" mean the same thing.). The Housing Authority is referred to as "HA" or "Housing Authority" throughout this document.

HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974. The Act in which the U.S. Housing Act of 1937 was recodified, and which added the Section 8 Programs.

HOUSING ASSISTANCE PLAN. A Housing Assistance Plan submitted by a local government participating in the Community Development Block Program as part of the block grant application, in accordance with the requirements of 570.303(c) submitted by a local government not participating in the Community Development Block Grant Program and approved by HUD. A Housing Assistance Plan meeting the requirements of 570.303(c) submitted by a local government not participating in the Community Development Block Grant Program and approved by HUD.

HOUSING QUALITY STANDARDS (HQS). The HUD minimum quality standards for housing assisted under the Public Housing and Section 8 programs.

HUD. The Department of Housing and Urban Development or its designee.

HUD REQUIREMENTS. HUD requirements for the Section 8 programs. HUD requirements are issued by HUD headquarters as regulations. Federal Register notices or other binding program directives.

HURRA. The Housing and Urban/Rural Recovery Act of 1983 legislation that resulted in most

of the 1984 HUD Regulation changes to the definition of income, allowances, and rent calculations.

IMPUTED ASSET. Asset disposed of for less than Fair Market Value during two years preceding examination or reexamination.

IMPUTED INCOME. HUD passbook rate times the total cash value of assets, when assets exceed $5,000.

IMPUTED WELFARE INCOME. The amount of annual income not actually received by a family, as a result of a specified welfare benefit reduction, that is nonetheless included in the family's annual income. This amount is included in family annual income and, therefore, reflected in the family rental contribution based on this income.

INCOME. Income from all sources of each member of the household as determined in accordance with criteria established by HUD.

INCOME-BASED RENT. The resident rent paid to the PHA that is based on family income and the PHA rental policies. The PHA uses a percentage of family income or some other reasonable system to set income-based rents. The PHA has broad flexibility in deciding how to set income-based rent for its residents. However, the income-based resident rent plus the PHA's allowance for resident paid utilities may not exceed the "total resident payment" as determined by a statutory formula.

INCOME FOR ELIGIBILITY. Annual Income.

INCOME TARGETING. The HUD admissions requirement that PHAs not admit less than the number required by law of families whose income does not exceed 30% of the area median income in a fiscal year.

INDIAN. Any person recognized as an Indian or Alaska Native by an Indian Tribe, the federal government, or any State.

INDIAN HOUSING AUTHORITY (IHA). A housing agency established either by exercise of the power of self-government of an Indian Tribe, independent of State law, or by operation of State law providing specifically for housing authorities for Indians.

INTEREST REDUCTION SUBSIDIES. The monthly payments or discounts made by HUD to reduce the debt service payments and, hence, rents required on Section 236 and 221 (d)(3) BMIR developments. Includes monthly interest reduction payments made to mortgagees of Section 236 developments and front-end loan discounts paid on BMIR developments.

INVOLUNTARILY DISPLACED PERSON. Involuntarily Displaced Applicants are applicants who meet the HUD definition for the local preference, formerly known as a federal preference.

LANDLORD. Refers to the HA, as either the legal owner of the property, or the owner's representative or managing agent as designated by the owner.

LEASE. A written agreement between an owner and an eligible family for the leasing of a housing unit.

LIVE-IN AIDE. A person who resides with an elderly person or disabled person and who:

Is determined to be essential to the care and well-being of the person.

Is not obligated for the support of the person.

Would not be living in the unit except to provide necessary supportive services.

LOCAL PREFERENCE. A preference used by the PHA to select among applicant families without regard to their date and time of application.

LOW-INCOME FAMILY. This definition replaces a previous statutory reference. Generally, "low-income" designates a family whose income does not exceed 80 percent of area median income, with certain adjustments.

MARKET RENT. The rent HUD authorizes the owner of FHA insured/subsidized multi-family housing to collect from families ineligible for assistance. For unsubsidized units in an FHA-insured multi-family development in which a portion of the total units receive development-based rental assistance, under the Rental Supplement or Section 202/Section 8 Programs, the Market Rate Rent is that rent approved by HUD and is the Contract Rent for a Section 8 Certificate holder. For BMIR units, Market Rent varies by whether the development is a rental or cooperative.

MEDICAL EXPENSES. Those total medical expenses anticipated during the period for which Annual Income is computed, and which are not covered by insurance. (Only Elderly Families qualify) The allowances are applied when medical expenses exceed 3% of Annual Income.

MINIMUM RENT. An amount established by the PHA between zero and $50.00.

MINOR. A member of the family household (excluding foster children) other than the family head or spouse who is under 18 years of age.

MONTHLY ADJUSTED INCOME. 1/12 of the Annual Income after Allowances.

MONTHLY INCOME. 1/12 of the Annual Income before allowances.

NEAR-ELDERLY FAMILY. A family whose head, spouse, or sole member is at least 50, but less than 62 years of age. The term includes two or more near-elderly persons living together and one or more such persons living with one or more live-in aides.

NET FAMILY ASSETS. The net cash value, after deducting reasonable costs that would be incurred in disposing of:

•Real property (land, houses, mobile homes)

•Savings (CDs, IRA or KEOGH accounts, checking and savings accounts, precious metals)

•Cash value of whole life insurance policies

•Stocks and bonds (mutual funds, corporate bonds, savings bonds)

•Other forms of capital investments (business equipment)

Net cash value is determined by subtracting the reasonable costs likely to be incurred in selling or disposing of an asset from the market value of the asset. Examples of such costs are: brokerage or legal fees, settlement costs for real property, or penalties for withdrawing saving funds before maturity.

Net Family assets also include the amount in excess of any consideration received for assets disposed of by an applicant or resident for less than fair market value during the two years preceding the date of the application or annual reexamination. This does not apply to assets transferred as the result of a foreclosure or bankruptcy sale.

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

OCCUPANCY STANDARDS [Now referred to as Subsidy Standards]. Standards established by a PHA to determine the appropriate number of bedrooms for families of different sizes and compositions.

PARTICIPANT. A family that has been admitted to the PHA program, and is currently assisted in the program.

PERSON WITH DISABILITIES

1. A person who has a disability, as defined in 42 U. S. C. 423, and is determined, under HUD regulations, to have a physical, mental, or emotional impairment that is expected to be of long-continued and indefinite duration, substantially impedes the ability to live independently, and is of such a nature that the ability to live independently could be improved by more suitable housing conditions.
2. A person who has a developmental disability as defined in 42 U.S.C. 6001.
3. An “individual with disabilities”, as defined in 24 CFR 8.3, for purposes of reasonable accommodation and program accessibility for persons with disabilities
4. Does not exclude persons who have AIDS or conditions arising from AIDS
5. Does not include a person whose disability is based solely on any drug or alcohol dependence (for low income housing eligibility purposes)

PREMISES. The building or complex in which the dwelling unit is located including common areas and grounds.

PREVIOUSLY UNEMPLOYED. Includes a person who has earned, in the twelve months previous to employment, no more than would be received for 10 hours of work per week for 50 weeks at the established minimum wage.

PUBLIC ASSISTANCE. Welfare or other payments to families or individuals, based on need, which are made under programs funded, separately or jointly, by Federal, state, or local governments.

PUBLIC HOUSING AGENCY (PHA). A state, county, municipality, or other governmental entity or public body authorized to administer the programs. The term "PHA" includes an Indian housing authority (IHA). ("PHA" and "PHA" mean the same thing.)

QUALIFIED FAMILY. A family residing in public housing whose annual income increases as a result of employment of a family member who was unemployed for one or more years previous to employment; or increased earnings by a family member during participation in any economic self-sufficiency or on the job training program; or new employment or increased earnings of a family member, during or within 6 months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the PHA in consultation with the local TANF agency and Welfare to Work programs. TANF includes income and benefits & services such as one time payments, wage subsidies & transportation assistance, as long as the total amount over a 6-month period is at least $500.

QUALITY HOUSING AND WORK RESPONSIBILITY ACT OF 1998. The Act which amended the U.S. Housing Act of 1937 and is known as the Public Housing Reform Bill. The Act is directed at revitalizing and improving HUD's Public Housing and Section 8 assistance programs.

RECERTIFICATION. Sometimes called reexamination. The process of securing documentation of total family income used to determine the rent the resident will pay for the next 12 months if no interim changes are reported by the family.

REMAINING MEMBER OF RESIDENT FAMILY. Person left in assisted housing after other family members have left and become unassisted.

RESIDENT is used to refer to participants in terms of their relation as a lessee to the HA as the landlord.

RESIDENCY PREFERENCE. A local preference for admission of persons who reside in a specified geographic area.

RESPONSIBLE ENTITY. For the public housing, Section 8 resident-based assistance, development-based certificate assistance and moderate rehabilitation program, the responsible entity means the PHA administering the program under an ACC with HUD. For all other Section 8 programs, the responsible entity means the Section 8 owner.

SECRETARY. The Secretary of Housing and Urban Development.

SECURITY DEPOSIT. A dollar amount which can be collected from the family by the owner upon termination of the lease and applied to unpaid rent, damages or other amounts owed to the owner under the lease according to State or local law.

SERVICEPERSON. A person in the active military or naval service (including the active reserve) of the United States.

SINGLE PERSON. A person living alone or intending to live alone who is not disabled, elderly, or displaced, or the remaining member of a resident family.

SPECIFIED WELFARE BENEFIT REDUCTION. Those reductions of welfare agency benefits (for a covered family) that may not result in a reduction of the family rental contribution. "Specified welfare benefit reduction" means a reduction of welfare benefits by the welfare agency, in whole or in part, for a family member, as determined by the welfare agency, because of fraud by a family member in connection with the welfare program; or because of welfare agency sanction against a family member for noncompliance with a welfare agency requirement to participate in an economic self- sufficiency program.

SPOUSE. The marriage partner of the head of the household.

SUBSIDIZED DEVELOPMENT. A multi-family housing development (with the exception of a development owned by a cooperative housing mortgage corporation or association) which receives the benefit of subsidy in the form of:

Below-market interest rates pursuant to Section 221(d)(3) and (5) or interest reduction payments pursuant to Section 236 of the National Housing Act; or

Rent supplement payments under Section 101 of the Housing and Urban Development Act of 1965; or

Direct loans pursuant to Section 202 of the Housing Act of 1959; or

Payments under the Section 23 Housing Assistance Payments Program pursuant to Section 23 of the United States Housing Act of 1937 prior to amendment by the Housing and Community Development Act of 1974;

Payments under the Section 8 Housing Assistance Payments Program pursuant to Section 8 of the United States Housing Act after amendment by the Housing and Community Development Act unless the development is owned by a Public Housing Agency;

A Public Housing Development.

SUBSIDY STANDARDS. Standards established by a PHA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

TENANT. (Synonymous with resident) The person or persons who executes the lease as lessee of the dwelling unit.

RESIDENT RENT. The amount payable monthly by the family as rent to the PHA.

TOTAL TENANT PAYMENT (TTP). The total amount the HUD rent formula requires the tenant to pay toward rent and utilities.

UNIT/HOUSING UNIT. Residential space for the private use of a family. The size of a unit is

based on the number of bedrooms contained within the unit and generally ranges from zero bedrooms to six bedrooms.

UTILITIES. Utilities means water, electricity, gas, other heating, refrigeration, cooking fuels, trash collection and sewage services. Telephone service is not included as a utility.

UTILITY ALLOWANCE. The PHA's estimate of the average monthly utility bills for an energy-conscious household. If all utilities are included in the rent, there is no utility allowance. The utility allowance will vary by unit size and type of utilities.

UTILITY REIMBURSEMENT PAYMENT. The amount, if any, by which the Utility Allowance for the unit, if applicable, exceeds the Total Tenant Payment for the family occupying the unit.

VERY LARGE LOWER-INCOME FAMILY. Prior to the change in the 1982 regulations this meant a lower-income family which included eight or more minors. (Term no longer used)

VERY LOW INCOME FAMILY. A Low-Income Family whose Annual Income does not exceed 50% of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50% of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes.

VETERAN. A person who has served in the active military or naval service of the United States at any time and who shall have been discharged or released therefrom under conditions other than dishonorable.

VIOLENT CRIMINAL ACTIVITY. Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.

WAITING LIST. A list of families organized according to HUD regulations and PHA policy who are waiting for subsidy to become available.

WELFARE ASSISTANCE. Welfare or other payments to families or individuals, based on need, that are made under programs funded, separately or jointly, by Federal, state, or local governments. "Welfare assistance" means income assistance from Federal or State welfare programs, and includes only cash maintenance payments designed to meet a family's ongoing basic needs. The definition borrows from the Department of Health and Human Services' TANF definition of "assistance" and excludes nonrecurring short-term benefits designed to address individual crisis situations. For FSS purposes, the following do not constitute welfare assistance: food stamps; emergency rental and utilities assistance; and SSI, SSDI, and Social Security.

C. TERMS USED IN THE NON-CITIZENS RULE

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

CITIZEN. A citizen or national of the United States.

EVIDENCE. Evidence of citizenship or eligible immigration status means the documents which must be submitted to evidence citizenship or eligible immigration status.

PHA. A housing authority- either a public housing agency or an Indian housing authority or both.

HEAD OF HOUSEHOLD. The adult member of the family who is the head of the household for purpose of determining income eligibility and rent.

HUD. Department of Housing and Urban Development.

INS. The U.S. Immigration and Naturalization Service.

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

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

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

NONCITIZENS RULE. Refers to the regulation effective June 19, 1995, restricting assistance to U.S. citizens and eligible immigrants.

PHA. A housing authority that operates Public Housing.

RESPONSIBLE ENTITY. The person or entity responsible for administering the restrictions on providing assistance to non-citizens with ineligible immigration status (the PHA).

SECTION 214. Section 214 restricts HUD from making financial assistance available for non-citizens unless they meet one of the categories of eligible immigration status specified in Section 214.

SPOUSE. Spouse refers to the marriage partner, either a husband or wife, who is someone you need to divorce in order to dissolve the relationship. It includes the partner in a common-law marriage. It does not cover boyfriends, girlfriends, significant others, or “co-heads.” “Co-head” is a term recognized by some HUD programs, but not by public and Indian housing programs.

D. TERMS USED IN THE VIOLENCE AGAINST WOMEN ACT PROVISIONS

DOMESTIC VIOLENCE. The term "domestic violence" includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabiting with or has cohabited with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction..

DATING VIOLENCE. Violence committed by a person-

(A) who is or has been in a social relationship of a romantic or intimate nature with the victim; and
(B) where the existence of such a relationship shall be determined based on a consideration of the following factors:

(i) The length of the relationship.

(ii) The type of relationship.

(iii) The frequency of interaction between the persons involved in the relationship.

STALKING.

(A) (i) To follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate another person; and (ii) to place under surveillance with the intent to kill, injure, harass or intimidate another person; and

(B) in the course of, or as a result of, such following, pursuit, surveillance or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to-

(i) that person;

(ii) a member of the immediate family of that person; or

(iii) the spouse or intimate partner of that person.

IMMEDIATE FAMILY MEMBER. Means with respect to a person-

(A) a spouse, parent, brother, sister, or child of that person, or an individual to whom that person stands in loco parentis; or

(B) any other person living in the household of that person and related to that person by blood or marriage.

E. TERMS USED IN MIXED FINANCE DEVELOPMENTS

DEVELOPMENT. Is a housing facility consisting of public housing units, and that may also consist of non-public housing units, that has been developed, or that will be developed, using mixed-finance strategies.

MIXED-FINANCE. Is the combined use of publicly and privately financed sources of funds for the development of public housing units.

PUBLIC HOUSING UNIT. A unit that is eligible to receive operating subsidy pursuant to section 9 of the Act (42 U.S.C.1437g).

[i] 24 CFR 100.5

HOUSING AUTHORITY
OF THE FRESNO COUNTY

ADMINISTRATIVE PLAN
HOUSING CHOICE VOUCHER PROGRAM

EFFECTIVE DATE: JANUARY 1, 2012

Proposed Changes are in Red Text

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CHAPTER 1: STATEMENT OF POLICIES AND OBJECTIVES

1.1 INTRODUCTION

The Housing Choice Voucher (HCV) Program, formerly known as the Section 8 Program, was enacted as part of the Housing and Community Development Act of 1974 for the purpose of providing housing assistance to low-income families. The HCV program is administered by the Housing Authority of Fresno County (hereafter referred to as the "HAFC). HAFC receives its funding for the HCV program from the Department of Housing and Urban Development (HUD); and is currently assisting approximately 6,800 families.

To administer the program, HAFC enters into an Annual Contributions Contract with HUD to administer the program requirements on behalf of HUD. The HAFC must be in compliance with federal laws, regulations and notices and must establish policy and procedures to clarify federal requirements and to ensure consistency in program operation.

In administering the program, HAFC is committed to maintaining compliance with the following:

- The regulations which govern the HCV program which are located in the Code of Federal Regulations at 24 CFR 982;
- The Fair Housing Act, 42 U.S.C. 3610-3619;
- Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d;
- The Age Discrimination Act of 1975, 42 U.S.C. 6101-6107;
- Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. ;
- Title II of the Americans with Disabilities Act, 42 U.S.C. 12101; and
- Title IX of the Education Amendments of 1972, as amended 20 U.S.C. 1681,
- HAFC is committed to maintaining compliance with state laws that prohibit housing discrimination based on sexual orientation, gender identity, and/or gender expression.

1.2 CERTIFICATIONS OF OBLIGATIONS

HAFC must submit a signed certification to HUD that:

- HAFC will administer the program in conformity with the Fair Housing Act of 1964, Section 504 of the Rehabilitation Act of 1973, and Title II of the Americans with Disabilities Act.

- HAFC will affirmatively further fair housing in the administration of the program.

1.3 HOUSING AUTHORITY OVERVIEW

The primary objective of HAFC is to provide decent, safe and sanitary housing to low-income families at an affordable cost. Our mission is to provide this housing within an environment that fosters the advancement of low-income families from a position of dependency to one of self-sufficiency.

The City and County Housing Authorities function as separate public agencies with separate governing bodies. Through a unique arrangement, the two Housing Authorities share a single Executive Director and staff, thus making it possible to draw on a more comprehensive staff while realizing the cost advantages that result from avoiding duplication, ordering in larger quantities, and sharing equipment and services. Both Housing Authorities are public housing agencies as defined in the United States Housing Act of 1937, as amended, and in 24 C.F.R. Chapter VIII. Both agencies have been organized under Section 31000, et a seq., of the California Health and Safety Code.

The Housing Authority of the City of Fresno and the Housing Authority of Fresno County are each governed by a seven-member Board of Commissioners. The City Board is appointed by the Mayor. Five of the seven commissioners are appointed to four-year, staggered terms. The other two members are appointed to two-year terms from among both the HCV and Public Housing programs. County Board of Commissioners is structured in the same manner, except that the County Commissioners are appointed by the Board of Supervisors.

The Housing Authority of Fresno County's Assisted Housing Division (AHD) administers the following Section 8 programs:

PROGRAM ALLOCATIONS – COUNTY
HCV VOUCHERS = 5,111

In addition to these vouchers the AHD also administers the Family Self-Sufficiency (FSS) Program to assist approximately 161 families. With the assistance of FSS coordinators, each FSS family works toward the attainment of a personal five-year written plan to move from dependency to self-reliance. The Division also assists eligible qualifying families to pursue the dream of home ownership through the Section 8 Homeownership option.

Jurisdiction

The jurisdiction of the HAFC is the County of Fresno.

1.4 LOCAL OBJECTIVES

The primary objective of the HAFC is to provide decent, safe and sanitary housing to low-income families at an affordable price.

The HCV Program is designed to achieve these major objectives:

- To ensure that all units meet Housing Quality Standards and families pay fair and reasonable rents.
- To promote fair housing and the opportunity for very low-income families of all ethnic backgrounds to experience freedom of housing choice.
- To promote a housing program which maintains quality service and integrity while providing an incentive to private property owners to rent to very low - income families.
- To assist the local economy by maintaining a high lease up rate of available voucher funding to provide a steady flow of money into the community.
- To encourage self sufficiency of participant families and assist in the expansion of family opportunities which addresses educational, socioeconomic, recreational and other human service needs.
- To create positive public awareness and expand the level of family, owner, and community support in accomplishing the HAFC's mission.
- To attain and maintain a high level of professionalism in our day-to-day management of all program components.
- To administer an efficient, high-performing agency through continuous improvement of the HAFC's support systems and commitment to our employees and their development.

1.5 PURPOSE OF THE PLAN

[24 CFR 982.54]

The purpose of the Administrative Plan is to clearly outline the policies that govern the Housing Authority's administration of rental assistance programs. The plan includes program requirements established by HUD, as well as discretionary policies established by the Housing Authority.

The policies of this Administrative Plan comply with applicable local and State laws, as well as HUD and other Federal regulations and guidelines, including fair housing and equal opportunity requirements. If applicable regulatory changes conflict with this plan, regulations will have precedence.

The HAFC adheres to the Administrative Plan in administering all rental assistance programs.

1.6 HOW THE PLAN IS REVISED

The original plan and any changes must be approved by the Board of Commissioners of the City of Fresno. A copy of the plan must be provided to HUD.

As much as possible, revisions and additions are published to coincide with published changes in HAFC's Agency Plan. Interim changes, including Board mandates and administrative updates reflecting changes in law or regulatory requirements, will be made effective by memo from the Executive Director or designee.

The Administrative Plan is a supporting document to the HAFC Agency Plan, and is available for public review as required by CFR 24 Part 903.

1.7 ADMINISTRATIVE FEE RESERVE

[24 CFR 982.155]

All expenditures from the administrative fee reserve will be approved by the HAFC Board of Commissioners or the Executive Director and made in accordance with the approved budget.

1.8 RULES AND REGULATIONS

[24 CFR 982.52]

This Administrative Plan is set forth to define the HAFC's local policies for operation of the housing programs in the context of Federal laws and Regulations. All issues related to Section 8 not addressed in this document are governed by such Federal regulations, HUD Memos, Notices and guidelines, or other applicable law. The policies in this Administrative Plan have been designed to ensure compliance with the consolidated ACC (Annual Contributions Contract) and all HUD-approved applications for program funding.

1.9 MONITORING HAFC PERFORMANCE

1.9.1 The Section Eight Management Assessment Program (SEMAP)

[24 CFR 985.3]

SEMAP was designed by HUD as a tool to measure the performance of housing authorities administering the Housing Choice Voucher program and the family self-sufficiency component of the voucher program.

SEMAP is a performance measure tool designed to:

- Assess whether the housing choice voucher program is assisting eligible families to afford decent, safe, and sanitary housing at the correct subsidy cost;
- Measure HAFC performance in key areas of the housing choice voucher program to ensure program integrity and accountability;
- Assist housing authorities in assessing and improving their own program operations; and
- Evaluate whether the HAFC affirmatively furthers fair housing.

1.9.2 The Fourteen SEMAP Indicators

SEMAP includes the following 14 performance indicators and one bonus indicator:

1. Selection from the Waiting List
2. Reasonable Rent
3. Determination of Adjusted Income
4. Utility Allowance Schedule
5. HQS Quality Control Inspections
6. HQS Enforcement
7. Expanding Housing Opportunities
8. Payment Standards
9. Annual Re-examinations
10. Correct Tenant Rent Calculations
11. Pre-Contract HQS Inspections
12. Annual HQS Inspections
13. Lease-up
14. a. Family Self-Sufficiency Enrollment

    b. Percent of FSS Participants with Escrow Account Balances
15. Bonus indicator (De-concentration)

During the HAFC fiscal year, the HAFC will track its own performance on the 14 SEMAP indicators and the deconcentration bonus indicator. Within 60 days of the end of the HAFC fiscal year, the HAFC will complete and submit HUD-52648, SEMAP Certification to HUD.

The certification must attest to the results of quality control review HAFC performed on four indicators: selection from the waiting list; rent reasonableness; determination of adjusted income; and HQS enforcement.

Each indicator is assigned a numerical value, based upon HAFC performance. For indicators 9 through 14, HUD independently assesses and verifies HAFC's performance using data submitted electronically through HUD's Multifamily Tenant Characteristics System (MTCS) using the Family Report, Form HUD-50058 and other available information.

Once all indicators have been scored, the overall score is determined by summing all earned points and dividing by the total possible points.

HUD will prepare a SEMAP profile for HAFC, assign an overall rating, and notify HAFC in writing of its rating on each SEMAP indicator, its overall SEMAP scores and its overall rating.

There are four possible ratings:

- High Performer Rating: score of 90 percent or higher
- Standard Performer Rating: score of 60 percent to 89 percent
- Troubled Performer Rating: score of less than 60 percent
- Modified or Withheld Rating: only when warranted by special circumstances

If the HAFC receives a troubled rating, the HUD field office must conduct an on-site confirmatory review before changing the rating to either "standard performer" or high performer".

The HAFC is required to correct any performance deficiencies within 45 days of notification by HUD. If the HAFC is unable to correct deficiencies within 45 days, it must submit a corrective action plan for each deficiency within 30 calendar days from the date of the HUD notice.

1.9.3 SEMAP Compliance Goals

The HAFC commits to administer its programs with a high degree of efficiency; therefore the department has set the following goals:

- Determining whether at least 98% of families were selected from the waiting list in accordance with the Admin Plan policies and met the selection criteria that determine their placement on the waiting list and the order selection.
- Determining whether at least 98% of randomly selected tenant files indicate that the HAFC approved reasonable rents to the owner at the time of initial lease-up and before any increase in rent and at the anniversary date (if there is a five

percent decrease in the published FMR in effect 60 days before the contract anniversary).

- Determining at the time of admission and reexamination that in at least 90% of cases sampled, the HAFC properly did the following:
  a) Obtained 3rd Party verification of adjusted income or documented why 3rd party verification was not available;
  b) Used the verified information in determining the adjusted income;
  c) Properly attributed allowances for expenses; and
  d) Where the family is responsible for utilities under the lease, the HAFC used the appropriate utility allowances for the unit leased in determining the gross rent.
- The HAFC reviews utility rate data that it obtained within the last 12 months, and adjusts its utility allowance schedule if there has been a change of 10% or more in a utility rate since the last time the utility allowance schedule was revised.
- Determining that during the fiscal year the HAFC performs HQS quality control inspections which meet the minimum sample size required by HUD. A supervisor or other qualified person must reinspect a sample of units under contract from inspections conducted no more than three months prior to the date of the reinspection. The sample of units must represent a cross section of neighborhoods and the work of a cross section of inspectors.
- Determining that a review of selected files indicate that for 100% of life-threatening fail items and for at least 98% of non-emergency items which failed inspection, the HAFC ensures timely correction of HQS deficiencies or abates Housing Assistance Payments (HAPs) or takes vigorous action to enforce family obligations.
- Demonstrating that the HAFC provides families and owners information which actively promotes the de-concentration of assisted families in low-income neighborhoods.
- Demonstrating that voucher payment standards are not less than 90% or more than 110% of the current applicable published FMR, unless a higher or lower payment standard is approved by HUD.
- Determining whether at least 96% of re-exams are processed on time.
- Determining whether at least 98% of all sampled tenant files have had the tenant rent calculated correctly.
- Determining whether at least 98% of newly leased units passed HQS inspections before HAP contract date.
- Determining whether the HAFC performs annual HQS inspections on time for at least 96% of all units under contract.

- Determining whether the percent of units leased during the last HAFC fiscal year was 98% or more, or the percent of allocated budget authority expended during the last HAFC fiscal year was 98% or more.
- Determining whether the HAFC has filled 80 -100% of its FSS slots

Demonstrating whether at least 30% of the HAFC's FSS participants have escrow account balances.

1.9.4 Supervisory Monitoring

To ensure quality control, in addition to SEMAP factors above, supervisory monitoring will be conducted in accordance with departmental Performance Standards.

1.9.5 Internal Audits

The Quality Assurance Division conducts monthly audits to document compliance with SEMAP goals, regulatory requirements and department procedures so quality is consistently maintained. If an issue of noncompliance is detected, the matter will be reported with recommendations for corrective actions.

1.10 RECORDS RETENTION

In order to demonstrate compliance with HUD and other pertinent regulations, the HAFC will maintain records, reports and other documentation for three years as outlined in 24 CFR 982.158, and in a manner that will allow a speedy and effective audit.

1.11 TERMINOLOGY

[24 CFR 982.4]

The Housing Authority of the City of Fresno is referred to as "HAFC" or "Housing

Authority" throughout this document.

The Housing Choice Voucher program is referred to as "HCV" throughout this document.

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

"Tenant" is used to refer to participants in terms of their relation to landlords.

"Landlord" and "owner" are used interchangeably.

See Glossary for other terminology.

1.12 DOCUMENT REPRODUCTION POLICY

The Housing Authority will make documents available for review at its Central Office during normal business hours. The cost for reproduction of allowable documents will be according to the department's general policy, which is $.50 for the first page and $.30 per page thereafter, plus $20 per hour for staff time or $5 per quarter hour or fraction thereof.

1.13 FAIR HOUSING POLICY

[24 CFR 982.54(d)(6)]

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

The HAFC shall not deny any family or individual the opportunity to apply for or receive assistance under the Section 8 Programs on the basis of race, color, sex, religion, creed, national or ethnic origin, age, family or marital status, handicap or disability, or sexual orientation.

To further its commitment to full compliance with applicable Civil Rights laws, the HAFC will provide Federal/State/local information to voucher holders regarding "discrimination" and any recourse available to them if they are victims of discrimination. Such information will be made available during the family briefing session, and all applicable Fair Housing Information and Discrimination Complaint Forms will be made a part of the voucher holder's briefing packet.

Except as otherwise provided in 24 CFR 8.21(c)(1), 8.24(a), 8.25, and 8.31, no individual with disabilities shall be denied the benefits of, be excluded from participation in, or otherwise be subjected to discrimination because the HAFC's facilities are inaccessible to or unusable by persons with disabilities.

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

The HAFC's central office is accessible to persons with disabilities. Accessibility for the hearing impaired is provided by the TDY telephone service provider.

1.14 ACCOMMODATIONS POLICY

[24 CFR 8.28]

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

In accordance with Section 504 of the Rehabilitation Act of 1973, as amended, no otherwise qualified individual with handicaps shall, solely by reason of his/her handicap, be excluded from the participation in, be denied the benefit of, or be subjected to discrimination under any program or activity of the HAFC. The HAFC will take appropriate measures to ensure that an individual with handicaps shall have equal access to available services, programs, and activities offered. Such appropriate measures include, but are not limited to:

- provision of telecommunication devices for the deaf;
- provision of sign language interpreters, as requested;
- utilization of barrier-free meeting places;
- provision of a discrimination complaints procedure;
- a list of accessible units will be provided, when available.

The HAFC may contact and obtain services from one of, but not limited to, the following Agencies to accommodate person with disabilities:

- California State Department of Rehabilitation
- Resources for Independence
- Central Valley Regional Center
- Deaf and Hard of Hearing Service Center, Inc.
- Valley Center for the Blind, Inc.
- Self Help for Hard of Hearing People, Inc.

Accessibility for the hearing impaired is provided by the TDY telephone service provider.

1.14.1 Persons with Disabilities

The HAFC's policies and practices will be designed to provide assurances that all persons with disabilities will be provided an opportunity to request a reasonable accommodation so that they may fully access and utilize the housing program and related services. The availability of specific accommodations will be made available on HAFC forms and letters to all families and requests may be verified with a reliable, knowledgeable professional so that the HAFC can properly accommodate the need presented by the disability.

1.14.2 Federal Americans with Disabilities Act of 1990

With respect to an individual, the term "disability" means:

- A physical or mental impairment that substantially limits one or more of the major life activities of an individual; or
- A record of such impairment

Individuals with contagious diseases who do not pose a direct threat to others are covered by the Act. AIDS victims and those who test positive for the HIV virus are considered to have a disability.

1.14.3 Submitting a Request for Reasonable Accommodation (RA)

Any resident that requests an accommodation will be given a packet that contains the following:

- Form 1: Request for a Reasonable Accommodation
- Form 2: Verification of Need for Reasonable Accommodation

Below is the process for submission of a request:

1. Complete their portions of the forms.
2. Take them to their medical professional or health care professional to complete the applicable sections of Form 2. *It is critical that the medical professional fully describe how the disability requires the requested accommodation, not just that a disability exists.*
3. Return both completed forms to the case manager who issued these forms.
4. The requester will be notified in writing whether the request has been approved or denied.

All requests for an accommodation must be in writing. A resident may request an accommodation for this requirement.

1.14.4 Approval/Denial of a Requested Accommodation

When reviewing a request for a reasonable accommodation the verification must clearly show that there is a nexus (a direct relationship) between the disability and the accommodation being requested. The need for a requested accommodation will be verified with a reliable, knowledgeable professional. In the absence of a clear nexus, HAFC cannot approve the requested accommodation.

Requests for reasonable accommodation from persons with disabilities must also consider whether granting the request would create an "undue financial and administrative burden" for the HAFC, meaning an action requiring "significant difficulty or expense".

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

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

Except in cases involving an imminent emergency, decisions on a request for reasonable accommodation or modification shall be made by the RA Coordinator as soon as practicable but in no event later than thirty (30) calendar days after the request form(s) is completed and the HAFC has received all information needed to make a decision.

All outcomes will be recorded in the RA database.

Approved copies of the Decision on Reasonable Accommodation Request will be sent to the AHD supervisor to execute the reasonable accommodation.

1.14.6 Additional Policies Regarding Reasonable Accommodation

Additional policies regarding reasonable accommodation are referenced in other chapters throughout this Administrative Plan. The section reference is in parentheses.

- Special accommodation when submitting an application (2.2)
- Higher utility allowances as reasonable accommodation for a person with disabilities (6.20.5)
- Special accommodation when requesting an individual HCV briefing (8.2.4)
- Special accommodation when additional time is needed to search for a unit (8.5.2)
- Special housing types as a reasonable accommodation (9.3.2)
- Waiver of Restriction on Renting to Relatives When Needed for Reasonable Accommodation (9.4)
- Exception Payment Standards When Needed as a Reasonable Accommodation (11.2.2)

- When a Reasonable Accommodation is Needed to Complete the Annual Reexamination (12.4.1)
- When a Reasonable Accommodation is Needed to Move Within the First Year of the HAP Contract (13.3.1)
- When a Reasonable Accommodation is Needed to Move and Balancing is Still Owing (18.4.5)
- Informal Hearing: Rescheduling When Needed as a Reasonable Accommodation for a Person with Disabilities (19.4.4)
- Section 8 Homeownership Program (21.2 and 21.3.1)

The HAFC will encourage the family to make its request in writing using a reasonable accommodation request form. However, the HAFC will consider the accommodation any time the family indicates that an accommodation is needed whether or not a formal written request is submitted.

1.15 WHEN TRANSLATION SERVICES ARE NEEDED

The HAFC will take affirmative steps to communicate with people who need services or information in a language other than English. These will be referred to as Persons with Limited English Proficiency (LEP). LEP is defined as persons who do not speak English as their primary language and who have a limited ability to read, write, speak or understand English. For the purposes of this administrative plan, LEP persons are HCV applicants and participants. For further information about LEP, see Chapter 20.

The HAFC is committed to providing meaningful access to the Authority's programs and services to all eligible persons, including those who have limited English proficiency because of their national origin. The HAFC has analyzed its operations and the populations it serves, and has developed a Language Assistance Plan which is part of our Five-Year Plan/Annual Plan. The plan details the steps the HAFC will take to provide meaningful access in connection with our programs and services to these populations. The two primary language assistance needs in the Fresno area are for persons speaking Spanish and Hmong.

1.15.1 Oral Translation

The HAFC has bilingual staff to assist non-English speaking families in Spanish and Hmong and orally translates documents into Spanish and Hmong. Where bilingual staff is not available to interpret for these families, the HAFC will use an online language interpretation service, which offers translation in over 100 languages, to communicate effectively with clients.

1.15.2 Written Translation

In determining whether it is feasible to provide translation of documents written in English into other languages, the HAFC will consider the following factors:

- Number of applicants and participants in the jurisdiction who do not speak English and speak the other language.
- Estimated cost to HAFC per client of translation of English written documents into the other language.
- The availability of local organizations to provide translation services to non English -speaking families.
- Availability of bi-lingual staff to provide translation for non English -speaking families.

1.16 PRIVACY RIGHTS

[24 CFR 5.230]

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

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

In the event the HAFC should come into possession of confidential medical information, such information must be kept confidential. The personal information must not be released except on an "as needed" basis in cases where an accommodation is under consideration. All requests for access and granting of accommodations based on this information must be approved by a supervisor. Personal medical information of a confidential nature must not be retained in the client's file.

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

HAFC staff will not discuss family information contained in files unless there is a business reason to do so. Inappropriate discussion of family information, or improper disclosure of family information by staff will result in disciplinary action.

1.17 FAMILY OUTREACH

[24 CFR 982.266]

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

The HAFC may utilize public service announcements.

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

1.18 OWNER OUTREACH

[24 CFR 982.54(d)(5)]

The HAFC encourages owners of decent, safe and sanitary housing units to lease to Section 8 families. Owners may list available units on the agency website at **www.hafresno.org**.

The staff of the HAFC initiates personal contact with private property owners and managers by conducting formal and informal discussions and meetings.

Printed material is offered to acquaint owners and managers with the opportunities available under the program.

The HAFC has active participation in a community based organization(s) comprised of private property and apartment owners and managers.

The HAFC encourages program participation by owners of units located outside areas of poverty or minority concentration. The purpose of these activities is to provide choicer and better housing opportunities to families. Voucher holders are informed of the full range of areas where they may lease units inside the HAFC's jurisdiction and given a list of landlords or other parties who are willing to lease units or help families who desire to live outside areas of poverty or minority concentration .

The HAFC provides a direct phone line to handle owner questions and concerns. The Owner Services Division, in addition to taking calls daily, has also compiled information regarding commonly asked questions and answers for our website. Owners seeking information or forms can access the website at www.hafresno.org

The HAFC conducts periodic meetings with participating owners to improve owner relations and to recruit new owners.

1.19. VIOLENCE AGAINST WOMEN ACT (VAWA) 2005

On January 5, 2006, the Violence Against Women Act of 2005 (VAWA) was signed into law. The Act is intended to protect the rights of victims of domestic violence, dating violence, sexual assault, or stalking. The legislation imposes several important requirements on public housing agencies that operate a Housing Choice Voucher (HCV) program.

One important provision in the Act applies directly to the HAFC as well as to landlords, owners and managers participating in the HCV program. This provision protects victims

of domestic violence from being evicted from their subsidized unit or having their housing assistance terminated solely because they are victims as defined under this Act.

Specific policy in regards to VAWA is covered in the following sections in this Administrative Plan:

- Verification under the Violence Against Women Act – See Chapter 7
- Request to move related to VAWA – See Chapter 13
- VAWA and termination of assistance – See Chapter 15

CHAPTER 2: APPLICATIONS AND WAITING LIST

[24 CFR 982.201-207]

2.1 INTRODUCTION

The policy of the HAFC is to ensure that all families who express an interest in housing assistance are given an equal opportunity to apply, and are treated in a fair and consistent manner. At the time the waiting list is open, families wishing to participate in the housing choice voucher program must submit a pre-application providing all information requested by the HAFC. This information allows the HAFC to place each applicant on the waiting list in accordance with the policies in this Administrative Plan.

This chapter will explain the policies for the initial pre-application intake process. It describes how the HAFC accepts the pre-applications and how the HAFC maintains the waiting list with accurate information. The policies that guide the HAFC are outlined and are organized into two sections, as follows:

Section One: Initial Pre-Application Process: This section covers an overview of the initial pre-application intake process. It will explain how an applicant may apply for rental assistance and describes what information is required from each applicant.

Section Two: Managing the Waiting List: This section describes the structure and establishment of a preliminary waiting list and how it is maintained with current and accurate information. It will explain the HAFC policies on how to notify the public of the opening and closing of the waiting list.

Other related information such as selection from the waiting list, completion of the full application, and local preferences are covered in Chapter 3. Eligibility for program admission as well as grounds for denial of admissions is covered in Chapter 4.

Section One: Initial Pre-Application Process

2.2. HOW TO APPLY

The HAFC is permitted by HUD to determine the format and content of applications. For the purpose of establishing a waiting list, pre-applications will be accepted from any family wishing to apply for Housing Choice Voucher rental assistance. The HAFC may select one or more of the following methods for pre-applications:

- By phone
- By mail
- Submitted in person
- By other method as described in the public announcement

At the time the HAFC announces its intent to open the waiting list, the actual methods for accepting pre-applications will be clearly stated in the public announcement and similar outreach methods.

If an applicant is disabled and requires special accommodation in submitting an application, the accommodation request must be made in writing prior to the closure of the waiting list. Specific instructions for making a reasonable accommodation request will be included in the public notice and other pre-application outreach materials.

2.2.1 Pre-Application by Web Application

When this method is available, families can apply on-line @ www.hafresno.org.

2.2.2 Pre-Application Intake by Phone or by Mail

When this method is available, pre-applications taken by phone or mail will be recorded according to date and time received.

2.2.3 Pre-Application Intake In Person

When this method is available, pre-applications will be completed by the family and HAFC will record the date and time the application is received.

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

2.2.4 Special Admissions: Assistance Targeted by HUD

[24 CFR 982.203]

If HUD awards the HAFC program funding that is targeted for families living in specified units:

- The HAFC must use the assistance for the families living in these units.
- The HAFC may admit a family that is not on the HAFC waiting list.
- The HAFC must maintain records showing that the family was admitted with HUD-targeted assistance.

The following are examples of types of program funding that may be targeted for a family living in a specified unit:

- A family displaced because of demolition or disposition of a public housing project;

- A family residing in a multifamily rental housing project when HUD sells, forecloses, or demolishes the project;
- For housing covered by the Low Income Housing Preservation and Resident Homeownership Act of 1990;
- A non-purchasing family residing in a project subject to a homeownership program (under 24 CFR 248.173;
- A family displaced because of mortgage prepayment or voluntary termination of a mortgage insurance contract (as provided in 24 CFR 248.165);
- A family residing in a project covered by a project-based Section 8 HAP contract at or near the end of the HAP contract term; and
- A non-purchasing family residing in a HOPE 1 or HOPE 2 project.

2.2.5 Targeted Admissions

The HAFC may admit an applicant for participation in the HCV program as a special admission or as a waiting list admission.

Applicants who are admitted under targeted funding according to procedures will be identified in the automated system and are not maintained on separate waiting lists.

2.2.6 Separate Waiting Lists for Housing Authority Programs

In accordance with HUD regulations (24 CFR 982.205 (ii)) at the time an applicant is applying for HCV assistance, if applications are being accepted for its Public Housing or Project-Based program, the family must be offered an opportunity to apply for the other program.

2.2.7 Set Aside Vouchers for the Homeless

HAFC is setting aside approximately 20 vouchers for homeless families/individuals, based on referrals from identified agencies with whom we would partner.

2.3 PRE-APPLICATION

[24 CFR 982.204]

Pre-applications will include the following:

For head of household:

- Social Security number
- First, middle initial and last name
- Date of birth

- Gender
- Street address, city, state and zip
- Contact phone number
- Race
- Ethnicity
- E-Mail Address

For other family members:

- For each member:
- first and last name;
- relationship to head of household;
- date of birth; and
- gender

Other information:

- Identify whether any household member is a person with disabilities and/or a person with a mobility impairment needing an accessible unit (wheelchair accessible)
- Identify whether a current member of the U.S. Armed Forces; a U.S. veteran; or surviving spouse of a veteran.

Section 2: Managing the Waiting List

2.4 PRELIMINARY WAITING LIST ESTABLISHMENT

[24 CFR 982.204 and 205]

HUD requires the HAFC to maintain a single waiting list for the HCV program unless it serves more than one county or municipality.

2.4.1 Opening and Closing of the Waiting List

[24 CFR 982.206, 982.54(d)(1)]

The HAFC announces its intent to accept pre-applications for the purpose of establishing a waiting list by placing a public notice in *The Fresno Bee,* a local newspaper of general circulation, and also by minority media and other suitable means, including the agency website at www.hafresno.org..

The notice will comply with HUD fair housing requirements. The notice will contain:

- The dates, times, and the locations where families may apply.
- The program(s) for which applications will be taken.
- A brief description of the program(s).
- The methods by which pre-applications will be accepted.
- Limitations, if any, on who may apply.

Normally, the opening and closing dates for application intake will be clearly stated in the notice.

However, if at the time the waiting list is opened, the closing date for pre-application intake has not yet been determined, the notice will indicate that application intake will be until further notice. Once it becomes necessary to close the waiting list due to the existing waiting list containing an adequate pool of applicants (i.e., expected time before families will be selected is anticipated to be between 12 and 24 months) for use of available program funding, the HAFC will apply the same advertising methods of broad general circulation for closing the waiting list as were used for opening the waiting list.

2.5 PRELIMINARY WAITING LIST STRUCTURE

Once the pre-application is complete, the HAFC will place all applicants on the waiting list; determination of eligibility will not be assessed until the full formal application process which is covered in Chapter 3 under Section Two, *The Full Application Process* and Section Three, *Determining Applicants Eligible or Ineligible*. Families will receive confirmation that their application was accepted and will be informed to notify the HAFC in writing within 10 business days of address changes.

At the time of the original pre-application, any information indicating the applicant may qualify for a local preference (e.g., an applicant's certification that they reside within the jurisdiction qualifying them for the Residency Preference) will be accepted without verification at the pre-application. Actual entitlement for a local preference will be developed at the time the applicant is transferred from the Preliminary waiting list to the Active waiting list. The preferences will be verified during the full application process.

The waiting list will be maintained in accordance with the following guidelines:

- The pre-application will be a permanent file.
- Applications must include as a minimum the following information to be placed on the preliminary waiting list with the following information about each applicant: 1) name; 2) family unit size; 3) date and time of the completed pre-application; 4) information pertaining to possible qualification for a local preference; and 5) race and ethnicity of the head of household.
- Applications will be maintained in order of date and time.

2.6 APPLICANT STATUS WHILE ON WAITING LIST

[CFR 982.202 (c), 982.204]

No applicant has a right or entitlement to be listed on the waiting list, or to any particular position on the waiting list.

Applicants are required to inform the HAFC in writing of changes of their address within 10 business days of the occurrence. This will also assist the HAFC in establishing and maintaining a current and updated waiting list to more effectively plan for future application intake. Applicants are also required to respond to requests from the HAFC to update information on their application, or to determine their continued interest in assistance.

The waiting list will be maintained with accurate information.

2.7 PURGING THE WAITING LIST

[24 CFR 982.204 (c)]

The waiting list will be purged as needed to ensure that all applicants and applicant information is current and accurate. To update the waiting list, the HAFC will send an update request via first-class mail to each family on the waiting list. The applicant will be asked whether the family continues to be interested in the program and will provide a deadline by which the family must respond. This update request will be sent to the last address that the HAFC has on record for the family.

2.8 GROUNDS FOR CANCELLATION FROM THE WAITING LIST

Any mailings to the applicant which require a response by a specific deadline will state that failure to respond by the deadline will result in the applicant's name being removed from the waiting list.

If a letter is returned by the Post Office, the application will be canceled without further notice, and the envelope and letter will be maintained in the file.

If the applicant did not respond to the HAFC request for information or updates because of a family member's disability, this fact will be verified and documented, and the HAFC will reinstate the applicant in the family's former position on the waiting list.

The HAFC will cancel the application when the applicant does not respond to the HAFC's request for response or when the application expires, whichever occurs first. Applicants may be reinstated after the HAFC has conducted a review of the case and is approved.

CHAPTER 3: SELECTION FROM THE WAITING LIST FOR ADMISSION

[982.54(d)(1); 982.202 (d) 982.204, 982.205, 982.206, 982.207]

3.1 INTRODUCTION

After the preliminary waiting list has been established and as vouchers become available for admission, the HAFC will create an application pool. Once the application pool has been determined a batch out will go out to all the applicants from the application pool. The batch out will give the opportunity for applicants to update their information to HAFC. Preference information will be updated at the time the applicant is transferred from the Preliminary waiting list to the Active wait list [24 CFR 982.207]. For information about Applying for Assistance, refer to Chapter 2; or for information about Eligibility for Admission, refer to Chapter 4.

This chapter will describe the following policies:

- Selecting families from the preliminary waiting list to the Application pool
- Establishing and verifying preferences
- Completing the full application for final eligibility determination
- Determining applicants are eligible or ineligible

Section One: Creating an Application Pool

3.2 APPLICATION POOL

[24 CFR 982.204]

As families reach the top of the preliminary waiting list and based on the HAFC's turnover and the availability of funding, applicants will be selected from the preliminary waiting list to form an application pool.

It is the HAFC's objective to pull names from the waiting list within a reasonable amount of time and determine if the family is eligible for assistance. The information provided on the pre-application will be verified during this final eligibility process.

3.3 METHOD OF SELECTION

[24 CFR 982.202(d) and 982.207 (c)]

The HAFC selects families from the preliminary waiting list according to the date and time of the pre-application.

Once the initial application pool is established, each applicant will be invited to the full application process. The HAFC will conduct this method of selection so there is a clear

audit trail that can be used to verify that each applicant has been selected in accordance with the method specified in this administrative plan.

3.4 LOCAL PREFERENCES

[24 CFR 982.207]

The HAFC may establish local preferences based upon housing needs and priorities as determined by the HAFC. These local preferences will be based on accepted data sources, after providing an opportunity for public comment, and will consider the public comments received.

Before the family is provided assistance, the family's eligibility for the preference is based on the current circumstances will be verified.

The HAFC has established the local preferences which will be given a cumulative point value so the more preference points an applicant has, the higher the applicant's place on the wait list. Applicants with equal preference points will be selected according to date and time of the pre-application.

1. **Shelter Plus Care Resident Preference (10 Points)**

   This preference is for an individual or family that needs a voucher to prevent displacement because of a shortage of funding in the Shelter Plus Care program.

2. **Residency Preference (10 Points)**

   This local preference would continue to give a preference for applicants who reside and/or work in the City and County of Fresno.

   This is further defined to mean:

   - The family must live, or at least one member must have a job, within the limits of Fresno County.
   - Applicants who have been notified that they are hired to work in Fresno County must be treated as a resident.
   - A resident is also defined to mean at least one adult member of the applicant household is currently enrolled in a Fresno County institution of higher education.

   HUD regulations state that a residency preference must not be based on how long an applicant has resided or worked in a residency preference area.

3. **United States Veteran's Preference (10 Points)**

   This preference applies to active U.S. Armed Forces, veterans and their surviving spouses.

4. **Elderly or Disabled Person Preference" (10 Points)**

   An elderly preference applies if the head, spouse or co-head is a person who is age 62 or older.

A disabled person preference applies if the head, spouse or co-head are one or more of the following:

- Receives Social Security or Supplemental Security benefits or otherwise meets the definition of disabled as defined under Section 223 of the Social Security Act as follows:
  - Inability to engage in any substantial, gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months; or
  - In case of an individual who has attained the age of 55 and is blind inability by reason of such blindness to engage in substantial gainful activity in which he has previously engaged with some regularity and over a substantial period of time.
- Has a physical, mental or emotional handicap which:
  - Is expected to be of long and indefinite duration
  - Substantially impeded his/her ability to live independently; and
  - Is of such a nature that the person's ability to live independently could be improved by more suitable housing
- Has a developmental disability as defined in Section 102(7) of the Developmental Assistance and Bill of Rights Act. Developmental disability is defined as a severe, chronic disability which:
  - Is attributable to a mental and/or physical impairment; Was manifested before the age of 22;
  - Is likely to continue indefinitely;
  - Results in substantial functional limitations in three or more of the following areas: capacity for independent living; self- care; receptive and expressive language; learning; mobility; self-direction; and economic self-sufficiency; AND
  - Requires special, interdisciplinary, or generic care, treatment, or other services which are of lifelong or extended duration and are individually planned and coordinated.

Referrals from Law Enforcement Agencies

This preference is subject to the approval of the Executive Director. The HAFC may distribute application forms and may issue a voucher to families or single persons that are referred by law enforcement agencies at any time. The types of referrals that will be considered include, but are not limited to:

- Victims under witness protection programs, or
- Victims of domestic violence.

Law enforcement referrals must be made in writing, on law enforcement agency letterhead, and signed by the requesting officer and his or her immediate supervisor. Eligibility, including background checks, will be confirmed for all members.

Displacement Referrals from Governmental Entities

This preference is subject to the approval of the Executive Director. The HAFC may distribute application forms and may issue a voucher subject to availability to families or single persons that are referred by local governmental officials. The types of referrals that will be considered include, but are not limited, to:

- Persons displaced as the result of a government-declared natural disaster
- Persons displaced as the result of governmental action.

Referrals must be made in writing, on financial institution letterhead or governmental letterhead, and signed by the requesting official and his or her immediate supervisor. Eligibility, including background checks, will be confirmed for all members.

Section Two: The Full Application Process

3.5 FULL APPLICATION COMPLETION

HUD recommends obtaining the information and documents needed to make an eligibility determination through a face-to-face interview.

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

Applicants will be required to complete an initial certification packet which ***may be*** mailed to the applicant in advance to complete.

Being invited to attend an interview does not constitute admission to the program. The head of household and spouse may both be required to attend the interview.

Applicants who want to reschedule an appointment must make the request to reschedule no later than 2 days prior to the original appointment date. If the applicant does not reschedule or misses one scheduled meeting, the HAFC will reject the application.

The family will be required to provide the following information for each family member within the household:

- Applicant name
- Family composition
- Racial or ethnic designation of the head of household
- Names, sex and ages

- Relationship to head of household
- Street Address and phone numbers (message and contact numbers)
- Mailing Address (If PO Box or other permanent address)
- Amount(s) and source(s) of income received by all household members
- Information regarding disabilities to determine qualifications for allowances and deductions
- Information related to qualification for preferences
- Social Security Numbers
- Citizenship/eligible immigration status
- Answers to questions regarding arrests/convictions for drug-related or violent criminal activity or child molestation
- If applicable, a Request for Specific Accommodation, if needed by a person with disabilities in order to fully utilize program and services
- Current and previous landlords names and addresses
- Emergency contact person and address
- Program integrity questions regarding previous participation in HUD programs
- Verification of local preferences

3.6 VERIFICATION

[24 CFR 982.201(e)]

All adult members must sign and complete the Application for Initial Occupancy, HUD Form 9886 (Release of Information), Form HUD-92006, the Declaration of Section 214 Status related to citizenship/immigration and any other documents required by the HAFC. Applicants will be required to sign specific verification forms for information which is not covered by the HUD Form-9886.

Applicants will be required to provide necessary verification which may not be more than 60 days old from the date of the initial eligibility interview. All information provided by the applicant, will be verified, using the verification procedures described in Chapter 7. If any information is not supplied or if the family fails to sign any of the forms required, the application may be denied. These and other grounds for denial of admission are described in Chapter 4.

As part of the full application process, the HAFC will verify the family's eligibility for a local preference based on current circumstances.

If the information is not supplied or if the family fails to sign any of the forms required, the application may be denied. These and other grounds for denial of admission are described in Chapter 4.

After the verification process is completed, the HAFC will make a final determination of eligibility. This decision is based upon information provided by the family, the verification completed by the HAFC, and the current eligibility criteria in effect.

Determining Applicants Eligible or Ineligible

3.7 FINAL ELIGIBILITY DETERMINATION

[24 CFR 982.201]

Each applicant will be interviewed by HAFC staff to review the information on the application for Initial Occupancy Packet.

If the HAFC determines at or after the interview that additional information or document(s) are needed, the HAFC will request the document(s) or information **in writing.** The family will be given 10 **calendar** days to supply the information. Extensions beyond 10 calendar days may be permitted upon approval of the intake staff member. If the information is not supplied in this time period, the HAFC will provide the family a notification of denial for assistance.

3.8 PLACEMENT ON THE WAIT LIST

If the family is determined eligible, they will be notified of the approximate time that assistance should be available. They may be placed on the active wait list until the criminal background checks have cleared for all required family members. Once cleared, the eligible applicants will be required to attend a briefing appointment in order to receive the voucher.

3.9 PREFERENCE DENIAL

[24 CFR 982.207]

If upon verification the HAFC determines that the family does not qualify for the preference claimed, the family does not receive the preference. The applicant will be placed on the wait list without benefit of the preference, until the applicant notifies HAFC in writing circumstances have changed or their application reaches the top of the wait list.

When an applicant falsifies documents or makes false statements regarding a preference, the application will be denied and cancelled. The family will be notified in writing when this occurs, and advised of the family's right to request an informal review. For additional information refer to Section 4.18.

CHAPTER 4: ELIGIBILITY FOR ADMISSION

4.1 INTRODUCTION

[24 CFR Part 5, Subparts B, D & E; Part 982, Subpart E]
The HAFC is responsible for ensuring that every individual and family admitted to the HCV program meets all program eligibility requirements. This includes any individual approved to join the family after the family has been admitted to the program. The family must provide any information needed by the HAFC to confirm eligibility and determine the level of the family's assistance. This chapter also covers the grounds for denial of admission and screening for criminal background checks related to this program.

This chapter is divided into three sections.

Section One: This section contains HUD and HAFC definitions of family and household members and explains initial and ongoing eligibility issues related to these members.

Section Two: This section discusses income eligibility, and rules regarding citizenship, social security numbers, and family consent.

Section Three: This section covers factors related to denial of assistance and criminal background checks.

Section One: Eligibility Factors and Definitions

4.2 ELIGIBILITY FACTORS AND REQUIREMENTS

There are five eligibility requirements for admission to Section 8. An applicant must:

1. Qualify as a family;
2. Have income within the income limits;
3. Meet citizenship/eligible immigrant criteria ;
4. Provide documentation of Social Security Numbers for each household member; and
5. Sign consent authorization documents for each adult in the household.

In addition to the above, in order for a family to be determined eligible the HAFC will conduct criminal background checks using but not limited to FBI finger printing, DOJ Lifetime Sex Offender, and County and Statewide Criminal searches in accordance with this chapter. A family may be denied assistance if the results show evidence which would prohibit admission to the HCV program. For more information, see Section Three

in this Chapter. All information provided by the applicant, will be verified, using the verification procedures described in Chapter 7.

4.3 FAMILY COMPOSITION

[24 CFR 5.403, 982.201]

The applicant must qualify as a Family. A Family may be a single person or a group of persons.

A group of persons may be:

- Two or more persons sharing residency, who are not categorized as an elderly or disabled family, whose income and resources are available to meet the family' needs. There must be a relation by blood, marriage or operation of law, or the group must provide evidence of a significant relationship determined to be stable by the HAFC. The following is to be considered as relation by blood: mother, father, children, cousin, niece, nephew, aunt, grandfather, grandmother, uncle grandchild.
- Two or more elderly or persons with disabilities living together, or one or more elderly, near elderly or persons with disabilities living with one or more live-in aides is a family.

A child who is temporarily away from home because of placement in foster care is to be considered a member of the family. This provision only pertains to the foster child's temporary absence from the home, and is not intended to artificially enlarge the space available for other family members.

A single person may be:

- An elderly person
- A displaced person
- A person with a disability
- Any "other single" person

4.3.1 Stable Relationship (For Applicants Only)

When the applicant group is not related by blood, marriage, or operation of law, the HAFC will require that the applicant group provide evidence of a stable relationship.

The HAFC defines a stable relationship as:

- A relationship that has been in existence for a minimum of 6 months, or
- The parties provide financial support for each other.

Acceptable documentation of a stable relationship includes lease agreements indicating that the parties have lived together for at least 6 months, utility bills, other joint bills and/or bank account(s) (need to provide for a 6-month period), and on a case-by-case basis, letters from a social service provider or religious organization confirming the relationship.

4.4 DEFINITIONS RELATED TO FAMILY COMPOSITION

4.4.1 Head of Household

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

4.4.2 Spouse of Head

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

4.4.3 Co-Head

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

4.4.4 Live-in Aide

[24 CFR 5.403 and *Live-In Aides and HCV Program HUD Fact Sheet 2003*]]

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

- Is determined by the HAFC to be essential to the care and well being of an elderly person, near-elderly (50-61) person, or a person with disabilities,
- Is not obligated for the support of the person(s),
- Would not be living in the unit except to provide care for the person(s), and
- Must be a specific person, approved by the HAFC, who lives in the unit as his or her primary residence.

Occasional, intermittent, multiple or rotating caregivers typically do not reside in the unit and would not qualify as live-in aides. Therefore, an additional bedroom should not be approved for a live-in aide under these circumstances. Program guidance from HUD does provide that on a case-by-case basis an exception to this rule may be granted as explained below:

A family may always request a reasonable accommodation to permit program participation by individuals with disabilities. A family's composition or circumstances may warrant the provision of an additional bedroom to permit disability-related overnight care and allow the family equal use and enjoyment of the unit. Such limited exceptions to the established subsidy standards are permitted under 24 CFR Section 982.402(b)(8). The PHA will consider requests for an exception to the established subsidy standards on a case-by-case basis and provide an exception, where necessary, as a reasonable accommodation. The PHA shall document the justification for all granted exceptions.

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

A live-in aide is treated differently than family members:

- Income of the live-in aide will not be counted for purposes of determining eligibility or level of benefits.
- Live-in aides are not subject to Non-Citizen Rule requirements.
- Live-in aides is not considered a remaining member of the tenant family, which means that they are not entitled to retain the voucher if the eligible family member(s) voluntarily leave the program are terminated from the program, or have a voucher that expires.

4.5 VERIFICATION OF NEED FOR A LIVE-IN AIDE

A live-in aide may only reside in the unit with the approval of the HAFC. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or case worker. The verification provider must certify that a live-in aide is needed for the care of the family member who is elderly, near-elderly (50-61) or a person with disabilities. See Glossary for person with disabilities.

4.6 APPROVAL OR DISAPPROVAL OF A PARTICULAR PERSON AS LIVE-IN AIDE

A live-in aide may only reside in the unit with the approval of the HAFC. At any time, the HAFC may refuse to approve a particular person as a live-in aide or may withdraw such approval if:

- The person commits fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program;
- The person commits drug-related criminal activity or violent criminal activity;
- The person currently owes rent or other amounts to the HAFC or to another housing authority in connection with Section 8 or public housing assistance under the 1937 Act;
- The person does not pass the HAFC's criminal background check requirements; or
- Does not reside in the unit, but has a residence elsewhere.

4.7 SPLIT HOUSEHOLDS PRIOR TO VOUCHER ISSUANCE

When a family on the waiting list splits into two otherwise eligible families due to divorce or legal separation, and the new families both claim the same placement on the waiting list, and there is no court determination, the HAFC will make the decision taking into consideration the following factors:

- Which family member applied as head of household.
- Which family unit retains the children or any disabled or elderly members.
- Restrictions that were in place at the time the family applied.
- Role of domestic violence in the split.
- Recommendations of social service agencies or qualified professionals such as children's protective services.

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

4.8 MULTIPLE FAMILIES IN THE SAME HOUSEHOLD

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

4.9 JOINT CUSTODY OF CHILDREN

Children who are subject to a joint custody agreement but live with one parent at least 51% of the time will be considered members of the household. The term, "51% of the time" is defined as 183 days of the year, which do not have to run consecutively. When both parents are on the Waiting List and both are trying to claim the child, the parent whose address is listed in the school records will be allowed to claim the school-age child as a dependent.

Section Two: Basic Eligibility Criteria

After determining the applicant meets the definition of family as described in this chapter, the following eligibility criteria must also be met.

4.10 INCOME LIMITATIONS

[24 CFR 982.201, 982.353]

In order to determine if the family is income-eligible, the HAFC compares the annual income of the family to the applicable income limit based on the family's size. Except as listed in the low-income categories below, families must have incomes at or below 50% of the Area Median Income.

For each fiscal year, not less than 75% of its new admissions must have incomes at or below 30% of the area median income. Tracking will be done to ensure the HAFC does not exceed these income targeting limits. Families whose annual income exceeds the income limit will be denied admission and offered an informal review.

In order to be eligible for assistance, an applicant must be either:

- A very low-income family; or
- A low-income family in any of the following categories:
  - A low-income family that is continuously assisted under the 1937 Housing Act. (An applicant is continuously assisted if the family has received assistance under any 1937 Housing Act program within 90 days of voucher issuance. Programs include Public Housing, all Housing Choice programs, and all Section 23 programs).
  - A low-income non-purchasing family residing in a HOPE 1 or HOPE 2 project.
  - A low-income non-purchasing family residing in a project subject to a resident homeownership program under 24 CFR 248.173.
  - A low-income or moderate-income family displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract under 24 CFR 248.165.
  - As a local policy, the HAFC will permit admission of additional categories of low-income families who meet the requirements specified in Chapter 3 of the Plan, "Referrals from Law Enforcement Agencies" and "Displacement Referrals from Governmental Entities".

4.10.1 Portability

For initial lease-up, families who exercise portability must be within the very low-income limit for the jurisdiction of the receiving housing authority in which they want to live. For more information related to portability refer to Chapter 13.

4.11 MANDATORY SOCIAL SECURITY NUMBERS

[24 CFR 5.216, 5.218]

SSN Disclosure

All members of the household must supply SSNs as part of HUD's mandatory income matching program, with the following exceptions:

Individuals exempt from disclosure:

- Individuals who do not contend to have eligible immigration status
- Tenants age 62 or older as of 01/31/2010
- Tenants who have previously disclosed a valid SSN

Acceptable SSN Documentation

Three forms of documentation of an SSN are acceptable to HUD:

- An original SSN card issued by the Social Security Administration (SSA) (Refer to PIH Notice 2010-3, Section 6 for a description of the three types of SS cards that SSA issues.)
- An original SSA-issued document with the individual's name and SSN
- An original document issued by a federal, state, or local government agency with the individual's name and SSN

Rejection of Documentation

HACCF may not reject documentation of an SSN unless it:

- Is not original,
- It does not appear to be authentic,
- It is not legible, or
- It has been altered or mutilated.

In such cases HAFC should explain the reason for the rejection and request that acceptable documentation be provided **within ten business days of the request date.**

Verification of the SSN

After the Housing Program Coordinator has obtained acceptable documentation of an individual's SSN under the normal certification timelines, the Housing Program Coordinator must:

- Make a copy of it for the tenant file;
- Record the SSN on line "3n" of form HUD-50058; and
- Transmit the form to HUD at the time the certification is transmitted in PIC.

Verification of acceptable documents and timely transmission of the HUD-50058 will be monitored monthly by AHD management/lead worker.

After HUD validates the SSN through its computer matching program with SSA, the Housing Program Coordinator will destroy the copy that was made of the SSN documentation and replace it with the household's Summary Report no later than the next annual reexam. This encourages minimizing the risk of exposing an individual's SSN to theft or misuse by minimizing the number of records that display the individual's full nine-digit SSN. The report is confirmation of compliance with the new SSN disclosure, documentation, and verification requirements.

HAFC will retain EIV reports in tenant files "for the duration of tenancy" and up to three years after program participation ends.

Individuals without an Assigned SSN

Citizens and lawfully present noncitizens who state that they have not been assigned an SSN by the SSA will make such declaration in writing and under penalties of perjury to

HAFC. HAFC will maintain the declaration in the tenant file "for the duration of tenancy" and up to three years after program participation ends.

HAFC will use the Alternate ID generator within PIC to generate a unique identifier for those individuals who do not have or are unable to disclose a SSN. Once an individual discloses a SSN, HACCF will delete the Alternate ID, enter the SSN on line "3N" of the form HUD-50058, and transmit the form HUD-50058 to HUD by the certification effective date.

Children under age six without an assigned SSN may be added, with a grace period of 90 days to provide SSN documentation. HAFC may extend time frame for an additional 90 days (for a total of 180 days) if HAFC, in its discretion, determines that the participant's failure to comply was due to unforeseen circumstances outside the control of the head of household which prevented timely disclosure of required documentation. Examples include but are not limited to: delayed processing of SSN application by SSA, natural disaster, fire, death in family, etc.

Penalties for Failure to Disclose SSN

In accordance with 24 CFR 5.218, the following penalties apply for noncompliance with the SSN disclosure and documentation requirements:

Applicants

HAFC may not admit applicant families until all members of the household have met the new SSN disclosure and documentation requirements.

All household members of an applicant family are to disclose their SSN at the earliest possible date to HAFC. Actual disclosure and documentation of requested SSN information will occur at the time the applicant family is selected for the full application/intake process. **However, if the family is otherwise eligible to participate in the program except for the disclosure and documentation of requested SSN information, the family will maintain his/her position on the waiting list for 60 days, from the date HAFC requests SSN and/or documentation.**

Non-Contending Members without a SSN

The new rules do not apply to persons not here legally who have signed or will sign a non-contending form.

The social security numbers of household members, such as live-in aids, must be verified for the purpose of conducting criminal background checks.

4.12 CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS

[24 CFR Part 5, Subpart E]

In order to receive assistance, a family member must be a U.S. citizen or eligible immigrant. Individuals who are neither may elect not to contend their status. Eligible immigrants are persons who are in one of the immigrant categories as specified by HUD in 24 CFR 5.504 and 5.508. For the citizenship/eligible Immigration requirement, the

status of each member of the family is considered individually before the family's status is defined.

4.12.1 Mixed Families

A family is eligible for assistance as long as at least one member is a citizen or eligible immigrant. Families that include eligible and ineligible individuals are called "mixed". Such applicant families will be given notice that their assistance will be pro-rated and that they may request a hearing if they contest this determination.

4.12.2 No Eligible Members

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

4.12.3 Non-Citizen Students

Defined by HUD in the non-citizen regulations are not eligible for assistance.

4.12.4 Appeals

For this eligibility requirement only, the applicant is entitled to a hearing exactly like those provided for participants.

4.12.5 When to Verify Citizenship/Eligible Immigration Status

Evidence of citizenship/eligible immigrant status will not be verified until the family is selected from the waiting list for final eligibility processing for issuance of a voucher, unless the HAFC determines that such eligibility is in question, whether or not the family is at or near the top of the waiting list.

4.13 FAMILY CONSENT TO RELEASE OF INFORMATION

[24 CFR 5.230, HCV GB, p. 5-13]

HUD requires consent by assistance applicants and participants. Each member of the family of an assistance applicant or participant who is at least 18 years of age, and each family head and spouse regardless of age, shall sign one or more consent forms. HUD-9886, Authorization for the Release of Information/Privacy Act Notice and other consent forms as needed to collect information relevant to the family's eligibility and level of assistance. Chapter 7 provides detailed information concerning the consent forms and verification requirements.

4.14 RESTRICTION ON ELIGIBILITY OF STUDENTS

[24 CFR 5.612]

The student rule applies to all students who are applying as individuals, apart from their parents. The rule applies to students enrolled as a full or part-time student at an institution of higher education for the purpose of obtaining a degree, certificate, or other program leading to a recognized educational credential. This does not apply to students who are living with his/her parents who are applying for or receiving Section 8 assistance.

No assistance shall be provided to any individual student that meets the following criteria:

- Is enrolled as a student at an institution of higher education, as defined under Section 102 of the Higher Education Act of 1965 (20 U.S.C.1002), and is
- Under the age of 24,
- Not a veteran,
- Unmarried, or
- Does not have a dependent child.

Unless the student is determined independent from his or her parents, the eligibility of a student seeking assistance will be based on the income of both student and the parents. The student must be determined income eligible for assistance based on whether the student's parents, individually or jointly, are income eligible for assistance. Both the student's income and the parent's income must be separately assessed for income eligibility.

HUD defines *"parents"* for the purposes of Section 8 programs to mean the biological or adoptive parents, or guardians (e.g., step-parents, grandparents, aunt/uncle, godparents, etc.).
The HAFC will adopt this definition without adding any further stipulations.

The HAFC will adopt the following definition of "*veteran"* for the purposes of this section to mean a person who served in the active military, naval, or air service, and who was discharged or released there from under conditions other than dishonorable.

Section Three: Denial of Assistance

This section describes the reasons why an applicant may be denied assistance.

A family that does not meet eligibility requirements will be notified in writing of the reason for denial and given an opportunity to request an informal review; or an informal hearing if they were denied due to non-citizen status. See Chapter 19, "Complaints and Appeals" for additional information about reviews and hearings.

This section also describes the HAFC's policy regarding conducting criminal background checks which may result in the denial of admission.

4.15 DENIAL OF ASSISTANCE, WHEN IT APPLIES

Denial of assistance includes any of the following:

- Not placing the family's name on the waiting list
- Denying or withdrawing a voucher
- Not approving a request for tenancy or refusing to enter into a HAP contract

4.16 PROHIBITED ADMISSION CRITERIA

[24 CFR 982.202(b)]

Denial of admission to the program may not be based on:

- Where a family lives prior to admission to the program
- Where the family will live with assistance under the program. Although eligibility is not affected by where the family will live, there may be restrictions on the family's ability to move outside the HAFC's jurisdiction (See Chapter 13, Portability.)
- Certain family characteristics, such as:
  - Discrimination because members of the family are unwed parents, recipients of public assistance, or children born out of wedlock;
  - Discrimination because a family includes children;
  - Discrimination because of age, race, color, religion, sex, or national origin;
  - Discrimination because of disability;
  - Whether a family decides to participate in a family self-sufficiency program; or
  - Whether or not a qualified applicant has been a victim of domestic violence, dating violence, or stalking.

4.17 MANDATORY DENIAL OF ASSISTANCE

[24 CFR 982.553(a)]

HUD regulations require mandatory denial of assistance for the reasons listed below, with the following clarifiers:

"Currently engaged in" is defined as any use or possession of illegal drugs during the previous twelve months.

"Pattern of abuse" is defined as the use of a controlled substance or alcohol if there are more than three incidents during the previous 24 months. "Incident" includes but is not limited to arrests, convictions, no contest pleas, fines, and city ordinance violations.

In determining reasonable cause, the HAFC will consider all credible evidence, including but not limited to, any record of convictions, arrests, or evictions of household members related to the use of illegal drugs or the abuse of alcohol. A conviction will be given more weight than an arrest. The HAFC will also consider evidence from treatment providers or community-based organizations providing services to household members.

1. ***Methamphetamine*** – if any member of the household has ever been convicted of manufacturing or producing methamphetamine on the premises of federally assisted housing [24 CFR 982.553 (a)(1) (c)].
2. ***Alcohol Abuse*** – if the HAFC determines that a household member's abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents [24 CFR 982.553 (a) (3)]. Admission will be prohibited for three years from the date of the offense.
3. ***Current illegal drug use for any household member*s** – if the HAFC determines that any household member is currently engaged in any illegal use of a drug [24 CFR 982.553 (a) (1) (ii) (A)].
4. ***A pattern of illegal use of a drug*** – if the HAFC determines that it has reasonable cause to believe that a household member's illegal drug use or a pattern of illegal drug use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents [24 CFR 982.553 (a) (1)(ii) (B)]. Admission will be prohibited for up to three years from the date of the offense.
5. ***Criminal Activity (Drug-Related)*** - Any member of the household has been evicted from federally-assisted housing in the last 3 years for drug-related criminal activity. However, the HAFC will admit an otherwise-eligible family who was evicted from federally-assisted housing within the past 3 years for drug-related criminal activity, if the HAFC is able to verify that the household member who engaged in the criminal activity has completed a supervised drug rehabilitation program approved by the HAFC; or that the circumstances leading to eviction no longer exist (for example, the criminal household member has died or is imprisoned) [24 CFR 982.553 (a) (1)(i)].
6. **Lifetime Registration** - If any member of the household is subject to a lifetime registration requirement under a State sex offender registration program [24 CFR 982.553 (a) (2)].
7. **Consent Forms** - The HAFC will deny admission if any member of the family fails to sign and submit HUD or HAFC-required consent forms for obtaining information [24 CFR 982.552 (b) (3)].
8. **Citizenship Status** - The HAFC will deny program assistance if no member of the family is a U.S. citizen or eligible immigrant (See Chapter 14) [24 CFR 982.552 (b) (4)].
9. **Students in Higher Education** -- If any family member fails to meet the eligibility requirements concerning individuals enrolled at an institution of higher education as described in this chapter; [24 CFR 982.552 (b) (5)].

4.18 ADDITIONAL PROHIBITIONS

[24 CFR 982.552(c), 982.553(a)(2)(ii]

The HAFC may at any time deny program assistance for any of the following reasons:

- Family Violates Any Family Obligations: If the family violates any family obligations under the HCV program as defined in CFR 24 982.551" [24 CFR 982.552 (c) (1) (i)];
- Evicted from Federally Assisted Housing: If any member of the family has ever been evicted from federally assisted housing in the last five years [24 CFR 982.552 (c) (1) (ii)];
- Past Termination from a HAFC Program: If the HAFC has ever terminated assistance under the program for any member of the family [24 CFR 982.552 (c) (1) (iii)];
- Outstanding Debt: If the family currently owes rent or other amounts to the HAFC or to another housing authority in connection with Section 8 or public housing assistance under the 1937 Act [24 CFR 982.552 (c) (1) (v)];
- Fraud, Bribery, or Other Corrupt or Criminal Act Within a Federal Housing Program: If any family member has committed such acts in connection with a Federal housing program [24 CFR 982.552 (c) (1) (iv)].
- Actual or Threatened Abusive or Violent Behavior Toward HAFC Personnel: If the family has engaged in or threatened abusive or violent behavior toward HAFC personnel [24 CFR 982.552 (c) (1) (ix)].
- Repayment Breach with a Housing Authority: If the family breaches an agreement owed to a housing authority [24 CFR 982.552 (c) (1) (vi)].
- Fraud Against Another Agency: Misrepresentation of income or other eligibility factors to an agency other than the HAFC, for example welfare fraud, is grounds for denial of assistance.
- Non compliance with any assistance programs, governmental agency and/or law enforcement.
- An applicant's misrepresentation of any information related to eligibility, preferences, housing history, allowances, family composition, and/or criminal history.
- Pattern of violent behavior- includes evidence of repeated acts of violence on the part of any individual, or a pattern of conduct constituting a danger to peaceful occupancy of neighbors.

Actual physical abuse or violence will always be cause for denial of admission.

"Abusive or violent behavior toward HAFC personnel" includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language (written or oral) that is customarily used to insult or intimidate, may be cause for denial of admission.

General Definitions:

Drug-related criminal activity (as defined in law) is the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug [24 CFR 5.100].

Violent criminal activity means any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.

Other Criminal Activity means any criminal activity including, but not limited to, violent criminal activity.

"Threatened" refers to oral or written threats or physical gestures that communicate an intent to abuse or commit violence.

The HAFC may prohibit admission of a household to the program if the HAFC determines that any household member has a history or any of the following prior to admission:

a. Drug-related criminal activity;
b. Other criminal activity which may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity;
c. Other criminal activity which may threaten the health or safety of the owner, property management staff, or persons performing a contract administration function or responsibility on behalf of the HAFC (including a HAFC employee or a HAFC contractor, subcontractor or agent);
d. Violent criminal activity; or
e. Convicted of any felony

Period of time prohibited from admission for a, b and c above would be up to three years from the date of the offense. Period of time prohibited from admission for item "d" above would be up to five years from the date of offense; however depending upon the seriousness of the crime committed the prohibition would be up to seven years from the date of the offense.

Period of time prohibited for admission for item "e" above would be three years from the date of offense.

4.19 SCREENING FOR ADMISSION

[24 CFR 982.552, 982.553, 5.903, 5.905]

The HAFC is required to screen for eviction and criminal activity as part of the rental assistance program. HUD requires the HAFC to set screening standards to ensure that

those persons who are prohibited from being admitted to the program will not receive assistance.

4.19.1 Screening Standards

The screening for eviction and criminal activity will occur after an applicant family has been pulled from the waitlist and attends a formal eligibility interview. All adults (age 18 and above) in the applicant household, including live-in attendants, and all incoming families porting into the HAFC's jurisdiction must go through the screening process.

The family will be required to disclose criminal/drug-related activity for all family members at the time of completing their full application. All adult family members must submit a signed Criminal Background Consent form. During the criminal background checks, the HAFC will also check for persons subject to a lifetime registration requirement under a State sex offender registration program.

When conducting a background check the HAFC will obtain the following reports:

- Credit report
- Eviction report
- Criminal background report
- Sex offender report

4.19.2 Factors Relevant to HAFC Criminal Background & Eviction Screening

Prior to making a final determination as to admission relevant to HAFC criminal background and eviction screening, the HAFC will consider factors such as disclosure, completion of rehabilitative treatment for drug-related offenses, and type and longevity of the conviction will be considered. A criminal conviction alone may not necessarily result in the denial of assistance.

4.19.3 Grievance Rights When HAFC Decision is to Deny Admission

If the HAFC obtains criminal record information from a State or local agency showing that a household member has been convicted of a crime relevant to applicant screening, the HAFC will notify the household of the proposed action to be based on the information and must provide the subject of the record and the applicant or tenant a copy of such information, and an opportunity to dispute the accuracy and the relevance of the information. This opportunity must be provided before a denial of admission on the basis of such information.

If denied as a result of the criminal background check, HAFC will send a written notification of the denial which will include:

- The reason for the denial,

- The right of an individual to review the evidence regarding his criminal background which was the basis of the denial,
- An explanation of the right to request an informal review, and
- A description of how to obtain the informal review.

The family will be given 10 business days from the date of the HAFC notice, to dispute the accuracy and relevance of the information. If the family does not contact the HAFC to dispute the information within that 10 business day period, the HAFC will proceed with the denial action.

4.19.4 Records Management

[24 5.903 (g)]

Consistent with the limitations on disclosure of records, the HAFC has established and implemented a system of records management that ensures that any criminal record received by the HAFC from a law enforcement agency is:

a. Maintained confidentially;
b. Not misused or improperly disseminated; and
c. Destroyed, once the purpose(s) for which the record was requested has been accomplished, including expiration of the period for filing a challenge to the HAFC action without institution of a challenge or final disposition of any such litigation.

All eviction and criminal background history is retained by the contracted provider. The HAFC will not print search results unless there is a need to due to an applicant's request for an Informal Review or as needed for review.

Credit reports will be kept in the applicant or participant file for three years.

A copy of the Criminal Background Consent form along with the approval/denial status will be kept in the applicant file.

4.20 CONSIDERATION OF CIRCUMSTANCES

HUD authorizes the HAFC to consider all relevant circumstances when deciding whether to deny admission based on a family's past history except in the situations for which denial of admission is mandated (see Section 4.17).

In deciding whether to deny assistance because of action or failure to act by members of the family; the HAFC has [24 CFR 982.552 (c) (2)]:

1. Discretion to consider all relevant circumstances in each case, including the seriousness of the case. The HAFC will use its discretion in reviewing the extent of participation or culpability of individual family members, mitigating

circumstances related to the disability of a family member, and the passage of time since the family's action or failure to act .

2. When the ground for denial of assistance is related to criminal activity, such factors as disclosure of the criminal act, completion of rehabilitative treatment for drug-related offenses, and type and longevity since the conviction will be considered.
3. The HAFC may also review the family's more recent history and record of compliance, and the effects of denial of admission on other family members who were not involved in the action or failure to act [24 CFR 982.552 (c) (2) (i)].
4. The HAFC may impose a requirement that family members who participated in or were culpable for the action or failure will not reside in the unit. The HAFC may permit the other members of a family to be admitted to the program [24 CFR 982.552 (c) (2) (ii)]. If the violating member is a *minor*, the HAFC may consider individual circumstances with the advice of Juvenile Court officials. The HAFC will also consider whether the culpable member is a victim of domestic violence, dating violence, or stalking.
5. In determining whether to deny admission for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the HAFC [24 CFR 982.552 (c) (2) (iii)]:
   - Will consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program, or
   - Has otherwise been rehabilitated successfully (42 U.S.C. 13661).
   - May require the family to submit evidence of the household member's current participation, or successful completion of a supervised drug or alcohol rehabilitation program.
6. *Reasonable Accommodation:* If denial is based upon behavior resulting from a disability, the HAFC will delay the denial in order to determine if there is an accommodation which would negate the behavior resulting from the disability in accordance with 24 CFR Part 8 of this title.
7. The HAFC will also consider whether the family disclosed the information to the HAFC when completing the certification packet.
8. If an applicant is or has been a victim of domestic violence, dating violence or stalking, this is not an appropriate basis for denial of admission, if the applicant otherwise qualifies for admission.

If the family intentionally, willingly and knowingly commits fraud or is involved in any other illegal scheme with the owner, the HAFC will deny assistance. In making this determination, the HAFC will carefully consider the possibility of overt or implied intimidation of the family by the owner and the family's understanding of the events.

4.20.1 Required Evidence

The HAFC will use the concept of the preponderance of the evidence as the standard for making all denial decisions.

Preponderance of evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. The intent is not to prove criminal liability, but to establish that the act(s) occurred.

1. *Preponderance of evidence* will not be determined by the number of witnesses, but by the greater weight of all evidence.

2. *Credible evidence* may be obtained from police and/or court records. Testimony from neighbors, when combined with other factual evidence, can be considered credible evidence. Other credible evidence includes documentation of drug raids or arrest warrants.

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

4.21 INFORMAL REVIEWS

[24 CFR 982.554]

Details regarding the informal review process and how to request one are covered in Chapter 19.

CHAPTER 5: SUBSIDY STANDARDS

[24 CFR 982.54(d)(9)]

5.1 INTRODUCTION

HUD guidelines require that the HAFC establish subsidy standards for the determination of voucher bedroom size, and that such standards provide for a minimum commitment of subsidy while avoiding overcrowding. The standards used for the voucher size also must be within the minimum unit size requirements of HUD's Housing Quality Standards; (HQS); (refer to Chart 5-B in this Chapter). This chapter explains the subsidy standards which will be used to determine the subsidy/voucher size for families of different sizes when they are first determined eligible for the HCV program; as well as the HAFC's procedures when a family's size changes, or a family selects a unit size that is different from the voucher.

5.2 SUBSIDY/VOUCHER SIZE

[24 CFR 982.402]

The HAFC does not determine who shares a living/sleeping room. The HAFC's subsidy standards for determining the family unit size shall be applied in a manner consistent with Fair Housing guidelines. **All standards in this section relate to the <u>size of the subsidy</u>, not the family's actual living arrangements.**

The family unit size on the voucher remains the same as long as the family composition remains the same, regardless of the actual unit size rented.

HUD regulations stipulate the following about the HAFC's subsidy standards:

- The subsidy standards must provide for the smallest number of bedrooms (referring here to the subsidy) needed to house a family without overcrowding.
- They must be consistent with space requirements under HQS, which require at least one living/sleeping room for every two persons.
- They must be applied consistently for all families of like size and composition.
- A child who is temporarily away from the home because of placement in foster care is considered a member of the family unit size.
- A family that consists of a pregnant woman (with no other persons) must be treated as a two-person family.

- Any live-in aide (approved by the HAFC to reside in the unit to care for a family member who is disabled or is at least 50 years of age) must be counted in determining the family unit size. The HAFC will not approve an unidentified live-in aide; nor a larger unit than the family qualifies for under the HAFC subsidy standards, for an unidentified aide.

Generally, the HAFC assigns one living/sleeping room to each two people within the following guidelines:

- Live-in aides will be provided a separate bedroom if the assisted unit is the aide's primary residence. No additional bedrooms are provided for the aide's family.
- Additional family members of the live-in aide may not be approved if it would result in the violation of HQS.
- A single person will be allocated a studio subsidy. However, a single person who is elderly or disabled may be allocated a one-bedroom subsidy.

Chart 5-A: Guidelines for Determining Voucher Size

Voucher Size	Persons in Household (Minimum #)	Persons in Household (Maximum #)
0 Bedroom	1	1
1 Bedroom	1	2
2 Bedrooms	3	4
3 Bedrooms	5	6
4 Bedrooms	7	8
5 Bedrooms	9	10
6 Bedrooms	11	12

5.3 EXCEPTIONS TO THE SUBSIDY STANDARDS

[24 CFR 982.402 (b)(8)]

The HAFC may grant exceptions to the subsidy standards if the family requests and the HAFC determines the exceptions are justified by the age, sex, health, handicap, or relationship of family members or other personal circumstances.

The HAFC may grant an exception upon request as an accommodation for persons with disabilities. Circumstances may dictate a larger size than the subsidy standards permit when persons cannot share a bedroom due to a documented need, such as:

- A verified medical or health reason;
- Elderly persons or persons with disabilities who may require a live-in aide; or
- An exception may be granted, (cases are decided on a case-by-case basis), if there is a medical need for an extra bedroom for medical equipment, which is documented by a health care provider. When considering the necessity of a larger subsidy for medical equipment, all living and sleeping rooms in the unit must be insufficient to meet the disabled person's need.

When an exception to the subsidy standards is approved to accommodate a live-in aide or medical equipment such use will be verified by the HAFC during the annual inspection process.

All reasonable accommodation cases are determined on a case-by-case basis. The submission of a request for an accommodation does not automatically entitle a family to a larger subsidy, or for the accommodation being requested. HAFC may offer an alternate accommodation.

5.3.1 Request for Exceptions to Subsidy Standards

The family may request a larger subsidy/voucher size than indicated by the HAFC's subsidy standards. Such request must be made in writing within 10 business days of the HAFC's determination of subsidy size. The request must explain the need or justification for a larger subsidy. Documentation verifying the need or justification will be required as appropriate.

Requests based on health-related reasons must be verified by a doctor, medical professional, or social service professional.

5.4 CHANGES IN SUBSIDY/ VOUCHER SIZE

5.4.1 Changes for Applicants

The subsidy/voucher size is determined prior to the briefing by comparing the family composition to the HAFC subsidy standards. If an applicant requires a change in the subsidy/voucher size the above guidelines will apply.

5.4.2 Changes for Participants

The members of the family residing in the unit must be approved by the HAFC. The family must obtain approval of any additional family member before the new member occupies the unit except for additions by birth, adoption, or court-awarded custody, in which case the family must inform the HAFC within 10 calendar days. See "Changes in Family and Household Composition" in Chapter 12 for further information.

5.4.3 Under-Housed Families (Unit Too Small for Size of Family)

If a unit does not meet HQS space standards due to an increase in family size, (i.e., the unit is too small), the HAFC will issue a new voucher. The HAFC will also notify the family of the circumstances under which an exception will be granted, such as:

- If a family with a disability is under-housed in an accessible unit.
- If a family requires the additional subsidy because of a health problem which has been verified by the HAFC.

5.4.4 Over-Housed Families (Unit Too Large Size of Family)

If a participant has a decrease in the family size, the family has the option to be issued a new voucher or remain in the unit they are renting. If the family chooses to remain in the unit, the subsidy standard will be lowered at the next annual re-examination.

If the family chooses to move, the voucher will be issued with the correct subsidy standard. The amount the family pays for rent must be affordable and the tenant portion of rent cannot exceed 40% of their adjusted income at the time of lease up (24 CFR 982.508). The approved rent will be based on the payment standard for the voucher size the family is eligible for, or the actual number of bedrooms in the unit, whichever is less.

5.4.5 Enhanced Vouchers

Under the requirements set forth in PIH Notice 2008-12, the HAFC must require a family who is over-housed with an enhanced voucher to move to an appropriate size unit when one becomes available in the project. If there are more over-housed families than the number of available size units at any given time, the HAFC will determine which over-housed family shall be required to move to the appropriate size unit using a lottery method.

5.5 UNIT SIZE SELECTED

The family may select a different size dwelling than that listed on the voucher. The family may lease an otherwise acceptable dwelling unit with fewer bedrooms than the voucher size, provided the dwelling unit meets the applicable HQS space requirements. See Chart 5-B on the next page.

The family may lease an otherwise acceptable dwelling unit with more bedrooms than the voucher size, provided it meets the initial affordability test, where the family does not pay more than 40% of their income towards rent and utilities.

5.6 HQS GUIDELINES FOR UNIT SIZE SELECTED

The standards allow two persons per living/sleeping room and permit maximum occupancy levels (assuming a living room is used as a living/sleeping area) as shown in the table below. The levels may be exceeded if a room in addition to bedrooms and living room is used for sleeping.

Chart 5-B: HQS Guidelines for Unit Size Selection

Unit Bedroom Size	Maximum # in Household
0	2
1	4
2	6
3	8
4	10
5	12
6	14

CHAPTER 6: DETERMINING THE TOTAL TENANT PAYMENT

[24 CFR Part 5, Subparts E and F]

6.1 INTRODUCTION

This chapter explains how the total tenant payment (TTP) is calculated at admission and during annual reexaminations. It defines income, allowable expenses and deductions and how the presence or absence of household members may affect the TTP. It also shows how the earned income disallowance (EID) is applied in determining the rent portion of persons with disabilities with increases in earned income; and the minimum rent which must be paid by a participant family.

6.2 TOTAL TENANT PAYMENT (TTP)

The TTP is calculated for each household based on family income. It is used to determine the tenant contribution toward rent. Accurate calculation of annual income and adjusted income ensures that families do not pay more or less for rent than required by the regulations.

TTP is the higher of:

- 30% of monthly adjusted income
- 10% of total monthly gross income,
- Welfare rent , or
- Minimum rent ($50)

6.2.1 Family Share

The family share will be the same as the TTP if the unit rented is at or below the Payment Standard (PS). If the unit has a gross rent above the PS, the family share will be the TTP plus any amount that exceeds the PS.

(Note: The family share may not be more than 40% of the adjusted income when the family first moves into an assisted unit).

6.2.2 Housing Assistance Payment (HAP)

The Housing Assistance Payment (HAP) is the lower of:

- The Payment Standard minus the TTP or
- The Gross Rent minus the TTP

6.3 INCOME, ALLOWANCES AND DEDUCTIONS
[24 CFR 5.609]

6.3.1 Income

Income includes all monetary amounts which are received on behalf of the family. For purposes of calculating the TTP , HUD defines what is to be included and what is to be excluded in the Code of Federal Regulations (CFR). In accordance with this definition, all income which is not specifically excluded in the regulations is counted. Annual income is defined as the gross amount of income anticipated to be received by the family during the 12 months after certification or recertification. Gross income is the amount of income prior to any HUD allowable expenses or deductions.

6.3.2 Annual Income

Annual Income means all amounts, monetary or not, which:

- Go to, or on behalf of, any family member (even if temporarily absent) ; or
- Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
- Annual income also means amounts received from assets that any family member has access to.
    - Contributions to company retirement/pension funds (Assets) are handled as follows: While an individual is employed, count as assets only amounts the family has withdrawn without retiring or terminating employment. After retirement or termination of employment, count any amount the employee elects to receive as a lump sum.
    - Assets disposed of for less than Fair Market Value: The HAFC must count assets disposed of for less than Fair Market Value during the two years preceding certification or reexamination. The HAFC will count the difference between the market value and the actual payment received in calculating total assets. Assets disposed of as a result of foreclosure, bankruptcy or divorce are not considered to be assets disposed of for less than fair market value. The HAFC's minimum threshold for counting assets disposed of for less than Fair Market Value is $1000. Id the total value of assets disposed of within a one year period is less than $1000, they will not be considered an asset.

The following type of income is included, but not limited to:

- The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;

- The net income from the operation of a business or profession.

- Interest, dividends, and other net income of any kind from real or personal property. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of $5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD;

- The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (Black Lung Sick benefits, Veterans Disability, Dependent Indemnity Compensation and payments to the widow of a serviceman killed in action). The exception is lump-sum payments caused by delays in processing periodic payments for Social Security or SSI and would not be included as income);

- Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay;

- Welfare assistance payments.

- Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling. If the amount of child support or alimony received is less than the amount awarded by the court, the HAFC will use the amount awarded by the court unless the family can prove that they are not receiving the full amount and verification of item(s) below are provided. It is the family's responsibility to supply a copy of the divorce decree. The HAFC will accept as verification that the family is receiving an amount less than the award if:

    - The family furnishes documentation of child support or alimony collection action filed through a child support enforcement/ collection agency, or

    - Has filed an enforcement or collection action through an attorney

- All regular pay, special pay and allowances of a member of the Armed Forces (except special pay to a family member serving in the Armed Forces who is exposed to hostile fire).

- For individuals enrolled at an institution of higher education who are under the age of 24, not a veteran, unmarried, and do not have a dependent child, AND are seeking Section 8 assistance in their individual capacity, any financial assistance, in excess of amounts received for tuition, that an individual received under the Higher Education Act of 1965, from private sources, or from an institution of higher education (as defined under the

Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual. Such assistance, however, would not be included for persons over the age of 23 with dependent children. Also the student's parents' income must be considered in determining if the student is income eligible according to guidance given in the HUD Notice, Eligibility of Students for Assisted Housing under Section 8 of the U.S. Housing Act of 1937; Supplementary Guidance, published on April 10, 2006.

6.3.3 Excluded Income

The following types of income are excluded:

- Income from employment of children under the age of 18
- Payments received for foster children or foster adults including SSI/SSA
- Lump sum additions to family assets (counted as assets)
- Medical reimbursements
- Income of a live-in aide
- Full amount of student financial assistance (This applies only to students residing with their parents in a Section 8-assisted unit or who reside with parents who are applying to receive Section 8 assistance.
- Special armed forces pay (Hostile Fire Pay)
- Resident service stipends
- Temporary, non-recurring or sporadic income
- Holocaust reparation payments
- Earnings for full-time students in excess of $480 for each student 18 years or older (excluding head or spouse)
- Adoption assistance payment in excess of $480 per adopted child
- Developmental disability care payments paid to a family with a member who has a developmental disability; enables the family to offset the cost necessary to keep the member at home.
- Refunds and rebates for property taxes
- Amounts set aside for use under a Plan for Achieving Self-support (PASS); pertains to SSI recipients
- Federally mandated income exclusions listed in Federal Register
- Earned income disallowance.
- Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special

equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program.

- Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff.

  For the last exclusion above, the following definitions apply:

  "Training Program" - A learning process with goals and objectives, generally having a variety of components, and taking place in a series of sessions over a period of time. It is designated to lead to a higher level of proficiency and it enhances the individual's ability to obtain employment.

  Training may include, but is not limited to:

  - Classroom training in a specific occupational skill;
  - On-the-job training with wages subsidized by the program; or
  - Basic education.

  "Incremental" - The increase between the total amount of welfare and earnings of a family member prior to enrollment in the training program and welfare and earnings of the family member after enrollment in the training program. All other amounts, increases or decreases, are treated in the usual manner in determining annual income.

  "Supportive Services" - Employment training programs offering supportive services must include at least one of the following, or similar types of social services:

  - Child care
  - Transportation
  - Personal welfare counseling (family-parental development counseling, parenting skills training for adult and teenage parents, substance/alcohol abuse treatment and counseling, self-development counseling);
  - Health care services (including outreach and referrals);
  - Youth leadership skills; youth mentoring.

  The duration of time when the incremental earnings are excluded is for the length of the training program, or until the training ends, whichever comes first. (A training program should have definite goals and a definite ending date. When

documenting this type of excludable income, staff will include the anticipated ending date of the training program).

Scenario of this type of excludable income: A family member is receiving $300 per month in Temporary Assistance to Needy Families (TANF) benefits. She enrolls in a Qualifying State employment training program and receives $450 per month in training income. The TANF benefits stop.

Action: To determine the incremental amount of earnings and benefits, subtract $300 (benefits prior to enrollment in the training program) from $450 (earnings while enrolled in the training program). The incremental amount is $150. In determining income, $300 is counted and $150 is excluded. After completion of the training program, the exclusion ends.

6.3.4 Federally Mandated Income Exclusions:

1. Value of Food Stamps

2. Domestic Volunteer Services Act

   These programs include:

   - VISTA - Volunteers in Service to America
   - RSVP - Retired Senior Volunteer Program
   - Foster Grandparents
   - Senior Companions Program

1. Heating Assistance

   a. Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (LHEAP).

2. JTPA/Workforce Investment Act of 1988

   a. Payments or allowances received under programs funded in whole or in part under the Job Training Partnership Act, now referred to as the Workforce Investment Act of 1998.

3. Americorps Living Allowance under the National and Community Service Act of 1990 (this falls under JTPA)

4. Indian Settlements/Trusts

5. Title IV of the Higher Education Act of 1965

6. Spina bifida

    a. 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.

7. Agent Orange Settlements

8. Child Care and Development Block Grant Act of 1990

    a. 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.

9. Earned Income Tax Credit Refunds

10. Crime Victim Compensation

    a. Any amount of crime victim compensation under the Victims of Crime Act.

11. Title V of the Older Americans Act

- Green Thumb
- AARP - American Association of Retired Persons
- NCOA - National Council on Aging
- National Council of Senior Citizens (sometimes called Senior Aides)
- US Forest Services
- NCBA - National Caucus Black
- Urban League
- National Association for the Spanish Elderly

6.3.5 Adjusted Income

Adjusted Income is defined as the annual income minus any HUD allowable expenses and deductions. HUD has five allowable deductions from annual income:

1. Dependent Allowance: $480 for each family member who is under 18 years of age or is disabled or is a full-time student

2. Elderly/Disabled Allowance: $400 per family whose head of household or spouse is at least 62 years of age or disabled.

3. Medical Expenses: Deducted for all family members of an eligible elderly/disabled family for out of pocket medical expenses not covered by an outside source. (After expenses exceed 3% of annual income which is referred to as the medical threshold.) When it is unclear in the HUD rules as to whether or not to allow an item as a medical expense, IRS publication 502 will be used as a guide.

4. Child Care Expenses: Reasonable child care expenses not covered by an outside source may be deducted for the care of children under 13 when child care is necessary to allow an adult member to work, attend school, or actively seek employment.

   - Child care to work or actively seek employment: The maximum childcare expense allowed must be less than the amount earned by the person enabled to work. The person "enabled to work" will be the adult member of the household who earns the least amount of income from working. When an adult is "actively seeking employment" it will be established by acceptable documentation or the child care expense cannot be given. Acceptable documentation may include a record of companies contacted, their business addresses, phone numbers and the dates on which employment was sought.

   - Child care for school: The number of hours claimed for child care may not exceed the number of hours the family member is attending school. Amount of expense: The HAFC will survey the local care providers in the community and collect data as a guideline. If the hourly rate materially exceeds the guideline, the HAFC may calculate the allowance using the guideline. Reasonable hours for child care must be proportionate with the number of hours the adult is away due to work, school or actively seeking employment, and will include reasonable travel time to and from those activities. Changes in expenses due to the child's school schedule or other factors will be built into the annual estimation, so that an interim will not be required later on when the child care hours change.

5. Disability Assistance Expenses: Deducted for attendant care or auxiliary apparatus for persons with disabilities if needed to enable the disabled individual or an adult household member to work.

6.4 EARNED INCOME DISALLOWANCE

[24 CFR 5.617; 982.201(b)(3)]

6.4.1 Definition of Earned Income Disallowance

The annual income for qualified disabled families may not be increased as a result of increases in earned income of a family member who is a person with disabilities beginning on the date on which the increase in earned income begins and continues for a cumulative 12-month period. After the disabled family receives 12 cumulative months of the full exclusion, annual income will include a phase-in of half the earned income excluded from annual income.

A family qualified for the earned income exclusion is a family that is receiving tenant-based rental assistance under the Housing Choice Voucher Program; and

1. Whose annual income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment;

2. Whose annual income increases as a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; or

3. Whose annual income increases, as a result of new employment or increased earnings of a family member, during or within six months after receiving assistance, benefits or services under any State program for TANF provided that the total amount over a six-month period is at least $500. The qualifying TANF assistance may consist of any amount of monthly income maintenance, and/or at least $500 in such TANF benefits and services as one-time payments, wage subsidies and transportation assistance. The HUD definition of "previously unemployed" includes a person with disabilities who has earned in the previous 12 months no more than the equivalent earnings for working 10 hours per week for 50 weeks at the minimum wage. Minimum wage is the prevailing minimum wage in the State or locality. The HUD definition of economic self-sufficiency program is: any program designed to encourage, assist, train or facilitate economic independence of assisted families or to provide work for such families. Such programs may include job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, or any other program necessary to ready a participant to work (such as substance abuse or mental health treatment). Qualifying increases are any earned income increases of a family member who is a person with disabilities during participation in an economic self-sufficiency or job training program and not increases that occur after participation, unless the training provides assistance, training or mentoring after employment. The amount that is subject to the disallowance is the amount of <u>incremental</u> increase in income of a family member who is a person with

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

6.4.2 Initial Twelve-Month Exclusion

During the cumulative 12-month period beginning on the date a member who is a person with disabilities of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the HAFC will exclude from annual income of a qualified family any increase in income of the family member who is a person with disabilities as a result of employment over the prior income of that family member.

6.4.3 Second Twelve-Month Exclusion and Phase-in

During the second cumulative 12-month period after the expiration of the initial cumulative 12 month period referred to above, the HAFC must exclude from annual income of a qualified family 50 percent of any increase in income of a family member who is a person with disabilities as a result of employment over income of that family member prior to the beginning of such employment.

6.4.4 Maximum Four Year Disallowance

The earned income disallowance is limited to a lifetime 48-month period for each family member who is a person with disabilities. For each family member who is a person with disabilities, the disallowance only applies for a maximum of 12 months of full exclusion of incremental increase, and a maximum of 12 months of phase-in exclusion during the 48-month period starting from the date of the initial exclusion. If the period of increased income does not last for 12 consecutive months, the disallowance period may be resumed at any time within the 48-month period, and continued until the disallowance has been applied for a total of 12 months of each disallowance (the initial 12-month full exclusion and the second 12-month phase-in exclusion). No earned income disallowance will be applied after the 48-month period following the initial date the exclusion was applied.

6.4.5 Applicability to Child Care Expense Deductions

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

6.4.6 Tracking the Earned Income Exclusion

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

Such documentation will include:

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

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

6.4.7 Inapplicability to Admission

The earned income disallowance is only applied to determine the annual income of disabled families who are participants in the Housing Choice Voucher Program, and therefore does not apply for purposes of admission to the program (including the determination of income eligibility or any income targeting that may be applicable).

6.5 MINIMUM RENT

[24 CFR 5.630]

"Minimum rent" is $50 in the Housing Choice Voucher Program. Minimum rent refers to the minimum Total Tenant Payment and includes the combined amount a family pays towards rent and/or utilities when it is applied.

Notification to Families for Hardship Exemption Requests

The HAFC will notify those participant families subject to a minimum rent of their right to request a minimum rent hardship exemption under the law as part of the annual recertification process. The HAFC notification will advise the family that hardship exemption determinations are subject to HAFC grievance procedures. The HAFC will promptly review all resident requests for exemption from the minimum rent due to financial hardship. All requests for minimum rent exemption are required to be in writing. Requests must state the circumstance(s) that qualify the family for the exemption. In the event the request is approved, the HAFC will grant the minimum rent hardship exemption either temporarily or long-term depending on the qualifying reason.

6.5.1 Hardship Requests for an Exemption from the Minimum Rent

The HAFC recognizes that in some circumstances even the minimum rent may create a financial hardship for families. The HAFC will review all relevant circumstances brought to the HAFC's attention regarding financial hardship as it applies to the minimum rent. The following section states the HAFC's procedures and policies in regard to minimum rent financial hardship as set forth by the Quality Housing and Work Responsibility Act of 1998. HUD has defined circumstances under which a hardship could be claimed. (24 CFR 5.630)

6.5.2 Criteria for Hardship Exemption

When the HAFC's Minimum Rent is more than zero and the family is paying the minimum rent, the HAFC must suspend the Minimum Rent in certain specific instances: [24 CFR 5.630]

- When the family has lost eligibility for or is awaiting an eligibility determination for a government assistance program;
- When the family would be evicted because it is unable to pay the minimum rent;
- When the income of the family has decreased because of changed circumstances, including loss of employment, death in the family, or other circumstances as determined by the HAFC or HUD.

In addition to the HUD hardships, the HAFC has added these hardship qualifications:

- If there is a substantial decrease of income, which was beyond the family's control.
- If there is a substantial increase in expenses, which was beyond the family's control.

If the family requests a hardship exemption, the HAFC will immediately suspend the minimum rent for the family until the HAFC can determine whether the hardship exists and whether the hardship is of a temporary or long-term nature. Hardship exemptions must be approved by a supervisor.

6.5.3 No Hardship

If the HAFC determines no qualifying hardship exists, the minimum rent is imposed retroactively to the time of suspension.

6.5.4 Temporary Hardship

If the HAFC reasonably determines that there is a qualifying hardship but that it is of a temporary nature, the minimum rent will not be imposed for a period of 90 days from the date of the family's request. At the end of the 90-day period, the minimum rent will be imposed retroactively to the time of suspension. The HAFC will offer a repayment agreement in accordance with this policy for any rent not paid during the period of suspension.

Repayment Agreements for Temporary Hardship

The HAFC will offer a repayment agreement to the family for any such rent not paid during the temporary hardship period. If the family owes the HAFC money for rent arrears incurred during the minimum rent period, the HAFC will require that the family pay a 25% initial lump sum with the remaining balance to be paid in equal payments over a period of time not to exceed 12 months under $2400 or 24 months for any amount in excess of $2400. Minimum rent arrears that are less than $50 will be required to be paid in full the first month following the end of the minimum rent period. The HAFC's policies regarding repayment agreements are further discussed in Chapter 18 entitled "Owner or Family Debts to the HAFC."

6.5.5 Long-term Hardship

If the HAFC determines there is a long-term hardship, the family will be exempt from the minimum rent requirement until the hardship no longer exists.

6.6. AVERAGING INCOME

When Annual Income cannot be anticipated for a full twelve months, the HAFC may:

- Average all known sources of income that vary to compute an annual income.
- If there are bonuses or overtime which the employer cannot anticipate for the next twelve months, bonuses and overtime received the previous year will be used.
- If by averaging, an estimate can be made for those families whose income fluctuates from month to month; this estimate will be used so as to reduce the number of interim adjustments.

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

6.7 MINIMUM INCOME

There is no minimum income requirement. Families who report zero income are required to complete an interim every 120 calendar days.

If the family reports less than $3,600 annual income, the HAFC will require the family to attend an appointment to complete the Monthly Living Expense worksheet. If the family's expenses exceed its known income, the HAFC will question the family about contributions and gifts.

6.8 LUMP-SUM RECEIPTS

[24 CFR 5.609]

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

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

In order to determine the amount of retroactive tenant rent that the family owes as a result of the lump sum receipt:

The HAFC will calculate prospectively if the family reported the payment within 10 business; days and retroactively to date of receipt if the receipt was not reported within that time frame.

6.8.1 Prospective Calculation Methodology

If the payment is reported on a timely basis, the calculation will be done prospectively and will result in an interim adjustment calculated as follows:

1. The entire lump-sum payment will be added to the annual income at the time of the interim.

2. The HAFC will determine the percent of the year remaining until the next annual recertification as of the date of the interim.

3. At the next annual recertification, the HAFC will apply the percentage balance to the lump sum and add it to the rest of the annual income.

4. The lump sum will be added in the same way for any interims which occur prior to the next annual recertification.

6.8.2 Retroactive Calculation Methodology

1. The HAFC will go back to the date the lump-sum payment was received, or to the date of admission, whichever is closer.

2. The HAFC will determine the amount of income for each certification period, including the lump sum, and recalculate the tenant rent for each certification period to determine the amount due the HAFC.

The family has the choice of paying this "retroactive" amount to the HAFC in a lump sum.

At the HAFC's option, the HAFC may enter into a Repayment Agreement with the family. The family will be required to pay 25% of the retroactive amount due at the time of calculation and remaining balance to be paid in equal payments over a period of time not to exceed 12 months. The maximum amount for which the HAFC will enter into a payment agreement with a family is $10,000. (Reference Chapter 14 for guidelines for recovery of debts). The amount owed by the family is a collectible debt even if the family becomes unassisted.

6.8.3 Attorney Fees

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

6.9 ASSETS

6.9.1 Income From Assets

When the total cash value of family assets is $5,000 or less, the actual income derived from assets is included in annual income.

When the total cash value of family assets exceeds $5,000, the amount added to annual income is the greater of:

- The actual income from assets; or
- The imputed income from assets based on the HUD passbook rate as provided by the HUD field office.

"Imputed" means "attributed" or "assigned." Imputing income from assets is assigning an amount of income for the purpose of the annual income calculation. The imputed income

is not real income. The family is never required to convert the asset to cash. Income from assets must be counted even if the family does not directly receive the income.

6.9.2 Contributions to Retirement Funds - Assets

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

1. While an individual is employed, count as assets only the amount the family has withdrawn without retiring or terminating employment.
2. After retirement or termination of employment, count any amount the employee elects to receive as a lump sum.

6.9.3 Assets Disposed Of For Less Than Fair Market Value

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

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

The HAFC's minimum threshold for counting assets disposed of for less than Fair Market value is $1,000.00. If the total value of assets disposed of within a one-year period is less than $1,000.00, they will not be considered an asset.

6.10 PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES

[24 CFR 5.520]

6.10.1 When Pro-Ration of Assistance Applies

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

6.10.2 Prorated Assistance Calculation

Prorated assistance is calculated by determining the amount of assistance payable if all family members were eligible and multiplying by the percent of the family members who actually are eligible. Total Tenant Payment is the gross rent minus the prorated assistance.

6.11 REDUCTION IN BENEFITS

For reduction in other benefits, not related to a welfare program, such as Social Security and SSI, the HAFC will use the net amount of benefits if they are reduced through no fault of the family.

6.11.1 Welfare Benefits

The HAFC must consider the reason a family's welfare benefit has been reduced before the HAFC can determine whether it is appropriate to reduce the rental contribution. The HAFC will apply the following criteria in making this determination:

The HAFC will reduce the rental contribution if the welfare assistance reduction is a result of:

- The expiration of a lifetime time limit on receiving benefits;
- Family Support Division penalty;
- Family sanction because a school-age child is not attending school; or
- A situation where a family member has complied with welfare agency economic self-sufficiency or work activities requirements but cannot or has not obtained employment,; e.g., the family member has complied with welfare program requirements, but the durational time limit, such as a cap on the length of time a family can receive benefits, causes the family to lose their welfare benefits.

The HAFC **will not reduce** the rental contribution for families whose welfare assistance is reduced specifically because of:

- fraud by a family member in connection with the welfare program;
- or failure to participate in an economic self-sufficiency program; or noncompliance with a work activities requirement.

6.11.2 Verification Before Denying a Request to Reduce Rent

The HAFC will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance with economic self-sufficiency or work activities requirements before denying the family's request for rent reduction.

The welfare agency, at the request of the HAFC, will inform the HAFC of:

- Amount and term of specified welfare benefit reduction for the family
- Reason for the reduction and subsequent changes in term or amount of reduction.

6.12 ABSENCE POLICY

[24 CFR 982.54(d)(10), 982.551 (i)]

The HAFC must compute all applicable income of every family member whether or not (s)he is on the lease, including anyone who is temporarily absent. Temporarily absent is defined as away from the unit for 180 calendar days or less.

6.12.1 Absence of Any Member

Any member of the household will be considered permanently absent if s/he is away from the unit for more than 180 calendar days except as otherwise provided in this chapter. If a member of the household is subject to a court order that restricts him/her from the home for more than 90 calendar days , the person will be considered permanently absent.

6.12.2 Absence Due to Medical Reasons

If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, the HAFC will seek advice from a reliable qualified source as to the likelihood and timing of their return. If the verification indicates that the family member will be permanently confined to a nursing home, the family member will be considered permanently absent. If the person permanently confined is the HOH and is the sole household member or the only remaining member in the unit is a live in aide, the assistance will be terminated as of the first of the following month of admission to the nursing home. If the verification indicates that any other family member will return in less than 180 consecutive days due to medical reasons, the family member will not be considered permanently absent.

6.12.3 Absence Due to Full-time Student Status

Full time students who attend school away from the home will be treated in the following manner:

- A student (other than head of household or spouse) who attends school away from home but lives with the family during school recesses may, at the family's choice, be considered either temporarily or permanently absent.

- If the family decides that the member is permanently absent, income of that member will not be included in total household income, the member will not be included on the lease, and the member will not be included for determination of voucher size.

6.12.4 Absence Due to Incarceration

If the absence of the head of household is due to incarceration for more than 30 consecutive days, s/he will be considered permanently absent. Any other household member will be considered permanently absent if s/he is incarcerated for more than 180

consecutive calendar days in a twelve-month period. The HAFC will determine if the reason for incarceration is for drug-related or violent criminal activity. For further information regarding such activity, see Chapter 15.

6.12.5 Absence of Children Due to Placement in Foster Care

If the family includes a child or children temporarily absent 180 days or less from the home due to placement in foster care, the HAFC will determine from the appropriate agency when the child/children will be returned to the home. After 180 days the child(ren) is considered out of the home for purposes of reducing the voucher size. A special reexamination may be conducted in order to increase the voucher size once it has been determined the child(ren) will be returning to the household.

6.12.6 Absence of Entire Family

These policy guidelines address situations when the family is absent from the unit, but has not moved out of the unit. In cases where the family has moved out of the unit, the HAFC will terminate assistance in accordance with appropriate termination procedures contained in this Plan.

Families are required both to notify the HAFC before they move out of a unit and to give the HAFC information about any family absence from the unit.

Families must notify the HAFC if they are going to be absent from the unit for more than 30 consecutive days.

If it is determined that the family is absent from the unit, the HAFC will not continue assistance payments. HUD regulations require the HAFC to terminate assistance if the entire family is absent from the unit for a period of more than 180 consecutive calendar days. However, if the entire family (including a single member household) is absent from the assisted unit for more than 60 consecutive days without contact, the unit will be considered vacated and the termination of assistance process will be initiated.

"Absence" means that no family member is residing in the unit. In order to determine if the family is absent from the unit, the HAFC may verify the family's absence through visits, calls to the tenant , conversations with landlords, managers or neighbors or post office or utility company inquiries.

A HOH with a disability or spouse of disabled HOH may request an extension of time as an accommodation, provided that the extension does not go beyond the HUD-allowed 180 consecutive calendar day's limit. If the absence which resulted in termination of assistance was due to the HOH's disability, and the family can verify they were unable to notify the HAFC in accordance with the family's responsibilities, and if funding is available, the HAFC may reinstate the family as an accommodation if requested by the family.

6.12.7 Caretaker for Children

If neither parent remains in the household and the appropriate agency has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period, the HA will treat that adult as a visitor for the first 90 days.

If by the end of that period, court-awarded custody or legal guardianship has been awarded to the caretaker, the voucher will be transferred to the caretaker. The care taker must meet program eligibility criteria.

If the appropriate agency cannot confirm the guardianship status of the caretaker, the HA will review the status at 90-day intervals.

If custody or legal guardianship has not been awarded by the court, but the action is in process, the HA will secure verification from social services staff or the attorney as to the status.

If custody is awarded for a limited time in excess of stated period, the HA will state in writing that the transfer of the voucher is for that limited time or as long as they have custody of the children. The HA will use discretion as deemed appropriate in determining any further assignation of the voucher on behalf of the children.

The caretaker will be allowed to remain in the unit, as a visitor, until a determination of custody is made.

The HA will transfer the voucher to the caretaker, in the absence of a court order, if the caretaker has been in the unit for more than 120 calendar days and it is reasonable to expect that custody will be granted.

When the HA approves a person to reside in the unit as caretaker for the child/ren, the income should be counted pending a final disposition. The HA will work with the appropriate service agencies and the landlord to provide a smooth transition in these cases.

6.12.8 Absence Due to Death of Household Member

When Social Security Administration reports to HAFC the death of a sole member, HAFC will terminate assistance no later than the first of the month following the date of death. The owner will be notified in writing of the termination.

For all other instances, the HAFC will initiate the interim process as it would with any family reported change of household composition.

6.13 DETERMINING A VISITOR FROM AN UNAUTHORIZED HOUSEHOLD MEMBER

Any adult not included on the HUD-50058 who has been in the unit more than 60 consecutive days without HAFC approval, or a total of 90 days in a 12-month period, will be considered to be living in the unit as an unauthorized household member. Absence of evidence of any other address will be considered verification that the visitor is a member

of the household. Statements from neighbors and/or the landlord will be considered in making the determination. Use of the unit address as the visitor's current residence for any purpose that is not explicitly temporary shall be construed as permanent residence. The burden of proof that the individual is a visitor rests on the family. In the absence of such proof, the individual will be considered an unauthorized member of the household and the HAFC will terminate assistance since prior approval was not requested for the addition. In a joint custody arrangement, if the minor is in the household less than 180 days per year, the minor will be considered to be an eligible visitor and not a family member.

Note: If the owner's lease stipulates guests are not allowed beyond a specified period which is shorter than HAFC policy,(e.g. visitors may not reside in the unit over two weeks), the lease will prevail over the HAFC policy.

6.14 UTILITY REIMBURSEMENT PAYMENTS

Where the Utility Allowance exceeds the family's Total Tenant Payment, the HAFC will provide a Utility Reimbursement Payment for the family each month. The check will be made out directly to the tenant unless the HAFC determines that utility companies should receive the check, in which case the check will be sent to appropriate utility companies without the tenant's written agreement.

6.14.1 Utility Allowance Schedule

The utility allowance is intended to cover the cost of utilities not included in the rent. The allowance is based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. Allowances are not based on an individual family's actual energy consumption.

The HAFC will review the utility allowance schedule annually. If the review finds a utility rate has changed by 10 percent or more since the last revision of the utility allowance schedule, the schedule will be revised to reflect the new rate. Revised utility allowances will be applied in a participant family's rent calculation at their next reexamination.

The utility allowance is based on the actual unit size selected.

Energy Efficient Utility Allowances for Tax Credit Properties

"For the purpose of establishing energy efficient utility allowances for tax credit properties, HAFC requested and was granted a waiver of the requirements of 24 Code of Federal Regulations (CFR) 982.517(b) for Parc Grove Commons in May 2011. The HAFC will update its energy efficient utility allowances on an annual basis for the next three years, and maintain all associated data with the waiver for an additional 3 years. Any future new construction projects must have their own approved waiver."

Where families provide their own range and refrigerator, the HAFC will establish an allowance adequate for the family to purchase or rent a range or refrigerator, even if the family already owns either appliance. Allowances for tenant-provided ranges and

refrigerators will be based on the lower of the cost of leasing the equipment or the cost of purchasing it on an installment plan.

The HAFC must maintain a utility allowance schedule for all tenant-paid utilities (except telephone), for cost of tenant-supplies refrigerators and ranges, and for other tenant-paid housing services (e.g., trash collection (disposal of waste and refuse). The HAFC must give HUD a copy of the utility allowance schedule. At HUD's request, the HAFC also must provide any information or procedures used in preparation of the schedule.

6.14.2 How Utility Allowances are Determined

The utility allowance schedule must be determined based on the typical cost of utilities and services paid by energy-conservative household that occupy housing of similar size and type in the same locality. In developing the schedule, the HAFC must use normal patterns of consumption for the community as a whole and current utility rates.

The HAFC's utility allowance schedule, and the utility allowance for an individual family, must include the utilities and services that are necessary in the locality to provide housing that complies with the housing quality standards. However, the HAFC may not provide any allowance for non-essential utility costs, such as costs of cable or satellite television.

In the utility allowance schedule, the HAFC must classify utilities and other housing services according to the following general categories: space heating; air conditioning; cooking; water heating; electric; refrigerator (cost of tenant-supplied refrigerator); range (cost of tenant-supplied range); and other specified housing services. The HAFC must provide a utility allowance for tenant-paid air-conditioning costs if the majority of housing units in the market provide centrally air-conditioned units or there is appropriate wiring for tenant-installed air conditioners. The cost of each utility and housing service category must be stated separately. For each of these categories, the utility allowance schedule must take into consideration unit size (by number of bedrooms), and unit types (e.g., apartment, row-house, town house, single-family detached, and manufactured housing) that are typical in the community. The utility allowance schedule must be prepared and submitted in accordance with HUD requirements on the form prescribed by HUD.

The HAFC must maintain information supporting its annual review of utility allowances and any revisions made in its utility allowance schedule. At HUD's direction, the HAFC must revise the utility allowance schedule to correct any errors, or as necessary to update the schedule.

6.14.4 Use of Utility Allowance Schedule

The HAFC must use the appropriate utility allowance for the size of dwelling unit actually leased by the family (rather than the family unit size as determined under the HAFC subsidy standards). At reexamination, the current utility allowance schedule will apply.

6.14.5 Higher Utility Allowances as Reasonable Accommodation for a Person with Disabilities

On request from a family that includes a person with disabilities, the HAFC must approve a utility allowance which is higher than the applicable amount on the utility allowance schedule if a higher utility allowance is needed as a reasonable accommodation in accordance with 24 CFR Part 8 to make the program accessible to and usable by the family member with a disability.

6.15 HAFC POLICY ON REIMBURSEMENT TO FAMILY

HUD regulation states housing authorities are required to reimburse families for overpayment of family share in accordance with HAFC policy. While every effort is made to ensure accurate rent calculations, errors occasionally will occur. In this event, the HAFC will correct the error from the point it is discovered, but no retroactive corrections will be made.

CHAPTER 7: VERIFICATION PROCEDURES

[24 CFR Part 5, Subparts B, D, E and F; HUD HB 74 20.7; PIH 01-15; HUD Guidebook for HCV Program Chart on pgs 5-46 through 5-53]

7.1 INTRODUCTION

HUD regulations require that all factors affecting eligibility and the family's payment must be verified, preferably through direct third-party contact with an independent source. Applicants and program participants must provide true and complete information to the HAFC whenever information is requested; information cannot be altered or incomplete. The HAFC will obtain proper authorization from the family before requesting information from independent sources. All verifications will be kept in the client's file in a way that allows HUD to conduct a speedy and effective audit. The methods of verification are outlined throughout this Chapter and generally apply to all types of income which must be verified.

In addition, before sending for verification from independent sources, the HAFC will utilize upfront income verification (UIV) through the Enterprise Income Verification (EIV) system to verify income as required by HUD and conduct face-to-face appointments to discuss any discrepancies with the family at the time of the certification interview.

Families will be made aware that the HAFC does independent verification. Families are encouraged to fully divulge all factors related to their entitlement and the amount of their subsidy assistance.

Family Disclosure of Information to the HAFC and Verification

HUD regulations require that when a family is assisted under any Section 8 program and receives a letter or notice from HUD requesting information concerning the amount or verification of family income, that family must promptly furnish this information to the HAFC. The HAFC must verify the accuracy of the income information received from the family, and change the amount of the total tenant payment, tenant rent or Section 8 housing assistance payment, or terminate assistance, as appropriate, based on such information.

7.2 ITEMS TO BE VERIFIED

[24 CFR 982.516]

The following is a list of items which must be verified:

- All income not specifically excluded by the regulations.
- Full-time student status including high school students who are 18 or over.

- Current assets including assets disposed of for less than fair market value in the preceding two years.
- Child care expense where it allows an adult family member to be employed or to further his/her education.
- Total medical expenses of all family members in households whose head or spouse is elderly or disabled.
- Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus for a disabled member of the family which allow an adult family member to be employed.
- Legal identity of all family members
- Disability for determination of allowances or deductions.
- U.S. citizenship/eligible immigrant status
- Social Security Numbers for all family members
- "Preference" status, based upon Local preferences.
- Familial/marital status when needed for head or spouse definition.
- Verification of Reduction in Benefits for Noncompliance:
- The HAFC will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance before denying the family's request for rent reduction.

7.3 VERIFICATION OF INCOME, METHODS OF VERIFICATION AND TIME ALLOWED

[24 CFR 982.516; 982.201(e)]

The HAFC will verify information regarding income and expenses by following a basic hierarchy, starting with the EIV system, a web-based application, which provides HAFC with employment, wage, unemployment compensation and social security benefit information. All participant-provided documents must be an original or authentic document generated by a third party source and dated within a 60-day period preceding the reexamination, issuance of voucher or HAFC request date. If for any reason, upfront verification/third-party written/up verification cannot be obtained or the UIV report does not contain income information for the family HAFC will attempt the next level of verification, written third party and document the file with the reason why information was incomplete or missing.

The HAFC must receive information verifying that an applicant is eligible within the period of 60 days before the HAFC issues a voucher to the applicant. Acceptable methods of verification, starting with UIV/third-party written verification, will be used by the HAFC whenever obtainable. This applies to income, assets, expenses, and any

other factor which HUD requires us to verify in determining the applicant/participant's eligibility.

7.3.1 Hierarchy of Verification

The Verification Hierarchy. HAFC will begin with the highest level of verification techniques.

PHAs will access the EIV system and obtain an Income Report for each household. The PHA will maintain the Income Report in the tenant file along with the form HUD-50058 and other supporting documentation to support income and rent determinations for all mandatory annual reexaminations and interim reexaminations (only ICN Page when there is no household or income discrepancy for interim) of family income and/or composition for level of assistance.

If the Income Report does not contain any employment and income information for the family, the PHA will attempt the next lower level verification technique, as noted in the below chart.
Note: This verification hierarchy applies to income determinations for applicants and participants. However, EIV is not available for verifying income of applicants.
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Level	Verification Technique	Ranking
6	**Upfront Income Verification (UIV)** using HUD's Enterprise Income Verification (EIV) system (not available for income verifications of applicants)	**Highest** (Mandatory)
5	**Upfront Income Verification (UIV)** using non-HUD system	**Highest** (Optional)
4	**Written third Party Verification**	**High** (Mandatory to supplement EIV-reported income sources and when EIV has no data; Mandatory for non-EIV reported income sources; Mandatory when tenant disputes EIV-reported employment and income information **and** is unable to provide acceptable documentation to support dispute)
3	**Written Third Party Verification Form**	**Medium-Low** (Mandatory if written third party verification documents are not available or rejected by the PHA; and when the applicant or tenant is unable to provide acceptable documentation)
2	**Oral Third Party Verification**	**Low** (Mandatory if written third party verification is not available)
1	**Tenant Declaration**	**Low** (Use as a last resort when unable to obtain

This verification hierarchy applies to income determinations for applicants and participants. However, EIV is not available for verifying income of applicants.

1. Up-front Income Verification (UIV) EIV
2. Up-front Income Verification (UIV) Non-HUD system
3. Written Third Party Verification
4. Written Third Party Verification Form
5. Third-Party Oral Verification
6. Review of Documents
7. Family Declaration or Certification

The HAFC will document the file as to why third party verification was not used.

Third party verification must be no more than 60 days old either within the 60-day period preceding the reexamination or PHA request date.

7.3.2 Levels of Income Verification

Upfront Income Verification (UIV) (Level 6/5): The verification of income before or during a family reexamination, through an independent source that systematically and uniformly maintains income information in computerized form for a number of individuals.
It should be noted that the EIV system is available to all PHAs as a UIV technique.

If EIV validates the tenant-reported income, the HAFC uses the CURRENT tenant-provided documents to calculate anticipated annual income. (If additional information is needed, the HAFC will request written third-party verification).
The Work Number is an automated verification system which may also be used to verify tenant-reported income.

Written Third Party Verification (Level 4): An original or authentic document generated by a third party source dated either within the 60-day period preceding the reexamination or PHA request date. Such documentation may be in the possession of the tenant (or applicant), and is commonly referred to as tenant-provided documents. It is the Department's position that such tenant-provided documents are written third party verification since these documents originated from a third party source. The PHA may, at its discretion, reject any tenant-provided documents and follow up directly with the source to obtain necessary verification of information. Examples of acceptable tenant-provided documentation (generated by a third party source) include, but are not limited to: pay stubs, payroll summary report, employer notice/letter of hire/termination, SSA benefit verification letter, bank statements, child support payment stubs, welfare benefit letters and/or printouts, and unemployment monetary benefit notices. Current acceptable tenant-provided documents must be used for income and rent determinations.

While a PHA is required to obtain at a minimum, two current and consecutive pay stubs for determining annual income from wages, refer to Section 7.5.1 of this Administrative Plan for the policy of HAFC . For new income sources or when two pay stubs are not available, the PHA should project income based on the information from a traditional written third party verification form or the best available information.

Note: Documents older than 60 days (from the PHA interview/determination or request date) is acceptable for confirming effective dates of income.

Written Third Party Verification Form (Level 3): Also, known as traditional third party verification. A standardized form to collect information from a third party source. The form is completed by the third party by hand (in writing or typeset). PHAs send the form directly to the third party source by mail, fax, or email. The family will be required to sign an authorization for the information source to release the specified information.

Many documents in the possession of the tenant are derived from third party sources (i.e. employers, federal, state and/or local agencies, banks, etc.). The HAFC will accept faxed documents.

Oral Third Party Verification (Level 2): Independent verification of information by contacting the individual income/expense source(s), as identified through the UIV technique or identified by the family, via telephone or in-person visit. PHA staff should document in the tenant file, the date and time of the telephone call (or visit to the third party), the name of the person contacted and telephone number, along with the confirmed information.

This verification method is commonly used in the event that the independent source does not respond to the PHA's faxed, mailed, or e-mailed request for information in a reasonable time frame, i.e., ten (10) business days.

When third-party oral verification is used, staff will be required to complete the HAFC-created form designed for this purpose, noting with whom they spoke, the date of the conversation, and the facts provided. When third-party oral verification is provided by telephone the HAFC must originate the call.

Non-Third Party Verification Technique

Tenant Declaration (Level 1): The tenant submits an affidavit or notarized statement of reported income and/or expenses to the PHA. This verification method should be used as a last resort when the PHA has not been successful in obtaining information via all other verification techniques. When the PHA relies on tenant declaration, the PHA must document in the tenant file why third party verification was not available. Self-certification means statement under penalty of perjury.

7.3.3 Exceptions to Third Party Verification Requirements

The HAFC is **required to document in the family file the reason(s) why third party verification was not available.**

The exception to third party verification can be found at 24 CFR §960.259(c)(1) and §982.516(a)(2), which states, "The PHA must obtain and document in the family file third party verification of the following factors, **or must document in the file why third party verification was not available**."

7.3.4 Third Party Verification Requirements

In accordance with 24 CFR §960.259(c)(1) and 24 CFR §982.516(a)(2) for the Public Housing and the HCV programs, respectively, the PHA must obtain and document in the tenant file third party verification of the following factors, or must document in the tenant file why third party verification was not available: (i) reported family annual income; (ii) the value of assets; (iii) expenses related to deductions from annual income; and (iv) other factors that affect the determination of adjusted income.

7.3.5 EIV Discrepancies

In accordance with 24 CFR §5.236(b)(2)(3), PHAs are required to compare the information on the EIV report with the family-reported information. If the EIV report reveals an income source that was not reported by the tenant or there is a substantial difference in the reported income information (an amount equal to or greater than $2,400, annually) HAFC is required to take the following actions:

1. Discuss the income discrepancy with the tenant; and
2. Request the tenant to provide any documentation to confirm or dispute the unreported or underreported income and/ or income sources; and
3. In the event the tenant is unable to provide acceptable documentation to resolve the income discrepancy, the HAFC is required to request from the third party source, any information necessary to resolve the income discrepancy; and
4. If applicable, determine the tenant's underpayment of rent as a result of unreported or underreported income, retroactively*; and
5. Take any other appropriate action as directed by HUD or the HAFC's administrative policies.

No adverse action can be taken against a family until the HAFC has independently verified the UIV information and the family has been granted an opportunity to contest any adverse findings through the informal review/hearing process of the HAFC.

*HAFC is required to determine the retroactive rent as far back as the existence of complete file documentation (form HUD-50058 and supporting documentation) to support such retroactive rent determinations.

Note: A substantial difference is defined as an amount equal to or greater than $2,400, annually.

7.3.6 When HAFC is Required to Request Written Third- Party Verification

HAFC The PHA must request written third party verification under the following circumstances:

a. When the tenant disputes the EIV information and is unable to provide acceptable documentation to support his/her dispute (24 CFR §5.236(b));
b. When the HAFC requires additional information that is not available in EIV and/or the tenant is unable to provide the HAFC with current acceptable tenant-provided documentation. Examples of additional information, includes but is not limited to:

i. Effective dates of income (i.e. employment, unemployment compensation, or social security benefits)
ii. For new employment: pay rate, number of hours worked per week, pay frequency, etc.
iii. Confirmation of change in circumstances (i.e. reduced hours, reduced rate of pay, temporary leave of absence, etc.)

If third-party verification is received after completing the certification with the documents accepted as provisional verification and there is a discrepancy, the HAFC will:

- Make contact with the parties necessary to resolve any discrepancy,
- Analyze the reason for the discrepancy,
- Explain how the discrepancy was resolved. Where appropriate, the rent will be recalculated and a rent change letter will be sent to reflect the corrected tenant rent portion.

7.4 RELEASE OF INFORMATION

[24 CFR 5.230]

All adult family members will be required to sign specific authorization forms when information is needed that is not covered by the HUD form 9886, Authorization for Release of Information / Privacy Act Notice and the ES75 for Welfare-to-Work families.

Each member requested to consent to the release of specific information will be provided with a copy of the appropriate forms for their review and signature.

Family refusal to cooperate with the HUD prescribed verification system will result in denial of admission or termination of assistance because it is a family obligation to supply any information and to sign consent forms requested by the HAFC or HUD.

7.4.1 TYPE OF FILE DOCUMENTATION REQUIRED BY HUD

[24CFR §5.233(A)(2)(I)).

A. For each **New Admission** (form HUD-50058 action type 1), HAFC is required to do the following:

i. Review the EIV Income Report to confirm/validate family-reported income within 120 days of the PIC submission date; and
ii. Print and maintain a copy of the EIV Income Report in the tenant file; and
iii. Resolve any income discrepancy with the family within 60 days of the EIV Income Report date.

B. For each **Historical Adjustment** (form HUD-50058 action type 14), the HAFC is required to do the following:

i. Review the EIV Income Report to confirm/validate family-reported income within 120 days for the PIC submission date; and
ii. Print and maintain a copy of the EIV Income Report in the tenant file; and
iii. Resolve any income discrepancy with the family within 60 days of the EIV Income Report date.

C. For each **Interim Reexamination** (form HUD-50058 action type 3) of family income and composition, the PHA is required to have the following documentation in the tenant file:

i. **ICN Page** when there is **no** household income discrepancy noted on the household's Income Discrepancy Report tab **or** Income Discrepancy Report.

D. For each **Annual Reexamination** (form HUD-50058 action type 2**)** of family income and composition, the HAFC is required to have the following documentation in the tenant file:

i. **No Dispute of EIV Information:** EIV Income Report, current acceptable tenant-provided documentation, and ***if necessary*** (as determined by HAFC), traditional third party verification form(s).
ii. **Disputed EIV Information:** EIV Income Report, current acceptable tenant-provided documentation, and/or traditional third party verification form(s) for disputed information.
iii. **Tenant-reported income not verifiable through EIV system:** Current tenant-provided documents, and ***if necessary*** **(**as determined by HAFC), traditional third party verification form(s)

7.5 INCOME TYPES TO BE VERIFIED

7.5.1 Employment Income

Verification forms request the employer to specify the:

- Dates of employment
- Amount and frequency of pay (If paid twice a month for example, on the 15th and 30th, frequency of pay is 24 times per year. If paid every two weeks, frequency of pay is 26 times per year).
- Date of the last pay increase
- Likelihood of change of employment status and effective date of any known salary increase during the next 12 months
- Year to date earnings
- Estimated income from overtime, tips, bonus pay expected during next 12 months

Acceptable methods of verification include, in this order:

1. EIV and current acceptable verification check stubs
2. Upfront Verification – Work Number
3. Third Party Verification – current tenant supplied third party generated documents
    - Consecutive check stubs for most recent two months which indicate the employee's gross pay, frequency of pay or year to date earnings.
    - W-2 forms plus complete income tax return forms.
4. Third Party Verification Form - Employment verification form completed by the employer.
5. Telephone contact with employer documented on HAFC's oral verification form. Self-certifications or income tax returns signed by the family may be used for verifying self-employment income, or income from tips and other gratuities.

Applicants and program participants may be requested to sign an Authorization for Release of Information from the Internal Revenue Service for further verification of income.

Where doubt regarding income exists, a referral to IRS for confirmation will be made on a case-by-case basis.

7.5.2 Social Security and Supplemental Security Income (SSI) Income

1. Report supplied through Enterprise Income Verification (EIV) showing the amount of benefits and the current pay status.

2. If EIV is unavailable or does not reflect what the client reports, ask client to provide a current benefit verification letter from the Social Security Administration.

   Note: Social Security benefit information in EIV is updated every three months. If the family agrees with the EIV-reported benefit information, HAFC does not need to obtain or request a benefit verification letter from the family.

7.5.3 Unemployment Compensation

1. Report supplied through Enterprise Income Verification (EIV) showing the amount of benefits and the current pay status.

2. Mail EDD form to Sacramento for written third-party verification.

3. Telephone contact with appropriate agency is documented in HAFC file.

4. Copies of checks or records from agency provided by applicant/participant stating payment amounts and dates; or benefit notification letter or Employment Development Department (EDD) printout provided by applicant/participant.

7.5.4 Welfare Payments or General Assistance

1. HAFC verification form completed by payment provider or provided directly to HAFC by phone.

2. WHIS or Notice of Action provided by applicant/participant.

3. Self-declaration by family or by applicant/participant is not applicable.

7.5.5 Students and HCV assistance in their Individual Capacity

The restriction on eligibility of students is covered in Chapter 4 of this Plan.

Income must be verified for the student according to all other regular verification requirements stated in this Administrative Plan, with the following exception:

As it relates to the verification of a parent(s) income, the HAFC may accept from a parent(s) a declaration and certification of income, which includes a penalty of perjury.

7.5.6 Alimony or Child Support Payments

1. Written third party can include:

   - Copy of a separation or settlement agreement or a divorce decree provided by the court stating amount and type of support and payment schedules; or

- Print out supplied directly to the HAFC by Family Support Division or other agency showing amount of child support being paid to client; or

- Written statement provided by ex-spouse or income source indicating all of the above.

2. Telephone contact with ex-spouse or income source documented by HAFC in client file.

3. Documentation provided by the applicant/participant

   - Printout from Family Support Division

A written statement from an attorney certifying that a collection or enforcement action has been filed.

7.5.7 Net Income from a Business

In order to verify the net income from a business, the HAFC will view IRS and financial documents from prior years and use this information to anticipate the income for the next 12 months.

Acceptable methods of verification include:

1. IRS Form 1040, including:

   - Schedule C (Small Business)

   - Schedule E (Rental Property Income)

   - Schedule F (Farm Income)

   Note: If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules.

   Note: If client does not have a copy of his tax return, he can request from IRS Form 4506, to obtain copy of the return.

2. Third-party verification from customers as to how much they paid the self-employed person.

3. Documents such as manifests, appointment books, cash books, bank statements, and receipts will be used as a guide for the prior six months (or lesser period if not in business for six months) to project income for the next 12 months. The family will be advised to maintain these documents in the future if they are not available.

   Note: This type of verification is only acceptable until the HAFC educates the family on the verification method required of the family; the HAFC may require the family come back in 90 days for an interim appointment with the verifications required for this type of income.

4. HUD will not accept a self-certification for self-employment income.

7.5.8 Child Care Business

If an applicant/participant is operating a licensed day care business, income will be verified as with any other business.

If the applicant/participant is operating a "cash and carry" operation (which may or may not be licensed), the HAFC will require that the applicant/participant complete a form for each customer which indicates: name of person(s) whose child (children) is/are being cared for, phone number, number of hours child is being cared for, method of payment (check/cash), amount paid, and signature of person.

If the family has filed a tax return, the family will be required to provide it.

If child care services were terminated, a third-party verification will be sent to the parent whose child was cared for.

7.5.9 Recurring Gifts

The family must furnish the following information:

- The person who provides the gifts
- The value of the gifts
- The regularity (dates) of the gifts
- The purpose of the gifts

The HAFC will verify information provided by participants. A verification form will be sent to the provider for certification purposes.

7.5.10 Zero Income Status

The HAFC will employ the use of the UIV process (e.g., TANF, EIV, EDD work history) and other written third party verifications when the family claims to have no other income.

The HAFC will request information from the State Employment Development Department.

7.5.11 Full-Time Student Status

Only the first $480 of the earned income of full-time students, other than head or spouse, will be counted towards family income.

Financial aid, scholarships and grants received by full-time students is not counted towards family income.

Verification of full-time student status includes:

1. Written verification from the registrar's office or other school official indicating enrollment for sufficient number of credits to be considered a full-time student by the educational institution.

2. Oral third-party must be documented in the applicant/participant file.

3. If verification cannot be received directly from the educational institution to the HAFC, the file must be documented with the reason.

7.6 INCOME FROM ASSETS

Acceptable methods of verification include, in this order:

7.6.1 Savings Account Interest Income and Dividends

Will be verified as follows:

1. Account statements, passbooks, certificates of deposit, or HAFC verification forms completed by the financial institution.

2. Broker's statements showing value of stocks or bonds and the earnings credited the family. Earnings can be obtained from current newspaper quotations or oral broker's verification.

3. IRS Form 1099 from the financial institution, provided that the HAFC must adjust the information to project earnings expected for the next 12 months.

7.6.2 Interest Income from Mortgages or Similar Arrangements

1. A letter from an accountant, attorney, real estate broker, the buyer, or a financial institution stating interest due for next 12 months. (A copy of the check paid by the buyer to the family is not sufficient unless a breakdown of interest and principal is shown.)

2. Amortization schedule showing interest for the 12 months following the effective date of the certification or recertification.

7.6.3 Net Rental Income from Property Owned by Family

1. IRS Form 1040 with Schedule E (Rental Income).

2. Copies of latest rent receipts, leases, or other documentation of rent amounts.

3. Documentation of allowable operating expenses of the property: tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.

4. Lessee's written statement verifying rent payments to the family and family's self-certification as to net income realized.

7.7 VERIFICATION OF ASSETS

The HAFC will require the following necessary information to determine the current cash value, (the net amount the family would receive if the asset were converted to cash):

1. Verification forms, letters, or documents from a financial institution or broker.

2. Passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker.

3. Quotes from a stock broker or realty agent as to net amount family would receive if they liquidated securities or real estate.

4. Real estate tax statements if the approximate current market value can be deduced from assessment.

5. Financial statements for business assets.

6. Copies of closing documents showing the selling price and the distribution of the sales proceeds.

7. Appraisals of personal property held as an investment.

7.7.1 Assets Disposed of for Less than Fair Market Value (FMV)

For all certifications and re-certifications, the HAFC will obtain the family's certification as to whether any member has disposed of assets for less than fair market value during the two years preceding the effective date of the certification or recertification.

1. If the family certifies that they have disposed of assets for less than fair market value, verification or certification is required that shows: (a) all assets disposed of for less than FMV, (b) the date they were disposed of, (c) the amount the family received, and (d) the market value of the assets at the time of disposition.

7.8 VERIFICATION OF ALLOWABLE DEDUCTIONS FROM INCOME

The HAFC will use review of documents in lieu of requesting third-party verification when an expense is less than $500 annually <u>and</u> the family has original documents that support the declared amount.

7.8.1 Child Care Expenses

1. Written verification from the person who receives the payments is required. If the child care provider is an individual, he or she must provide a statement of the amount they are charging the family for their services.

2. Verifications must specify the child care provider's name, address, telephone number, Social Security Number, the names of the children cared for, the number of hours the child care occurs, the rate of pay, and the typical yearly amount paid, including school and vacation periods.

3. Family's certification as to whether any of those payments have been or will be paid or reimbursed by outside sources.

7.8.2 Medical Expenses

Families who claim medical expenses or expenses to assist a person(s) with disability will be required to submit a certification as to whether or not any expense payments have been, or will be, reimbursed by an outside source. All expense claims will be verified by one or more of the methods listed below:

1. Examples of Written Third-Party Verification include:

   - Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, of

     (a) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and

     (b) extent to which those expenses will be reimbursed by insurance or a government agency.

   - Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family.

   - Written confirmation from the Social Security Administration of Medicare premiums to be paid by the family over the next 12 months. A computer printout will be accepted.

   Note: For attendant care:

   - A reliable, knowledgeable professional's certification that the assistance of an attendant is necessary as a medical expense and a projection of the number of hours the care is needed for calculation purposes.

   - Attendant's written confirmation of hours of care provided and amount and frequency of payments received from the family or agency (or copies of canceled checks the family used to make those payments) or stubs from the agency providing the services.

2. Documents Provided by the Applicant/Participant, may include:

   - Receipts, canceled checks, or pay stubs that verify medical costs and insurance expenses likely to be incurred in the next 12 months.

   - Copies of payment agreements or most recent invoice that verify payments made on outstanding medical bills that will continue over all or part of the next 12 months.

   - Receipts or other record of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. HAFC may use this approach for "general medical expenses" such as non-prescription drugs and regular visits to doctors or dentists, but not for one time, nonrecurring expenses from the previous year.

   Note: The HAFC will use mileage at the IRS rate, or cab, bus fare, or other public transportation cost for verification of the cost of transportation directly related to medical treatment.

7.8.3 Assistance to Persons with Disabilities

[24 CFR 8.28]

1. In All Cases:

    a. Written certification from a reliable, knowledgeable professional that the person with disabilities requires the services of an attendant and/or the use of auxiliary apparatus to permit him/her to be employed or to function sufficiently independently to enable another family member to be employed.

    b. Family's certification as to whether they receive reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.

2. Attendant Care:

    a. Attendant's written certification of amount received from the family, frequency of receipt, and hours of care provided. And, written certification from doctor or rehabilitation agency that care is necessary to employment of household member. (Always obtain this).

    b. Certification of family and attendant and/or copies of canceled checks family used to make payments.

3. Auxiliary Apparatus:

    a. Written certification from source of cost and purpose of apparatus. Written certification from doctor or rehabilitation agency that use of apparatus is necessary to employment of any household member. In case where the disabled person is employed, statement from employer that apparatus is necessary for employment.

    b. Copies of receipts or evidence of periodic payments for apparatus.

7.8.4 Medicare Prescription Drug

HAFC's must treat any Medicare prescription drug discount cards and transitional assistance received by a family as a standard medical deduction so that the family continues to receive a deduction for the full cost of its prescription drugs.

- This means that neither the drug discount nor the transitional assistance should be considered in reimbursement for the purpose of calculating the family's medical expense deduction.

- This also means that the HAFC must verify the FULL cost of the family's prescription drugs, not the out-of-pocket cost to the family.

7.9 VERIFYING NON-FINANCIAL FACTORS

7.9.1 Verification of Legal Identity

In order to prevent program abuse, the HAFC will require applicants to furnish verification of legal identity for all family members.

The documents listed below will be considered acceptable verification of legal identity for adults. If a document submitted by a family is illegible or otherwise questionable, more than one of these documents may be required.

- Certificate of Birth, naturalization papers
- Current, valid Driver's license
- U.S. military discharge (DD 214)
- U.S. passport
- Department of Motor Vehicles Identification Card

Documents considered acceptable for the verification of legal identity for minors may be one or more of the following:

- Certificate of Birth
- Adoption papers

7.9.2 Verification of Marital Status

Verification of divorce status will be a certified copy of the divorce decree, signed by a Court Officer.

Verification of a separation may be a copy of court-ordered maintenance or other records.

Verification of marriage status is a marriage certificate.

7.9.3 Familial Relationships

The following verifications will always be required if applicable:

1. Verification of Relationship:
    - Official identification showing names
    - Birth Certificates
    - Baptismal certificates
2. Verification of Guardianship is:
    - Court-ordered assignment

- Verification from social services agency
- School record

3. Evidence of a Stable Family Relationship (For Applicants Only):
   - Joint bank accounts or other shared financial transactions
   - Leases or other evidence of prior cohabitation
   - Credit reports showing relationship

7.9.4 Verification of Permanent Absence of Family Member

If an adult member who was formerly a member of the household is reported permanently absent by the family, the HAFC will consider any of the following as verification:

- Husband or wife institutes divorce action.
- Husband or wife institutes legal separation.
- Order of protection/restraining order obtained by one family member against another.
- Proof of another home address, such as utility bills, canceled checks for rent, driver's license, or lease or rental agreement, if available.
- Statements from other agencies such as social services or a written statement from the landlord or manager that the adult family member is no longer living at that location.
- If no other proof can be provided, the HAFC will accept a self-certification from the head of household or the spouse or co-head, if the head is the absent member.
- If the adult family member is incarcerated, a document or verbal verification from the court or prison should be obtained stating how long they will be incarcerated.

7.9.5 Verification of Change in Family Composition

The HAFC may verify changes in family composition (either reported or unreported) through letters, telephone calls, utility records, inspections, landlords, neighbors, credit data, school or DMV records, and other sources.

7.9.6 Verification of Disability

Verification of disability must be receipt of SSI or SSA disability payments under Section 223 of the Social Security Act or 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7) or verified by appropriate diagnostician such as

physician, psychiatrist, psychologist, therapist, rehab specialist, or licensed social worker, using the HUD language as the verification format.

If the HAFC gets written certification that the disability is permanent, the HAFC will only require documentation of disability one time.

Targeted programs serving the disabled population are referral-based programs. The referring agency will certify on the referral form that the client is disabled, will maintain clinical analysis records in their files, and attach the signed physician's certification that the client meets the HUD definition of disability. (Needed only if client is not already receiving Social Security or SSI disability benefits).

7.9.7 Verification of Citizenship/Eligible Immigrant Status

To be eligible for assistance, individuals must be U.S. citizens or eligible immigrants. Individuals who are neither may elect not to contend their status. Eligible immigrants must fall into one of the categories specified by the regulations and must have their status verified by Immigration and Naturalization Service (INS). Each family member must declare their status once. Assistance cannot be delayed, denied, or terminated while verification of status is pending except that assistance to applicants may be delayed while the HAFC hearing is pending.

a. Citizens or Nationals of the United States are required to sign a declaration under penalty of perjury. The HAFC will require citizens to provide documentation of citizenship.

Acceptable documentation will include at least one of the following original documents:

- United States birth certificate
- United States passport
- Resident alien/registration card
- Social security card
- Other appropriate documentation as determined by the HAFC

b. Eligible Immigrants age 62 and over are required to sign a declaration of eligible immigration status and provide proof of age.

c. Non-citizens with eligible immigration status must sign a declaration of status and verification consent form and provide their original immigration documents which are copied front and back and returned to the family. The HAFC verifies the status through the INS SAVE system. If this primary verification fails to verify status, the HAFC must request within ten days that the INS conduct a manual search.

d. Ineligible family members who do not claim to be citizens or eligible immigrants must be listed on a statement of ineligible family members signed by the head of household or spouse.

e. Non-citizen students on student visas are ineligible members even though they are in the country lawfully. They must provide their student visa but their status will not be verified and they do not sign a declaration but are listed on the statement of ineligible members.

Failure to Provide. If an applicant or participant family member fails to sign required declarations and consent forms or provide documents, as required, they must be listed as an ineligible member. If the entire family fails to provide and sign as required, the family may be denied or terminated for failure to provide required information.

Time of Verification

For applicants, verification of U.S. citizenship/eligible immigrant status occurs at the same time as verification of other factors of eligibility for final eligibility determination.

For participants, it is done at the first regular recertification after June 19, 1995. For family members added after other members have been verified, the verification occurs at the first recertification after the new member moves in.

Once verification has been completed for any covered program, it need not be repeated except that, in the case of port-in families, if the Initial Housing Authority does not supply the documents, the HAFC must conduct the determination.

Extensions of Time to Provide Documents

The HAFC will grant an extension of up to 30 calendar days for families to submit evidence of eligible immigrant status.

Acceptable Documents of Eligible Immigration

The regulations stipulate that only the following documents are acceptable unless changes are published in the Federal Register.

- Resident Alien Card (I-551)
- Alien Registration Receipt Card (I-151)
- Arrival-Departure Record (I-94)
- Temporary Resident Card (I-688)
- Employment Authorization Card (I-688B)
- Receipt issued by the INS for issuance of replacement of any of the above documents that shows individual's entitlement has been verified

A birth certificate is not acceptable verification of status. All documents in connection with U.S. citizenship/eligible immigrant status must be kept five years.

If the HAFC determines that a family member has knowingly permitted another individual who is not eligible for assistance to reside permanently in the family's unit, the family's

assistance will be terminated for 24 months, unless the ineligible individual has already been considered in prorating the family's assistance [24 CFR 5.514(c)(1)(iii).

7.9.8 Verification of Social Security Numbers

[24 CFR 5.216]

SSN Disclosure

All members of the household must supply SSNs as part of HUD's mandatory income matching program, with the following exceptions:

Individuals exempt from disclosure:

- Individuals who do not contend to have eligible immigration status
- Tenants age 62 or older as of 01/31/2010
- Tenants who have previously disclosed a valid SSN

Acceptable SSN Documentation

Three forms of documentation of an SSN are acceptable to HUD:

- An original SSN card issued by the Social Security Administration (SSA) (Refer to PIH Notice 2010-3, Section 6 for a description of the three types of SS cards that SSA issues.)

- An original SSA-issued document with the individual's name and SSN

- An original document issued by a federal, state, or local government agency with the individual's name and SSN

Rejection of Documentation

HACCF may not reject documentation of an SSN unless it:

- Is not original,

- It does not appear to be authentic,

- It is not legible, or

- It has been altered or mutilated.

In such cases HACCF should explain the reason for the rejection and request that acceptable documentation be provided **within ten business days of the request date.**

Verification of the SSN

After the Housing Program Coordinator has obtained acceptable documentation of an individual's SSN under the normal certification timelines, the Housing Program Coordinator must;

- Make a copy of it for the tenant file;
- Record the SSN on line “3n” of form HUD-50058; and
- Transmit the form to HUD at the time the certification is transmitted in PIC.

Verification of acceptable documents and timely transmission of the HUD-50058 will be monitored monthly by HPD management/lead worker.

After HUD validates the SSN through its computer matching program with SSA, the Housing Program Coordinator will destroy the copy that was made of the SSN documentation and replace it with the household’s Summary Report no later than the next annual reexam. This encourages minimizing the risk of exposing an individual’s SSN to theft or misuse by minimizing the number of records that display the individual’s full nine-digit SSN. The report is confirmation of compliance with the new SSN disclosure, documentation, and verification requirements.

HACCF will retain EIV reports in tenant files “for the duration of tenancy” and up to three years after program participation ends.

Individuals without an Assigned SSN

Citizens and lawfully present noncitizens who state that they have not been assigned an SSN by the SSA will make such declaration in writing and under penalties of perjury to HACCF. HACCF will maintain the declaration in the tenant file “for the duration of tenancy” and up to three years after program participation ends.

HACCF will use the Alternate ID generator within PIC to generate a unique identifier for those e individuals who do not have or are unable to disclose a SSN. Once an individual discloses a SSN, HACCF will delete the Alternate ID, enter the SSN on line “3N” of the form HUD-50058, and transmit the form HUD-50058 to HUD by the certification effective date.

Addition of a New Household Member

When a participant requests to add a new household member, who is at least six years of age or under the age of six and has an assigned SSN, to the family the participant:

- Must disclose the SSN and provide documentation of the SSN to HACCF at the time of request to add new household member.
- The new household member cannot be added to the family composition until the family has complied with the SSN disclosure and verification requirements.

Children under age six without an assigned SSN may be added, with a grace period of 90 days to provide SSN documentation. HACCF may extend time frame for an additional 90 days (for a total of 180 days) if HACCF, in its discretion, determines that the participant’s failure to comply was due to unforeseen circumstances outside the control of the head of household which prevented timely disclosure of required documentation. Examples include but are not limited to: delayed processing of SSN application by SSA, natural disaster, fire, death in family, etc.

Disclosure of Participants Newly Assigned SSN

If the participant or any new member of the participant's household has been assigned a new SSN, the participant must disclose the new SSN at the earlier of:

- Next interim reexam, or
- Next regularly scheduled reexam, or moving reexam.

Penalties for Failure to Disclose SSN

In accordance with 24 CFR 5.218, the following penalties apply for noncompliance with the SSN disclosure and documentation requirements:

Participants

If a program participant who is required to meet the new requirements fails to meet them within a specified time frame (including any extension), HACCF must terminate the assistance and/or tenancy of the participant's entire household.

However, an exception to required termination of assistance may be granted by HACCF, if in its discretion, it determines that there were unforeseen circumstances beyond the participant's control. In such cases HACCF will allow up to an additional 90 days to disclose the SSN.

If the family is unable to comply with the requirements by the specified deadline, HACCF must terminate the tenancy or assistance, or both of the entire family.

Non-Contending Members without a SSN

The new rules do not apply to persons not here legally who have signed or will sign a non-contending form.

7.10 MEDICAL NEED FOR LARGER UNIT

Families may request approval of a larger voucher/subsidy for a larger unit to accommodate medical equipment. If the family submits written certification from a reliable, knowledgeable professional, such information will be considered by HAFC in determining whether to grant an exception to the subsidy standards as a reasonable accommodation. However, when the *medical equipment that can be stored in the disabled person's bedroom and/or in other living space throughout the unit, the family does not qualify for additional subsidy.*

7.11 VERIFICATION OF WAITING LIST PREFERENCES

See Chapter 3 of this Administrative Plan for verification of waiting list preferences.

7.12 VERIFICATION UNDER THE VIOLENCE AGAINST WOMEN ACT

When a victim of domestic violence requests special consideration,(e.g. to transfer to another unit during the first year of tenancy, or to refrain from being terminated from the HCV program due to being evicted from a unit as the result of being a victim of a domestic violence act) , the HAFC will require that the individual certify via a HUD-approved certification form that s/he is a victim of domestic violence, dating violence, or stalking, and that the incident or incidents in question are bona fide incidents of the actual or threatened abuse; as well as to provide any documentation required by the HAFC such as a police report, court record, or a report from one of the following: a victim service provider, an attorney, or a medical professional from whom the victim has sought assistance in addressing the violent act covered under VAWA.

CHAPTER 8: VOUCHER ISSUANCE AND BRIEFINGS

[24 CFR 982.301, 982.302, 985 (g) (3) (c)]

8.1 INTRODUCTION

When eligibility has been determined, the HAFC will conduct a mandatory briefing to ensure that families know how the program works. The briefing will provide a broad description of owner and family responsibilities, HAFC procedures, and how to lease a unit. The family will also receive a briefing packet which provides more detailed information about the program including the benefits of moving outside areas of poverty and minority concentration.

This chapter describes how briefings will be conducted, the information that will be provided to families, and the policies for the issuance and term of the voucher. It consists of two sections: briefing and voucher issuance.

Section 1: Briefing

8.2 MANDATORY HAFC BRIEFING OF THE FAMILY

[24 CFR 982.301]

8.2.1 Initial Applicant Briefing

A full HUD-required briefing will be conducted for applicant families who are determined to be eligible for assistance prior to issuance of a voucher. The briefing will be conducted in groups or individual meetings. Families who attend a group briefing and still have the need for individual assistance will be referred to a Housing Program Coordinator.

Briefings for the HCV program will be conducted in English. For Limited English Proficiency (LEP) applicants, the HAFC will provide translation services as described in Chapter 1, *When Translation Services are Needed*).

The purpose of the briefing is to explain the documents in the voucher holder's packet to families so that they are fully informed about the program. This will enable them to utilize the program to their advantage, and it will prepare them to discuss it with potential owners and property managers.

The documents and information provided in the briefing packets for the voucher program will comply with all HUD requirements. The HAFC also includes other information and/or materials which are not required by HUD.

If the family includes a person with disabilities, the HAFC will ensure compliance with CFR 8.6 to ensure effective communication.

8.2.2 Oral Briefing

[24 CFR 982.301 (a)]

The briefing will include information on the following topics:

- How the HCV program works

- Family and owner responsibilities
- Where the family may lease a unit, including renting a unit inside or outside the HAFC jurisdiction
- For a family that qualifies to lease a unit outside the HAFC's jurisdiction under portability procedures, the information packet must include an explanation of how portability works. The HAFC will not discourage the family from choosing to live anywhere inside or outside HAFC's jurisdiction under portability procedures. (See Chapter 13, *Restrictions on Moves* if the family requests to exercise portability procedures during the initial year of assisted occupancy).
- An explanation of the advantages of moving to areas outside of high-poverty concentrations; and
- Maps that shows various areas with housing opportunities outside areas of poverty or minority concentration both within its jurisdiction and neighboring its jurisdiction. The HAFC has assembled information about the characteristics of those area which may include information about job opportunities, schools, transportation and other services. The HAFC can demonstrate that it uses the maps and area characteristics information when briefing rental voucher holders about the full range of areas where they may look for housing.

8.2.3 Briefing Packet

[24 CFR 982.301(b)]

The family is provided with the following information and materials:

1. The term of the voucher (the amount of search time the family has to locate a unit), along with the HAFC policy for approving a request for additional search time; and the HAFC's policy on any extensions or suspensions of the term.

2. If extensions are allowed, an explanation of how the family can request an extension.

3. How the HAFC determines housing assistance payment for the family including:

   a) How the HAFC determines the payment standard for the family

   b) How the HAFC determines Total Tenant Payment (TTP); and

   c) Information on the payment standard and the HAFC utility allowance schedule

4. How the HAFC determines the maximum allowable rent for an assisted unit, including the rent reasonableness standard.

5. Where the family may lease a unit, along with an explanation of how portability works.

6. HUD-required tenancy addendum, which must be included in the lease.

7. The HAFC policy on providing information about families to prospective owners.

8. The HAFC subsidy standards (how the bedroom size of a voucher is determined by the HAFC) including when the HAFC will consider granting exceptions to the standards; also how voucher size relates to the unit size selected.

9. The HUD brochure entitled "A Good Place to Live" on how to select a unit that complies with HQS.

10. The HUD brochure on lead-based paint and information about where blood level testing is available.

11. Information on federal, State and local equal opportunity laws and a copy of the housing discrimination complaint form. The HAFC will also include the pamphlet "Fair Housing: It's Your Right" and other information about fair housing laws.

12. A list of landlords willing to lease to assisted families, as posted on the HAFC website.

13. If the family includes a person with disabilities, the HAFC will provide a list of available accessible units known to the HAFC.

14. The Family Obligations under the program.

15. The grounds on which the HAFC may terminate assistance for a participant family because of family action or failure to act.

16. HAFC informal hearing procedures including when the HAFC is required to offer a participant family the opportunity for an informal hearing, and how to request the hearing.

17. An HQS checklist.

18. Procedures for notifying the HAFC and/or HUD of program abuses such as side payments, extra charges, violations of tenant rights, and owner failure to repair.

19. The family's rights as a tenant and a program participant.

20. Requirements for reporting changes between certifications.

Families must sign a statement acknowledging receipt and understanding of the briefing packet.

8.2.4 Scheduling the Briefing

The HAFC will not issue a voucher to a family unless the household representative has attended a briefing and signed the voucher. Applicants who provide prior notice of inability to attend a briefing will automatically be scheduled for the next briefing. Applicants who fail to attend 2 scheduled briefings, without prior notification and approval of the HAFC, may be denied issuance of a voucher based on failure to attend the briefing.

The HAFC will conduct individual briefings for families with disabilities at their home, upon request by the family, if required for reasonable accommodation.

8.3 ENCOURAGING PARTICIPATION IN AREAS WITHOUT LOW INCOME OR MINORITY CONCENTRATION

8.3.1 HAFC-Identified Areas of Poverty and Minority Concentration

(See Maps A and B at the end of this chapter).

The HAFC is committed to taking action to encourage participation by owners of units located outside areas of poverty or minority concentration. These areas have been identified in Map A and are described later in this chapter under the section entitled, "Identifying Non-Impacted Areas of Housing Opportunities". Map A will be available to voucher holders and program participants searching for housing.

Also included is a map of the City of Fresno's Empowerment Zones which encompasses the key areas of poverty and minority concentration in our metropolitan area. The Fresno Empowerment Zone encompasses census tracts 2, 3, 4, 5, 6, 7, 9, 11, 20, and 23, all near the urban core. They are roughly bordered by the following:

- North of Annadale Avenue,
- East of Marks Avenue,
- South of McKinley Avenue, and
- West of First Street.

This information is shared at the briefings with our families as an incentive to consider locating in other non-impacted areas of the City. [There were no high poverty areas in the City of Clovis].

8.3.2 Identifying Non-Impacted Areas of Housing Opportunities

Non-impacted areas are predominantly located north of Shields Avenue, both in Fresno and in Clovis, and east of Minnewawa Avenue in Southeast Fresno, as shown in Map A which is available for families searching for units. This map is also used in briefing families to explain the benefits of locating outside areas of poverty or minority concentration.

The HAFC conducts active outreach to landlords in the community through its monthly participation at the California Apartment Association meetings. In addition, periodic outreach is done to large apartment complexes. Encouraging owners to rent units which are located throughout the city, including non-impacted areas is a part of this outreach.

8.3.3 Maps and Criteria about Non-Impacted Areas

The briefing materials contain maps and information about the characteristics of various non-impacted areas in the Fresno jurisdiction to educate families regarding various opportunities in these areas.

8.3.4 Lists of Owners Which Includes Properties in Non-Impacted Areas

The HAFC has a list of owners that can assist families in locating units outside impacted areas. This Rental Listing is located on our website. Copies may be obtained by the family when they attend a briefing. The location of these properties is indicated via a link to Mapquest which can be accessed by using the Rental Listing on the Fresno Housing Authority website

8.3.5 Portability/Areas Where the Family Can Live

The briefing packet contains HAFC policy on allowable moves under portability as well as any restrictions on such a move. It also includes a list of housing authorities with their address and phone numbers in the surrounding area for families who wish to exercise their portability options. For additional information on portability, see Chapter 13.

8.3.6 Analysis of Need for Exception Payment Standards

Each year when the SEMAP certification is completed, an analysis is conducted to compare families with children who live in areas of low poverty with those who live in areas which are at or above the overall poverty rate for the principal operating area of the HAFC. Each year over 40% or more of the families have been living in low poverty areas. While Fresno County does have pockets of high poverty, with over 100 census tracts, most program participants have succeeded in locating in non-impacted areas. Therefore, there has not been a need for an exception payment standard to provide expanded housing opportunities for our clients.

Section 2: Voucher Issuance

8.4 ISSUANCE OF VOUCHERS

[24 CFR 982.302, 982.54(d)(2)]

When funding is available, the HAFC will issue vouchers to applicants whose eligibility has been determined. The issuance of vouchers must be within the dollar limitations set by the Annual Contributions Contract (ACC) budget.

HAFC will obtain new written verifications if verifications are more than 60 days old at the time of issuing a new voucher.

8.5 TERM OF VOUCHER

[24 CFR 982.303, 982.54(d) (2)]

During the briefing session, each household will be issued a voucher which represents a contractual agreement between the HAFC and the Family specifying the rights and responsibilities of each party. The voucher certifies that the family is eligible to participate in the HCV program, the unit size of the voucher, and how long the family has to search for a unit. It does not constitute admission to the program which occurs when the lease and contract become effective.

The HAFC will set the voucher term at 60 days. If more search time is needed the family may request an extension, according to the policies in this chapter.

The family must submit a Request for Tenancy Approval and a copy of their lease within the term listed on the voucher, unless an extension has been granted by the HAFC.

8.5.1 Suspensions

[24 CFR 982.303]

When a Request for Tenancy Approval is received, the HAFC will deduct the number of days required to process the request from the term of the voucher (called tolling or suspension).

8.5.2 Extensions

Any requests for an extension of the voucher time period, must be made prior to the expiration date of the voucher. Extensions may be granted with supervisory approval at the discretion of the HAFC, primarily for, but not exclusive of, any of the following reasons:

- It is necessary as a reasonable accommodation for a person with disabilities,
- Extenuating circumstances such as illness, hospitalization or a family emergency, which affected the family's ability to find a unit within the voucher time period;
- Family can show evidence, through a completed search record, that they were unable to locate a unit;
- Family has submitted Request(s) for Tenancy Approval that the HAFC has disapproved (i.e., HAFC unable to negotiate rent(s) with owner or unit(s) do not meet HQS);
- Family size or other special requirements made finding a unit difficult.

The HAFC will request proof to substantiate the need for an extension.

The family may request one or more extensions.

8.5.3 Assistance to Voucher Holders

Families who require additional assistance during their search may call the HAFC Office to request assistance. Families may also access listings of available units by contacting our office or visiting our agency website at www.hafresno.org.

8.5.4 Expirations

If the voucher has expired, or expires after an extension, the applicant will be denied assistance and a participant family's assistance will end. The family will not be entitled to a review or a hearing.

8.6 VOUCHER ISSUANCE DETERMINATION FOR SPLIT HOUSEHOLDS

[24 CFR 982.315]

In those instances when a family assisted under the Section 8 program becomes divided into two otherwise eligible families due to divorce, legal separation, or the division of the family, the HAFC will require additional information to determine who will be issued the voucher. If the family cannot agree as to which new family unit should continue to receive the assistance, and there is no determination by a court, the HAFC shall consider the following factors to determine which of the families will continue to be assisted:

1. Whether the assistance should remain with family members remaining in the original assisted unit.

2. The interest of minor children or of ill, elderly or disabled family members.

3. Whether family members are forced to leave the unit as a result of actual or threatened physical violence against family members by a spouse or other member of the household.

4. Recommendations of social service professionals.

Documentation of these factors will be the responsibility of the requesting parties.

If documentation is not provided, the HAFC will terminate assistance on the basis of failure to provide information necessary for a recertification.

8.7 REMAINING MEMBER OF TENANT FAMILY - RETENTION OF VOUCHER

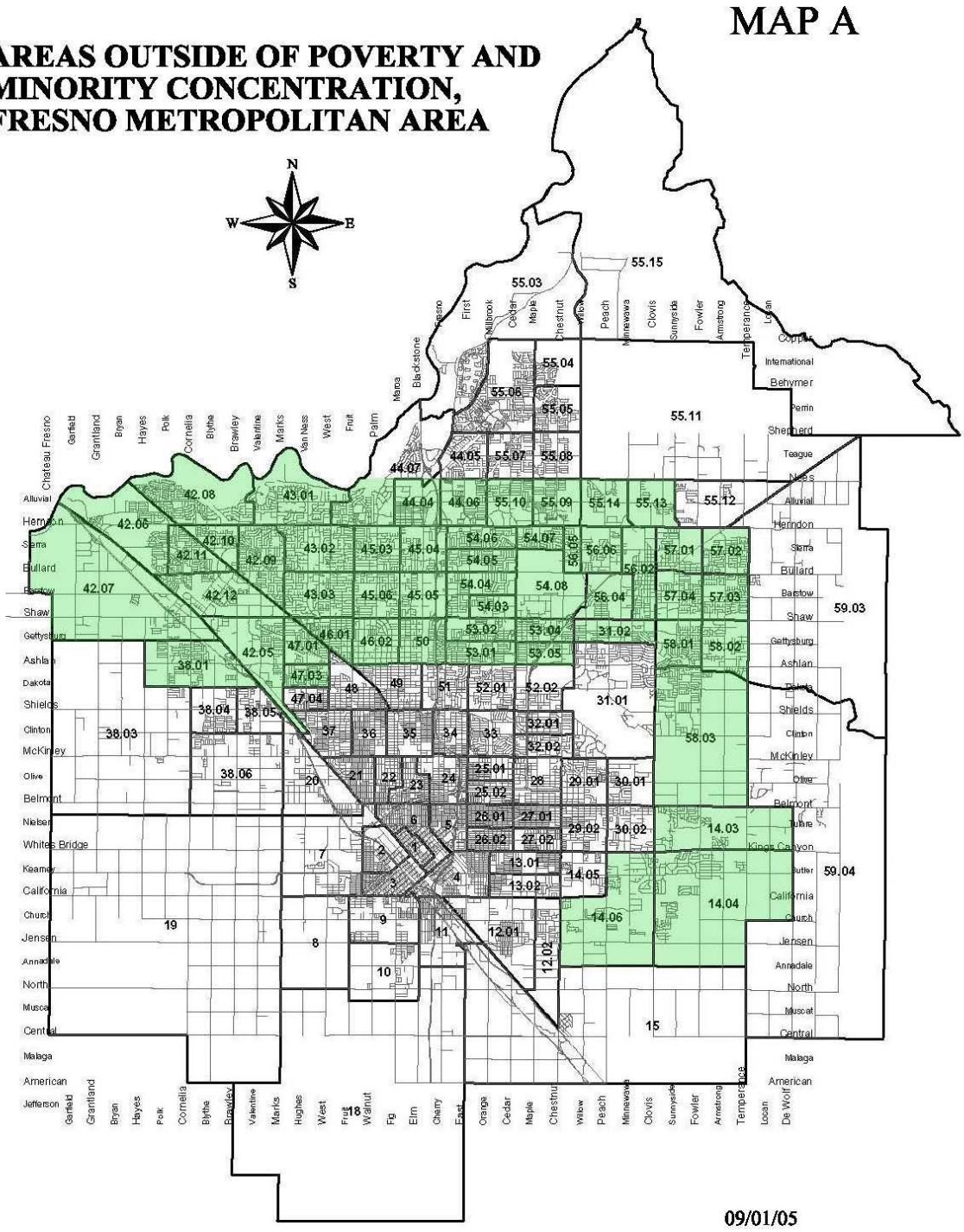
To be considered the remaining member of the tenant family, the person must have been previously approved by the HAFC to be living in the unit. A live-in attendant, by definition, is not a member of the family and will not be considered a remaining member of the tenant family.

In order for a minor child to continue to receive assistance as a remaining family member:

1. The court has to have awarded emancipated minor status to the minor; or

2. The HAFC has to have verified that the local social services agency and/or the Juvenile Court has arranged for another adult to be brought into the assisted unit to care for the child(ren) for an indefinite period.

A reduction in family size may require a reduction in the voucher size.


MAP A
AREAS OUTSIDE OF POVERTY AND MINORITY CONCENTRATION, FRESNO METROPOLITAN AREA
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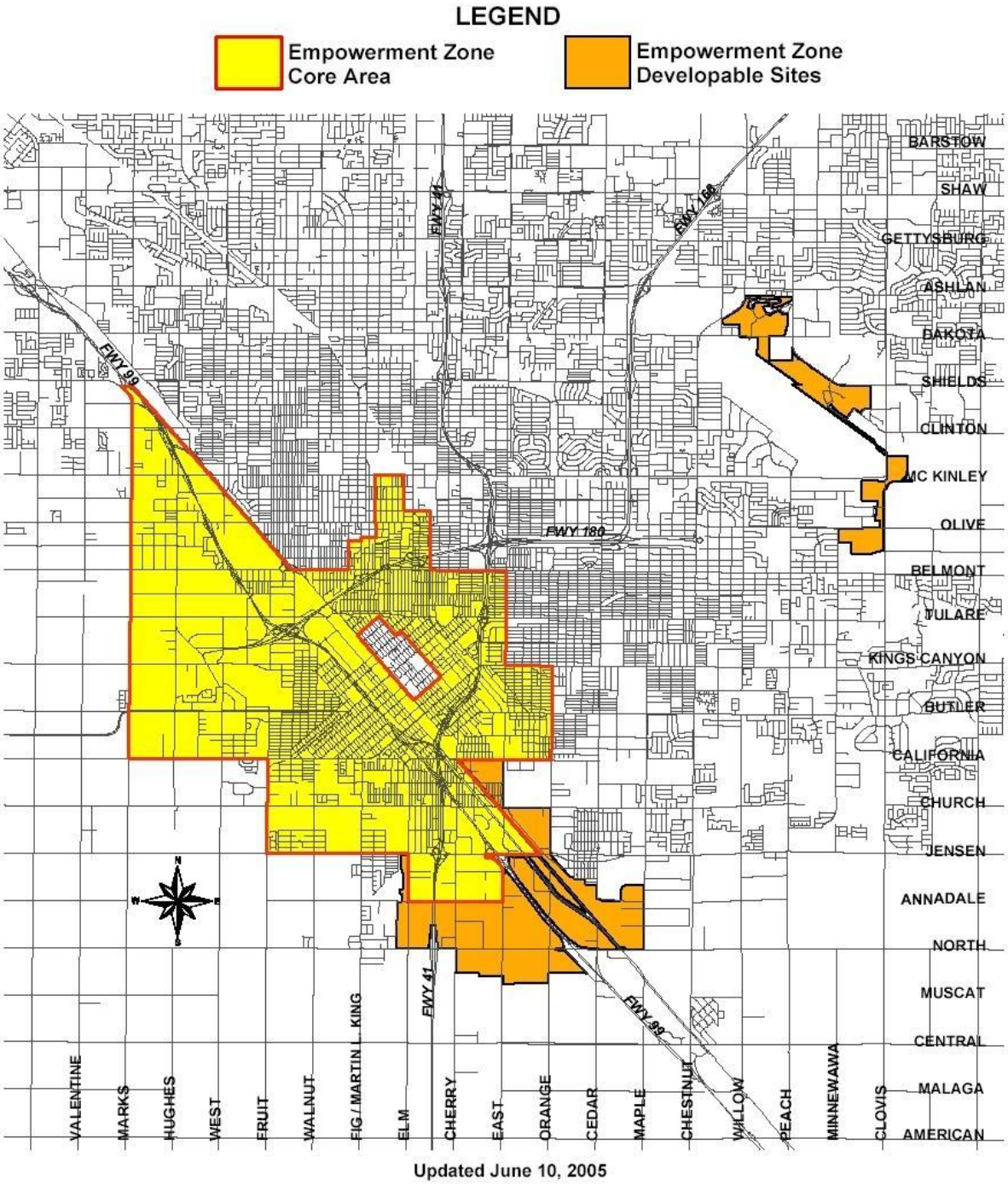
CITY OF FRESNO
EMPOWERMENT ZONE MAP

MAP B



CHAPTER 9: RFTA AND CONTRACT EXECUTION

9.1 INTRODUCTION

[24 CFR 982.302(b)]

Once families are issued a voucher, they must find an eligible unit under the program rules, with an owner/landlord who is willing to enter into a Housing Assistance Payments (HAP) Contract with the HAFC. This chapter covers the HAFC's policies which pertain to the processing of Requests for Tenancy Approval (RFTA); the types of eligible housing which may be assisted; lease requirements; reasons for owner disapproval, and the HAP contract execution process.

Information regarding the initial inspection is covered in Chapter 10.

9.2 REQUEST FOR TENANCY APPROVAL (RFTA)

[24 CFR 982.305]

A Request for Tenancy Approval (RFTA) is the written request from the voucher holder and owner, submitted to the HAFC for consideration and approval of a new tenancy.

9.2.1 Requirements for RFTA Approval

[24CFR 982.302(c), 982.305]

The family must submit the RFTA and a copy of the proposed lease during the term of the voucher. The RFTA must be signed by both the owner and voucher holder. The HAFC will not permit the family to submit more than one RFTA at a time.

The HAFC will consider an RFTA approvable if all of the following criteria are met:

1. The unit is an eligible type of housing.
2. The unit meets HUD's Housing Quality Standards (and any additional criteria as identified in this Administrative Plan); (see Chapter 10 for HQS information).
3. The rent is reasonable and approvable; (see this Chapter and Chapter 11).
4. The proposed lease complies with HUD and HAFC requirements.
5. The owner is approvable, and there are no conflicts of interest.
6. All applicable lead-based paint disclosure requirements have been met; (see Chapter 10, *Lead Base Paint & HQS*.

7. The owner has not been debarred by HUD; or disapproved by HAFC in the last three years.

8. The unit is not subject the restriction on renting from relatives rule; see Section 9.4 of this chapter.

9.3 TYPES OF HOUSING

[24 CFR 982.352, 982.54(d) (16)]

The family may receive tenant-based assistance to lease a unit located anywhere within the initial housing authority's jurisdiction or outside the initial housing authority's jurisdiction under the portability requirements.

The family may select the dwelling unit they have been residing in prior to participation in the program if the unit is approvable. This is called leasing in-place.

9.3.1 Eligible Housing Types

Eligible housing types include the following:

- Single-family dwellings, including condos and townhouses.
- Manufactured homes where the family leases the mobile home and the pad [24 CFR 982.620(a) (2)].
- Manufactured homes where the family owns the mobile home and leases the pad [24 CFR 982.620(a) (3)].
- Multi-family dwellings (apartment buildings).
- Units owned but not subsidized by the HAFC (HUD-prescribed requirement); see [24 CFR 982.352(b)].

However, there are some restrictions to the above:

- If the unit has other housing subsidy attached to it as described in [24 CFR 982.352(c)], a family may not receive the benefit of tenant-based assistance in such unit.
- The HAFC may not permit a voucher holder to lease a unit which is receiving project-based Section 8 assistance or any duplicative rental assistance.

9.3.2 Special Housing Types

[24 CFR 982.601-624]

The HAFC will permit the following as eligible housing types if needed as a reasonable accommodation so that the program is readily accessible to and useable by persons with disabilities in accordance with 24 CFR Part 8:

- Shared housing
- Single room occupancy
- Congregate housing
- Group housing
- Cooperative housing

9.3.3 Ineligible Housing Types

[24 CFR 982.352(a)]

The HAFC will not approve:

- A unit occupied by the owner or by any person with an interest in the unit, other than manufactured homes and shared housing as described above; or for the Homeownership Option described in Chapter 21 of this administrative plan.
- Nursing homes or other institutions that provide care.
- School dormitories and institutional housing.
- Structures that have not been properly converted. Owners will be required to provide finalized permits for all conversion work when the integrity and/or soundness of a structure are in question.
- Converted garages or other structures not intended to be living areas.
- Any other types of housing prohibited by HUD.

The owner of the assisted unit may never be a live-in aide for the family.

9.4 RESTRICTION ON RENTING FROM RELATIVES

[24 CFR 982.306(d)]

A family may not lease properties owned by a parent, child, grandparent, grandchild, sister or brother of any family member, unless HAFC determines that approving the unit would provide reasonable accommodation for a family member who is a person with disabilities.

9.5 AFFORDABILITY

[24 CFR 982.507, 982.308]

An affordability test will be completed by HAFC to determine the family's ability to qualify for a unit indicated on RFTA. This will ensure that the family does not pay more than 40% of their adjusted income for the family's portion of rent due to the owner (TTP).

Criteria used in calculating affordability are as follows:

- 30% of voucher holder's adjusted income;
- Voucher size
- Unit size
- Type of unit
- Utilities and appliances and who supplies them
- Payment standard (lesser of voucher size or unit size)

9.6 DISAPPROVAL OF RFTA

[24 CFR 982.302(d)]

If the HAFC determines that the request cannot be approved for any reason, the landlord and the family will be notified in writing. The HAFC will instruct the owner and family of the steps that are necessary to approve the request.

When, for any reason, an RFTA is not approved, the HAFC will notify the family of the disapproval and furnish another RFTA form so that the family can continue to search for eligible housing.

The HAFC will suspend the term of the voucher while the RFTA is being processed. Therefore, the length of time allotted to a family for the purpose of locating another unit will be based on the number of days left on the term of the voucher at the time the RFTA was received by HAFC [24 CFR 982.303(b)].

The family must submit an approvable RFTA before the end of the voucher period or assistance will terminate. For information regarding term of voucher as it relates to search time; see Chapter 8*, Term of Voucher* [24 CFR 982.303, 982.54(d)(2)]

9.7 LEASE AGREEMENTS

[24 CFR 982.308, 982.309]

The HAFC will review the lease, particularly noting the approvability of optional charges and compliance with regulations and State law. Responsibility for utilities, appliances and optional services must correspond to those provided on the RFTA. If there are any discrepancies the Tenancy Addendum will supersede.

At minimum, the lease must specify the following information:

- The names of the owner and the tenant;
- The address of unit rented;
  The term of the lease including initial term and any provisions for renewal;
- The amount of the monthly rent; and
- A specification of which utilities and appliances will be supplied by the owner, and which are to be supplied by the family.

The HUD-prescribed tenancy addendum must be attached and executed.

9.7.1 Separate Agreements

[24 CFR 982.510(c)**]**

Separate agreements are not necessarily illegal side agreements. Families and owners will be advised at initial inspection of the prohibition of illegal side payments for additional rent, or for items normally included in the rent of unassisted families, or for items not shown on the approved lease.

Owners and families may execute separate agreements for services, appliances (other than range and refrigerator) and other items that are not included in the lease if the agreement is in writing and approved by the HAFC.

Any appliances, services or other items which are routinely provided to unassisted families as part of the lease (such as air conditioning, dishwasher or garage) or are permanently installed in the unit, cannot be put under separate agreement and must be included in the lease. If there is to be a separate agreement, the family must have the option of not utilizing the service, appliance or other item.

The HAFC is not liable under the lease for unpaid charges for items covered by separate agreements and nonpayment of these agreements cannot be cause for eviction.

If the family and owner have come to a written agreement on the amount of allowable charges for a specific item, so long as those charges are reasonable and not a substitute for higher rent, they will be allowed. All agreements for special items or services must be attached to the lease approved by the HAFC. If agreements are entered into at a later date, they must be approved by the HAFC and attached to the Lease.

9.8 LEASE PURCHASE AGREEMENTS

[24 CFR 982.317(a)(b)]

A family leasing a unit with assistance under the program may enter into an agreement with an owner to purchase the unit. As long as the family is receiving rental assistance, all tenant-based program requirements apply.

Any homeownership premium included in the rent to the owner must be absorbed by the family, such as:

- Increment of value attributable to the value of the lease-purchase right; and
- Agreement such as an extra monthly payment to accumulate a down payment or reduce the purchase price.

Any homeownership premium paid by the family to the owner must also be excluded when the HAFC determines rent reasonableness.

9.9 TERM OF ASSISTED TENANCY

[24 CFR 982.309]

The initial lease term must be for at least one year under HUD regulations.

During the initial lease term, the owner may not raise the contract rent, except when permitted by special rules for subsidized units as described in [24 CFR 982.521].

9.10 INFORMATION TO OWNERS

[24 CFR 982.307(b), 982.54(d)(7)]

In accordance with HUD requirements, the HAFC will furnish prospective owners upon receipt of written request, copy of application to rent and signed consent to release information from client, with the following information:

- The family's current address as shown in the HAFC's records; and
- If known to the HAFC, the name and address of the landlord at the family's current and prior address.

The HAFC will make an exception to this requirement if the family's whereabouts must be protected due to domestic abuse or witness protection.

The HAFC will inform owners that it is the responsibility of the landlord to determine the suitability of prospective tenants. Owners will be encouraged to screen applicants for rent payment history, eviction history, damage to units, and other factors related to the family's suitability as a tenant.

A statement of the HAFC's policy on release of information to prospective landlords will be included in the briefing packet which is provided to the family.

The HAFC will provide this information orally to the prospective landlord.

The HAFC's policy on providing information to owners is included in the briefing packet and will apply uniformly to all families and owners.

9.11 OWNER DISAPPROVAL

[24 CFR 982.306]

For purposes of this section, "owner" includes a principal or other interested party.

Mandatory Disapprovals (24 CFR 982.306(b)

The HAFC will disapprove the owner for the following reasons:

- HUD or other agency directly related has informed the HAFC that the owner has been disbarred, suspended, or subject to a limited denial of participation under [24 CFR part 24].
- HUD has informed the HAFC that the federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other federal equal opportunity requirements and such action is pending.
- HUD has informed the HAFC that a court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements.
- The owner has a conflict of interest as described in HUD regulation [24 CFR 982.161(a)], and would therefore be unable to enter into a contract with the HAFC.

HAFC may periodically check the following website address to determine if an owner has been debarred from participation under 24 CFR Part 24.

- https://www.epls.gov/epls/search.do

Discretionary Disapprovals (24 CFR 982.306C).

- The owner has violated obligations under a Housing Assistance Payments Contract under Section 8 of the 1937 Act (42 U.S.C. 1437f).
- The owner has committed fraud, bribery or any other corrupt act in connection with any federal housing program.
- The owner has engaged in drug trafficking.
- The owner has fraudulently rented to a relative in violation of 24 CFR 982.306(d); see Section 9.4 of this chapter.

In deciding whether to disapprove an owner each case will be considered on a case-by-case basis by considering all relevant circumstances. Decisions will be based on a preponderance of evidence similar to the process followed in Section 15.6.1, Required Evidence, that HAFC applies when determining whether to terminate assistance for a family.

If in its administrative discretion HAFC disapproves an owner, the duration of the disapproval will be for three years.

9.12 CONTRACT EXECUTION PROCESS

[24 CFR 982.305(c)]
The HAFC prepares the Housing Assistance Contract for execution. The family and the owner will execute the Lease agreement, and the owner and the HAFC will execute the HAP Contract. Copies of the documents will be furnished to the parties who signed the respective documents. The HAFC will retain a copy of all signed documents.

The HAFC makes every effort to execute the HAP Contract before the commencement of the lease term. The HAP Contract may not be executed more than 60 days after commencement of the lease term and no payments will be made until the Contract is executed.

The Director of the Housing Choice Voucher department or designee is the only person authorized to execute a contract on behalf of the department.

Owners must provide the following information for contract execution:

- Owners must provide a current mailing address. If property is owned by a relative (where the HAFC approved the unit as a reasonable accommodation) the owner must provide the current address of their residence (not a Post Office box) for comparison to the subsidized unit's address.

- Owners must provide an Employer Identification Number or Social Security Number**.**

- Owners must also submit a completed and accurate W-9 form.

- Owners must provide their financial institution account information for the mandatory Electronic Funds Transfer (EFT) processing of HAP payments.

- Owners must provide a copy of management agreement between owner and person and/or company managing assisted property on owner's behalf.

9.12.1 Change in Total Tenant Payments (TTP) Prior to HAP Effective Date

When the family reports changes in factors that will affect the Total Tenant Payment (TTP) prior to the effective date of the HAP Contract at admission, the information will be recorded. An interim adjustment to the TTP will be deferred until after the family leases

up in the unit, unless to defer the interim adjustment would result in a hardship for the family. The HAFC will review the need for an interim on a case-by-case basis.

9.13 CHANGE IN OWNERSHIP

A change in ownership does not require execution of a new contract.

The HAFC will process a change of ownership only upon the written request of the new owner and only if accompanied by the following:

- A copy of the final closing escrow statement, recorded grant deed or other legal document showing the transfer of title;
- W-9 indicating the Employee Identification Number or Social Security Number of the new owner;
- Owners current address and phone number
- Financial institution account information for EFT payment processing.

9.14 CHANGE IN MANAGEMENT

The HAFC must receive a written request by the owner in order to change the HAP payee and/or the address to which payment is to be sent along with copy of management agreement between owner and managing agent/company and/or new account information if applicable.

CHAPTER 10: HOUSING QUALITY STANDARDS AND INSPECTIONS

[24 CFR 982.401]

10.1 INTRODUCTION

This chapter describes the HAFC's procedures for conducting different types of inspections, and the standards for the timeliness of repairs. It also explains the responsibilities of the owner and family, and the consequences of non-compliance with Housing Quality Standards (HQS) requirements for both families and owners. The use of the term "HQS" in this Administrative Plan refers to the combination of both HUD and HAFC requirements.

10.2 GUIDELINES/TYPES OF INSPECTIONS

[24 CFR 982.401(a), 982.405]

Housing Quality Standards (HQS) is the minimum quality standards set forth by HUD in 24 CFR 982.401 for tenant based programs. The standards are set in place to ensure that the assisted housing is decent, safe and sanitary. HQS standards apply to the building and premises, as well as the unit.

There are four types of inspections the HAFC will perform:

- Initial/Move-in: A unit must pass this HQS inspection before the Housing Authority can enter into a HAP Contract with the owner.
- Annual: A unit must be inspected at least once every 12 months to ensure the unit continues to meet minimum HQS requirements.
- Special/Complaint: This inspection is usually conducted at the request of the owner, family or HAFC-approved agency. This inspection may be conducted without notice to verify program compliance.
- Quality Control: The HAFC is required to perform supervisor quality control HQS inspections.

10.2.1 Initial - Move-In HQS Inspection

[24 CFR 982.401(a)]

The owner or owner's representative must attend the initial inspection. The Initial Inspection will be conducted to:

- Determine if the unit and property meet the HQS defined in this Plan.
- Document the current condition of the unit as to assist in future evaluations whether the condition of the unit exceeds normal wear and tear.

- Document the information to be used for determination of rent-reasonableness.

If the unit fails the initial Housing Quality Standards inspection, the family and owner will be advised to notify the HAFC once repairs are completed. The owner will be given up to 30 calendar days to correct the items noted as "fail"; the time allowed for the repair will depend on the inspector's discretion, depending on the amount and complexity of work to be done.

The owner will be allowed up to one re-inspection for repair work to be completed.

If the time period given by the housing authority to correct the repairs has elapsed, or the unit fails the re-inspections, the unit will be disqualified and the family must search for a unit which meets minimum HQS.

10.2.2 Annual HQS Inspections

[24 CFR 982.405(a)]

In accordance with HUD requirements the HAFC will conduct a Housing Quality Standards inspection for each unit on the program at least once every 12 months. The family must allow the HAFC to inspect the unit at reasonable times with reasonable notice. [24 CFR 982.551 (d)]

Inspection: The family and owner are notified of the date and time of the inspection appointment by mail. If the family is unable to be present, they may authorize a representative who is 18 years of age or older to be present to allow the inspector access to unit to conduct the inspection. The family may provide written permission for the property manager or owner to allow the inspector entry into the unit.

If the family (or an adult) is not present to allow access, the inspection is considered to be a participant-caused "fail" and the participant will be in non-compliance for violating a Family Obligation. The family will be sent a non-compliance letter giving the family one final inspection appointment.

Unit Fails the First Inspection Due to Owner-Caused Failures

If the unit fails inspection, correction of the fail items will be verified by one of two methods: HQS Repair Certification process or by re-inspection by HAFC.

HQS Repair Certification

The HAFC inspector will determine during the failed inspection if the unit/owner is eligible to submit an HQS Repair Certification. If eligible, this will be conveyed in the notice of failed inspection along with the list of items requiring repair. The owner will have 20 calendar days from the date of the failed inspection to complete and submit the form, and return to HAFC with appropriate documentation, i.e., receipts, pictures, etc, that the items have been corrected. It is the owner's responsibility to obtain the participant's signature on the HQS Repair Certification Form prior to submitting to HAFC.

Failure to return the Certification by the due date will result in an automatic fail. The unit will be placed in abatement the 1st of the following month with the contract set to cancel at the end of that month if the Certification has not been received during the abatement period.

Re-inspection: The family and owner are mailed a notice of the inspection appointment. If the family or owner [who can provide a 24-hour notice of intent to enter unit] does not allow access at the time of re-inspection, the unit will be considered a fail as the inspector was unable to verify repairs were completed..

The family is also notified that it is a Family Obligation to allow the HAFC to inspect the unit. If the family was responsible for a breach of HQS identified in Chapter 15, "Denial or Termination of Assistance," they will be advised of their responsibility to correct.

Time Standards for Repairs

1. Emergency items which endanger the family's health or safety must be corrected by the owner within 24 hours of the inspection.

2. For non-emergency items, repairs must be completed within 30 days.

3. For major repairs, the supervisor may approve an extension.

The extension will be made for a period of time not to exceed 60 calendar days. At the end of that time, at the HAFC's discretion, if the work is not completed, the HAFC will begin the abatement for owners or termination of assistance for family breach of HQS.

HAFC supervisor or manager will approve extensions for non-emergency repairs. The Team Manager will approve all extensions for emergency fails.

10.2.3 Special/Complaint Inspections

[24 CFR 982.405(c)]

If at any time the family or owner notifies the HAFC that the unit does not meet Housing Quality Standards, the HAFC may conduct an inspection. The HAFC may attempt to verify that the family has submitted a maintenance request to the property manager or owner prior to requesting a complaint inspection.

The HAFC may also conduct a special inspection based on information from third parties such as neighbors or public officials.

The HAFC will inspect only the items which were reported, but if the Inspector notices additional deficiencies that would cause the unit to fail HQS, the responsible party will be required to make the necessary repairs. If the annual inspection is due, the special inspection may be categorized as an annual inspection and all annual procedures will be followed.

Receipt of Request for Complaint/Special Inspections

All complaint inspections must be reviewed within 24 hours of receipt. A supervisor will determine if the complaint or request requires an emergency inspection. Emergency inspections must occur within 24 hours of the request.

10.2.4 Quality Control Inspections

[24 CFR 982.405(b) and 985.3(e)]

The purpose of Quality Control inspections is to ensure that each Housing Program Coordinator is conducting accurate and complete inspections, and to ensure that there is consistency among Housing Program Coordinators in the enforcement of the Housing Quality Standards.

10.3 ADDITIONS TO HQS

[24 CFR 982.401(a)]

The HAFC adheres to the acceptability criteria in the program regulations and HUD Inspection Booklet with the additions described below.

Security:

If window security bars or security screens are present on emergency exit window, they must be equipped with a quick release system. The owner is responsible for ensuring that the family is instructed on the use of the quick release system.

Bedrooms:

Minimum bedroom ceiling height is 7'6" or local code, whichever is greater. Sloping ceilings may not slope to lower than five feet in the 70 square foot area.

10.4 HQS DEFICIENCIES

10.4.1 Emergency Fail Deficiencies

[24 CFR 982. 404(a)(3)]

Only life-threatening items are considered of an emergency nature and must be corrected by the owner or tenant (whoever is responsible) within 24 hours of inspection.

The following deficiencies are considered life threatening emergency fails, and will cause a unit to be labeled uninhabitable:

- Gas leaks

- Major plumbing problems
- Utilities not in service
- No running water
- No functioning toilet
- Unstable roof/structure

The HAFC may give a short extension (not more than 72 additional hours) whenever the responsible party cannot be notified or it is impossible to affect the repair within the 24-hour period. In the event it is not feasible to extend the time frame for the required emergency repair, but the HAFC is not physically able to go out and confirm the repair has been corrected in 24-hours, the owner can provide a faxed self-certification to the HAFC stating he has corrected the 24-hour emergency deficiency(s). The HAFC will make every effort to confirm with the client by phone that the emergency repairs have been completed. The HAFC also will follow up to confirm the repair has been corrected by conducting a re-inspection within no more than 3 business days.

In those cases where there is leaking gas, potential of fire, or other threat to public safety, and the responsible party cannot be notified or it is impossible to make the repair, proper authorities will be notified by the HAFC.

If the emergency repair item(s) are not corrected in the time period required by the HAFC, and the owner is responsible, the Housing Assistance Payment will be abated and the HAP Contract will be terminated.

If the emergency repair item(s) are not corrected in the time period required by the HAFC, and it is an HQS breach which is a family obligation, the HAFC will terminate HAP contract and begin the termination of assistance process for the family.

10.4.2 Non-Emergency Fail Deficiencies

Non-emergency deficiencies that cause a unit to fail the inspection must be corrected. The family and owner will be notified of the failed items in writing.

If the necessary repairs have been completed prior to the next scheduled inspection, the family or owner may request an earlier inspection date. Requests for earlier repair dates will be reviewed and accommodated on a case-by-case basis.

10.4.3 Non-Emergency Fail Deficiencies Not Requiring Re-inspection

The following deficiencies will not require a re-inspection if cleared by proper owner certification.

- Inoperable gas wall or floor heater
- Inoperable stove burner
- Missing or broken refrigerator handle
- Inoperable bathroom exhaust fan

- Exterior Lighting
- Damaged (not missing) outlet covers
- Inoperable secondary smoke detectors
- Presence of vermin/roaches
- Minor faucet and/or plumbing leaks

The deficiencies must be cleared by a certification signed by owner and participant. If the certification is not approved by a supervisor, a re-inspection must be performed.

Appropriate third party documentation must be supplied where appropriate, including gas/utility receipt or invoice.

10.5 CONSEQUENCES IF FAMILY IS RESPONSIBLE

[24 CFR 982.404(b)]

If non-emergency violations of HQS are determined to be the responsibility of the family, the HAFC will require the family make any repair(s) within 30 calendar days. If the repair(s) or correction(s) are not made in this time period, the HAFC will terminate assistance to the family and terminate the HAP contract. Extensions in these cases must be approved by supervisors. The owner's rent will not be abated for items which are the family's responsibility.

If the tenant is responsible and corrections are not made, the HAP Contract will terminate when assistance is terminated.

10.6 CONSEQUENCES IF OWNER IS RESPONSIBLE (NON-EMERGENCY ITEMS)

[24 CFR 982. 404, 982.453]

If owner-caused deficiencies are not corrected in the time period required by the Housing Authority, housing assistance payments will be abated and the contract may be terminated.

10.6.1 Abatement

If the reinspection fails, the reinspection appointment letter will include the effective date of the abatement if all owner-responsibility repairs are not completed by the date of the reinspection. Abatement will begin the first of the following month.

The HAFC will inspect abated units within 30 calendar days of the owner's notification that the work has been completed. If the owner makes repairs prior to the first of the following month the abatement will be cancelled. If repairs are completed during the abatement period, payment will resume on the day the unit passes inspection.

No retroactive payments will be made to the owner for the period of time the rent was abated and the unit did not comply with HQS. The notice of abatement states that the tenant is not responsible for the HAFC's portion of rent that is abated.

10.6.2 Termination of Contract

If the owner is responsible for repairs, and fails to correct all the deficiencies cited prior to the end of the abatement period, the owner will be sent a HAP Contract Proposed Termination Notice. Prior to the effective date of the termination, the abatement will remain in effect. The tenant will be issued a voucher to search for another unit.

If repairs are completed before the effective termination date, the termination may be rescinded by the HAFC if the tenant chooses to remain in the unit. Only two Housing Quality Standards inspections will be conducted after the termination notice is issued.

10.7 DETERMINATION OF RESPONSIBILITY

[24 CFR 982.404]

Certain HQS deficiencies are considered the responsibility of the family:

- Tenant-paid utilities not in service.
- Failure to provide or maintain family-supplied appliances
- Damage to the unit or premises caused by a household member or guest beyond normal wear and tear

The owner is responsible for all HQS violations other than those bulleted in the paragraph directly above.

The owner is responsible for vermin infestation even if caused by the family's living habits. However, if such infestation is serious and repeated, it may be considered a lease violation and the owner may evict for serious or repeated violation of the lease. The HAFC may terminate the family's assistance on that basis.

The inspector will make a determination of owner or family responsibility during the inspection. The owner or tenant may appeal this determination to the HAFC within 10 business days of the inspection.

If the family is responsible but the owner carries out the repairs, the owner will be encouraged to bill the family for the cost of the repairs and the family's file will be noted.

10.7.1 Normal Wear and Tear

"Normal wear and tear" is defined as items which could be charged against the tenant's security deposit under state law or court practice.

10.8 LEAD-BASED PAINT AND HQS

[24 CFR Part 35]

In order to comply with the Residential Lead-Based Paint Hazard Reduction Act of 1992 and the HUD regulations of September 15, 1999 the HAFC will adopt the following policies. For all pre1978 dwelling units with a child under six years of age, during the initial and annual inspections, the HAFC will conduct a visual assessment of all painted surfaces in order to identify any deteriorated paint. If deteriorated paint is found, the owner will be required to perform paint stabilization. If the area to be stabilized is above "de minims levels", the owner will be required to use "safe work practices" as defined in 24 CFR Part 35.1350. For common terms used regarding lead hazard reduction see the end of this section.

10.8.1 Owner Responsibilities

The owner must notify the HAFC and the family if aware of any known lead-based paint or lead-based paint hazards on the premises. This must occur prior to execution of the HAP contract.

The owner must perform paint stabilization when required by the HAFC as a result of an HQS inspection.

Where a pre-1978 dwelling unit is occupied by a child of less than six years of age with an environmental intervention blood lead level (EIBLL),the owner will:

- be required to allow the HAFC to conduct a risk assessment of the dwelling unit;
- be advised of the risk assessment inspection and given the opportunity to be present;
- upon receipt of a written report of the results of the above inspection, the owner must post notice to the tenant;
- if hazard conditions exist, the owner must comply with the scope of the work within 30 days;
- once interim controls or abatement (corrective actions to reduce or eliminate LBP hazards) have been completed, the owner must contract with a Certified Lead Inspector (CLI) for a clearance examination;
- once cleared by the CLI, a copy of the Clearance Report must be provided by the owner to the HAFC.

10.8.2 HAFC Responsibilities

The HAFC staff will conduct a visual assessment at initial and periodic inspections. If during the inspection the family informs the HAFC staff person there is a child under 6 years of age with an EIBLL, staff is to give a written report to a Housing Choice Voucher manager.

The HAFC will attempt to obtain from the health department names and/or addresses of children with EIBLL's. Such information will be matched with HAFC address records of assisted families.

The HAFC will report to the health department addresses of assisted units, unless the health department states it does not want such a report.

Lead-based paint inspection reports, with owner certifications, will be kept for a minimum of three years; indefinitely if chewable surfaces require testing.

As part of the briefing of applicant/participant families, the HAFC will provide the household with a copy of the HUD brochure, "Protect Your Family from Lead in Your Home."

Where a pre-1978 dwelling unit is occupied by a child of less than six years of age with an environmental intervention blood lead level (EIBLL), and the HAFC has received EIBLL notification by the health department or other medical health care provider, the HAFC will:

- schedule a risk assessment within 15 days and give the owner an opportunity to be present;
- place the housing assistance payment on hold, if the written report reveals items which must be corrected;
- notify the owner in writing of the hold, and of the Lead Based Paint Hazard Reduction Procedures [letter], giving 30 days to correct all items;
- upon receipt of a clearance form per 24 CRF 35.1340, will release the housing assistance payment;
- notify the owner and family in writing of termination of the contract and housing assistance payments if the required clearance form is not provided by the end of the 30-day correction period;
- if the owner does not obtain a clearance, or if the family decides not to stay in the unit, the HAFC will process the family's request to transfer to another unit, if the family serves a proper notice of intent to vacate and meets the other requirements to transfer as described in Chapter 13 of this Plan.

The unit will be taken off the program and the property tracked so that it will not be allowed back on the program until such time as a clearance is supplied.

10.8.3 Common Definitions Regarding Lead-Based Paint

Below are some of the key terms used in this section. Other definitions are located in 24 CFR Part 35.7, 35.110.

Abatement means any set of measures designed to permanently eliminate lead-based paint or lead-based paint hazards. Abatement includes:

(1) The removal of lead-based paint and dust-lead hazards, the permanent enclosure or encapsulation of lead-based paint, the replacement of components or fixtures painted with lead-based paint, and the removal or permanent covering of soil-lead hazards; and

(2) All preparation, cleanup, disposal, and post abatement clearance testing activities associated with such measures.

Certified [Inspector] means licensed or certified to perform such activities as risk assessment, lead-based paint inspection, or abatement supervision, either by a State or Indian tribe with a lead-based paint certification program authorized by the Environmental Protection Agency (EPA), or by the EPA, in accordance with 40 CFR part 745, subparts L or Q.

Clearance Examination means an activity conducted following lead-based paint hazard reduction activities to determine that the hazard reduction activities are complete and that no soil-lead hazards or settled dust-lead hazards, as defined in 24 CFR Part 35, exist in the dwelling unit or worksite. The clearance process includes a visual assessment and collection and analysis of environmental samples. Dust-lead standards for clearance are found in 24 CFR Part 35.1320.

De Minimis Levels (aka De Minimis Rule) means:

- 20 sq ft on exterior surfaces,
- 2 sq ft in any one interior room, or
- 10% of total surface area of an interior or exterior type component with a smaller surface area (e.g., window sills)

Deteriorated Paint means any interior or exterior paint or other coating that is peeling, chipping, chalking or cracking, or any paint or coating located on an interior or exterior surface or fixture that is otherwise damaged or separated from the substrate.

Environmental Intervention Blood Lead Level (EIBLL) means a confirmed concentration of lead in whole blood equal to or greater than 20 ug/dl (micrograms of lead per deciliter) for a single test or 15 to 19 ug/dl in two tests taken at least 3 months apart.

Hazard Reduction means measures designed to reduce or eliminate human exposure to lead-based paint hazards through methods including interim controls or abatement or a combination of the two.

Interim Controls means a set of measures designed to reduce temporarily human exposure or likely exposure to lead-based paint hazards. Interim controls include, but are not limited to, repairs, painting, temporary containment, specialized cleaning,

clearance, ongoing lead-based paint maintenance activities, and the establishment and operation of management and resident education programs.

Paint Stabilization means repairing any physical defect in the substrate of a painted surface that is causing paint deterioration, removing loose paint and other material from the surface to be treated, and applying new protective coating or paint.

Risk Assessment means: (1) An on-site investigation to determine the existence, nature, severity, and location of lead-based paint hazards; and (2) The provision of a report by the individual or firm conducting the risk assessment explaining the results of the investigation and options for reducing lead-based paint hazards.

Visual Assessment means looking for, as applicable: (1) Deteriorated paint; (2) Visible surface dust, debris, and residue as part of a risk assessment or clearance examination; or (3) The completion or failure of a hazard reduction measure.

CHAPTER 11: PAYMENT STANDARDS AND RENT REASONABLENESS, AND OWNER RENTS

[24 CFR 982. 503, 982. 507, 982. 505]

11.1 INTRODUCTION

It is the HAFC's responsibility to ensure that the rents charged by owners are reasonable based upon objective comparables in the rental market. The HAFC will not approve the lease or execute a payments contract until it has determined that the unit meets the minimum HQS and that the rent is reasonable. The HAFC will determine rent reasonableness at initial lease-up, before any increases in rent to owner and at other times as described in this section.

This chapter explains the HAFC's procedures for determination of payment standards, rent-reasonableness, payments to owners, and rent adjustments.

11.2 SETTING THE PAYMENT STANDARDS FOR THE VOUCHER PROGRAM

[24 CFR 982. 503(b)(1)]

HUD regulations allow the HAFC to set payment standards at a level that is between 90 percent and 110 percent of the Fair Market Rent (FMR) for its jurisdiction. The HAFC must set the payment standard at a level that is high enough to ensure that families are able to afford quality housing, ensure the payment standard does not inflate the rental market rates while balancing the need to provide assistance to as many families as possible.

The HAFC sets its payment standards between 90% and 110% of the Fair Market Rents.

11.2.1 Manufactured Home Space Payment Standard

The Payment Standard for a manufactured home space is to 40 % of the published FMR for a 2-bedroom unit.

11.2.2 Exception Payment Standard – PIH Notice 2010-11

Exception Payment Standards exceeding 120% of the FMR will require HUD approval for the total area of a HAFC's jurisdiction or place.

Justification for Payment Standard exceptions above 120% must demonstrate that the approval is:

- needed to prevent financial hardship for families
- supported by a program justification
- justified by rental survey results.

HAFC's may request HUD approval up to 120% as reasonable accommodation for a family with a disabled member.

11.3 MAXIMUM INITIAL RENT BURDEN

Any new admission or any family who moves may not pay more than 40% of adjusted income toward the initial rent and utilities for the unit if the gross rent for the unit exceeds the applicable payment standard for the family.

EXAMPLE: Maximum Initial Rent Burden

Tenant Rent Exceeds 40% of Adjusted Monthly Income

Family's monthly adjusted income	$600
TTP @ 30%	$180
40% adjusted income	$240
Payment Standard	$500
Minus TTP	- 180
Maximum subsidy	$320
Unit gross rent (above payment standard)	$575
Minus maximum subsidy	-320
Family share	$255

HAFC cannot approve the unit because the family would be required to pay more than 40% of its monthly adjusted income.

1.4 ADJUSTMENTS TO PAYMENT STANDARD

The HAFC will review Payment Standards at least annually. A quarterly review will be done if any of the following occurs:

- 25% or more Voucher holders cannot locate housing within the term of the Voucher
- 40% or more of families of a particular unit size pay more than 30% of adjusted income as their family share
- based on a review of its rent reasonableness data base and vacancy rate data, there is an insufficient supply of vacant units below the payment standard in areas without minority concentration and/or poverty-impacted areas.

11.5 PAYMENT STANDARD FOR A FAMILY

The payment standard is used to calculate the monthly housing assistance payment (HAP) for a family under the Housing Choice Voucher program. The HAP, or subsidy, is arrived at by taking the lower of:

- Payment standard minus the Total Tenant Payment (TTP) or
- Gross rent for the unit minus the TTP.

Under the HCV program, if the gross rent for the unit is lower than the payment standard, the family will pay the full TTP. If the gross rent for the unit is higher than the payment standard, the family will pay the TTP plus the amount by which the gross rent exceeds the payment standard.

The payment standard amount for a family is the lower of:

- Payment standard amount for the family unit size, or
- Payment standard amount for the size of the unit leased by the family

If the unit is located in an exception area, the HAFC must use the appropriate payment standard amount for the exception area.

The payment standard in place on the effective date of the HAP contract remains in place for the duration of the contract term unless the HAFC increases or decreases its payment standard.

11.5.1 When the Payment Standard Increases

If a payment standard is increased, the higher payment standard is used in calculating the HAP at the time of the family's first regular (annual) reexamination. Families requiring or requesting interim reexaminations will *not* have their HAP payments calculated using the higher payment standard until their next annual reexamination.

11.5.2 When the Payment Standard Decreases

[24CFR 982.505]

If the amount of the payment standard decreased during the term of the HAP contract, the lower payment standard amount generally must be used to calculate the monthly housing assistance payment. The HAFC must determine the payment standard for the family as follows:

Step 1: At the first regular reexamination following the decrease in the payment standard amount, the HAFC will determine the payment standard using the decreased payment standard amount.

Step 2: (First reexamination payment standard amount). The HAFC will compare the payment standard amount from Step 1 to the payment standard amount last used to

calculate the monthly housing assistance payment for the family. The payment standard amount used by the HAFC to calculate the monthly HAP at the first regular reexamination following the decrease in the payment standard amount is the higher of these two payment standard amounts. The HAFC will advise the family that the application of the lower payment standard amount will be deferred until the second regular reexamination following the effective date of the decrease in the payment standard amount.

Step 3: (Second reexamination payment standard Amount). At the second regular reexamination following the decrease in the payment standard amount, the lower payment standard amount will be used to calculate the monthly HAP for the family unless the HAFC has subsequently increased the payment standard amount. Current regulations do not give a housing authority discretion to set policy in this matter.

11.5.3 Change in the Family Unit Size

Irrespective of any increase or decrease in the payment standard amount, 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.

11.6 RENT REASONABLENESS DETERMINATIONS

[24 CFR 982.503, 982.507]

The Housing Authority is responsible for ensuring that the rents charged by owners are reasonable based upon objective comparables in the rental market.

The Housing Authority will complete a rent-reasonable determination prior to entering in to a new contract with the owner. The Housing Authority will also complete a rent-reasonableness determination upon request by the owner to increase the contract rent. The Housing Authority will ensure that the requested rent:

1. Does not exceed rents currently charged on new leases by the same owner for an equivalent assisted or unassisted unit in the same building or complex, and

2. Is reasonable in relation to rents currently charged by other owners for comparable units in the unassisted market.

The Housing Authority must re-determine rent reasonableness if directed by HUD and based on a need identified by the Housing Authority's auditing system. The Housing Authority may elect to re-determine rent reasonableness at any other time.

At all times during the assisted tenancy, the rent paid to the owner may not exceed the reasonable rent as determined by the Housing Authority.

If requested, the owner must give the Housing Authority information on rents charged by the owner for other units in the complex or elsewhere.

The data collected is used in a rent comparable system. This system calculates a variety of criteria to provide rent comparable information, including:

1. Size
2. Location
3. Quality
4. Amenities
5. Age of unit
6. Unit type
7. Utilities
8. Housing Services
9. Maintenance

The rent reasonableness database will retrieve at least 3 open market comparables to be used for rent determination. All comparables will be based on the rent that the unit would command if leased in the current rental market.

11.6.1 Making and Documenting the Rent Reasonableness Determination

Rent reasonableness data will be used to make a side-by-side comparison of the proposed unit against three open market rental units. The 9 comparability factors will be reviewed to ensure consistency. While not all factors will be identical they should be sufficiently similar to demonstrate they are comparable units.

The user should negotiate at the "Estimated Monthly Market Ren" determined by the Go Section 8 software. The "Rent Range" should only be used for market information.

If the owner or property manager supplies information that the rent being requested is rent-reasonable the user may negotiate higher than the "Estimated Monthly Rent", but never higher than the "Rent Range." Rents negotiated above the "Estimated Monthly Rent" must be verified and documented.

If data retrieved is insufficient to meet 3 open market comparables the Housing Authority may exercise one of the following methods for making rent reasonableness determinations, <u>and will document why an alternate method of documenting was needed</u>. Alternate methods include:

- Owner will be asked to supply additional rental amounts for comparable unassisted units.
- When there are no comparable units of like bedroom size, HAFC will use a multiplier of 15% per bedroom size to estimate the rental value of the larger-size bedroom unit.

- Comparables may be used from outside areas which are considered comparable to the proposed unit.

11.7 OWNER PAYMENT IN THE VOUCHER PROGRAM

[24 CFR 982. 503]

The maximum subsidy for each family is determined by the Payment Standard for the Voucher size issued to the family, less 30% of the family's Monthly Adjusted Income. The actual subsidy level could be less if the family is required to pay the Minimum Total Tenant Payment (10% of the family's Monthly Income).

The Voucher size issued to the family is based on the HAFC's Subsidy Standards. The Payment Standard for the family is based on the lesser of the Payment Standard for the Voucher size issued and the Payment Standard for the unit selected.

The Housing Assistance Payment to the owner is the lesser of the subsidy described above or the rent charged by the owner.

11.7.1 Subsidy Calculation

Under the Housing Choice Voucher Program, the HAP subsidy is *the lower of*:

- the Payment Standard minus the Total Tenant Payment, OR
- the gross rent (rent to the owner plus utility allowance) minus the Total Tenant Payment

Total Tenant Payment is the highest of:

- thirty (30) percent of the monthly adjusted income
- ten (10) percent of monthly gross income
- welfare rent (in as paid states) or
- the HAFC minimum rent (see Chapter 6)

A family renting a unit above the Payment Standard also pays the highest of the amounts above, plus the amount by which the gross rent for the unit exceeds the Payment Standard. An example of the subsidy calculation is as follows:

EXAMPLE: Subsidy Calculation:

Gross Rent is lower than Payment Standard

$575	Payment Standard
-150	TTP
$425	Maximum Subsidy
$570	Gross Rent
-150	TTP
$420	HAP Subsidy

11.8 MAKING PAYMENTS TO OWNERS

[24 CFR 982.451, 982.311(d)(1)]

Once the HAP Contract is executed, the HAFC begins processing payments to the landlord. The effective date and the amount of the HAFC payment is communicated in writing to the family and owner. A HAP Register will be used as a basis for monitoring the accuracy and timeliness of payments. Changes are made automatically to the HAP Register for the following month. Payments are disbursed by Accounting to the owner each month as described below.

The owner is allowed to keep the housing assistance payment for the month when the family moves out of the unit, except when a participant moves from one unit to another , owned by the same owner; double subsidy for the partial days of the month is not allowed.

Payments will only be disbursed on the first of the month and at mid-month through Electronic Funds Transfer (EFT) process. Exceptions may be made with the approval of the Director in cases of hardship**.**

Payments that are not received will not be replaced until a written request has been received from the payee and a stop payment has been put on the check. Owners will be advised there may be a $10 processing fee for re-issuance of a HAP payment.

11.9 RENT ADJUSTMENTS

[24 CFR 982.519 and 982.308 (g)]

Rent adjustment is a request to increase the existing contract rent. The request for a rent adjustment must be completed by the owner/agent. The owner/agent can request a rent adjustment after the initial lease term by providing a copy of the written 60 day notice to increase rent to both the family and the HAFC. The following steps must take place before the request can be approved:

- All requests must be submitted to the family and the HAFC at least 60 days prior to the effective date of the rent adjustment.
- The unit must pass the Housing Quality Standard inspection within the last twelve months.
- If there are any other changes to the lease agreement such as who is responsible for utilities/appliances or the term of the lease, these changes must be in writing. The owner must immediately provide the HAFC with a copy of these changes. The HAFC will execute a new HAP contract reflecting these changes.
- The amount requested cannot exceed rents currently charged by the owner for a comparable unassisted units in the same building or complex (on the premises), and
- The amount requested must be reasonable in relation to rents currently charged by other owners for comparable units in the unassisted market.
- Family must give consent of their acceptance of proposed rent increase by owner.

11.9.1 Rent Adjustment Determination

All rent adjustment determinations will be based on the rent reasonableness determination method previously described in this chapter. If the rent adjustment is approved, the change in rent does not affect the automatic renewal of the lease and does not require a new lease/contract or an executed amendment. A notice of rent adjustment letter will be sent to the owner and the family.

If the HAFC is not able to accept the amount of the owner's proposed increase because it exceeds the HAFC's rent reasonableness determination for a comparable unassisted unit, the HAFC will contact the owner to negotiate rent. HAFC may inspect the unit for the purpose of determining rent reasonableness. Once the amount has been negotiated and approved, a notice of rent adjustment letter will be sent to the owner and the family.

If, during the negotiation process, the HAFC and the owner cannot reach an agreement on the rent adjustment, the HAFC will send a letter to the owner denying the request for rent adjustment.

11.9.2 Special Adjustments

[24 CFR 982. 520]

An owner may request a special adjustment based on substantial and general increases in real property such as: taxes, special government assessments, or costs of utilities. The rent requested must be found to be reasonable and must be approved by HUD.

CHAPTER 12: REEXAMINATIONS

12.1 INTRODUCTION

The HAFC is required to reexamine each family's income and composition at least every twelve months, and to adjust the family's level of assistance accordingly. Interim reexaminations are also needed in certain situations. This chapter discusses both annual and interim reexaminations, and the recalculation of family share and subsidy that occurs as a result. HUD regulations and HAFC policies concerning reexaminations are presented in three parts:

Part I: Annual Reexaminations. This part discusses the process for conducting annual reexaminations.

Part II: Interim Reexaminations. This part details the requirements for families to report changes in family income and composition between annual reexaminations.

Part III: Outcomes from Recertifications. This part discusses the recalculation of family share and subsidy amounts based on the results of annual and interim reexaminations.

Policies governing reasonable accommodation, family privacy, required family cooperation, and program abuse, as described elsewhere in this plan, apply to both annual and interim reexaminations.

PART I: ANNUAL REEXAMINATIONS

12.2 OVERVIEW

The HAFC must conduct a reexamination of family income and composition at least every twelve months. This includes gathering and verifying current information about family composition, income, and expenses. Based on this updated information, the family's income and rent must be recalculated. This part discusses the schedule for annual reexaminations, the information to be collected and verified, and annual reexamination effective dates.

12.3 SCHEDULING ANNUAL REEXAMINATIONS

The HAFC must establish a policy to ensure that the annual reexamination for each family is completed within a 12-month period, and may require reexaminations more frequently.

The HAFC will begin the annual reexamination process 120 days in advance of its scheduled effective date. Generally, the HAFC will schedule annual reexamination effective dates to coincide with the family's anniversary date.

Anniversary date is defined as 12 months from the effective date of the family's last annual reexamination or, during a family's first year in the program, from the effective date of the family's initial examination (admission).

12.3.1 Notification of and Participation in the Annual Reexamination Process

The HAFC is required to obtain the information needed to conduct annual reexaminations. How that information will be collected is described below.

Families generally are required to complete the annual reexamination process by mail.

Notification of the annual reexamination process will be sent by first-class mail and will contain the certification packet for completion and must be returned by the specified due date.

If the family is unable to return the packet within the deadline, the family should contact the HAFC in advance of the due date to request an extension. If a family does not provide required information by the deadline, including any extension granted, or if the notice is returned by the post office with no forwarding address, a notice of termination (see Chapter 15) will be sent to the family's address of record.

12.4 CONDUCTING ANNUAL REEXAMINATION

As part of the annual reexamination process, families are required to provide updated information to the HAFC regarding the family's income, expenses, and composition [24 CFR 982.551(b)]. (For policy regarding how the family should request to add new family members to their family composition, *Changes in Family and Household Composition* in this Chapter).

12.4.1 Annual Reexamination by Mail

The family will be notified by mail up to 120 calendar days in advance of the anniversary date of the requirement to complete their annual reexamination process. If requested as an accommodation by a person with disabilities, the HAFC will provide the notice in an accessible format; home visits may also be requested for this purpose so the HAFC can assist the family in completing their annual reexamination requirement. The HAFC will also mail the notice to a third party, if requested as a reasonable accommodation for a person with disabilities. These accommodations will be granted upon verification that they meet the need presented by the disability.

Families will be asked to mail in all required information (as described in the reexamination notice) with their completed reexamination packet. The required information will include the Personal Declaration Packet, an Authorization for the Release of Information/Privacy Act Notice, as well as supporting documentation related to the family's income, expenses, and family composition.

Any required documents or information that the family is unable to provide at the time their packet is mailed to the HAFC, must be provided within 10 calendar days or the next day the agency is open after the 10th calendar day of the written request for the incomplete information which the HAFC will mail to the family. If the family is unable to obtain the information or materials within the required time frame, the family may request an extension.

If the family does not provide the required documents or information requested within the required time frame, including any extensions, the family will be sent a notice of the HAFC's intent to terminate the family's assistance; (see Chapter 15).

12.4.2 Conducting Face-to-Face Interviews

While most reexaminations are conducted by mail, face-to-face interviews may be conducted at any time at the HAFC discretion, or if needed by a person with disabilities as a reasonable accommodation. (Also the face-to-face interview method is commonly selected when conducting the initial certification during the intake process for new admissions).

When using this method the HAFC will normally require the head of household and spouse to attend the interview. If the head of household is unable to attend the interview, any adult member who is available may attend the appointments unless a specific member is identified.

12.4.3 Documents Required from the Family [Voucher Program Guidebook, Chapter 12]

In the notification letter to the family, the HAFC will include instructions for the family to mail in (or bring to the interview) the following documents:

- Documentation of income for all family members
- Documentation of all assets
- Documentation of any deductions/allowances
- Personal declaration form completed by the head-of-household
- Immigration cards for any new family members
- Consent forms for criminal background checks

At annual reexamination, HAFC will use the same procedures for obtaining and verifying information that were used at admission; (see Chapter 7). Verifications obtained at reexamination must be no more than 120 days old on the effective date of recertification.

12.4.4 Failure to Respond to Notification of Requirement for Annual Reexamination

After receiving the Personal Declaration reexamination packet, the family is required to complete and return the packet with all requested documents on or before the due date listed in the reexamination notification. Failure to meet the deadline is grounds for termination of assistance. For more details on missed deadlines, and for exceptions to the policy which may be made by a supervisor if the family is able to document an emergency situation which requires an extension on the time needed to comply with the annual reexamination requirement,, see Chapter 15.

12.4.5 Criminal Background Checks

Criminal background checks will be conducted for all new adult (age 18 and above) live-in aides, household members being added to a currently assisted household, and all incoming families porting into the HAFC's jurisdiction.

As part of the annual reexamination process criminal backgrounds may be conducted for adults (age 18 and over).

12.5 DETERMINING ONGOING ELIGIBILITY OF CERTAIN STUDENTS

[24 CFR 982.552(b)(5)]

Section 327 of Public Law 109-115 established new restrictions on the ongoing eligibility of certain students (both part- and full-time) who are enrolled in institutions of higher education.

Students who reside with parents in an HCV assisted unit are not subject to this provision. It is limited to students who are receiving assistance on their own, separately from their parents.

If a student enrolled in an institution of higher education is under the age of 24, is not a veteran, is not married, and does not have a dependent child, the student's eligibility must be reexamined along with the income eligibility of the student's parents on an annual basis. In these cases, both the student and the student's parents must be income eligible for the student to continue to receive HCV assistance. If, however, a student in these circumstances is determined independent from his or her parents in accordance with HAFC policy, the income of the student's parents will not be considered in determining the student's ongoing eligibility.

During the annual reexamination process, the HAFC will determine the ongoing eligibility of each student who is subject to the eligibility restrictions in 24 CFR 5.612(see Chapter 4) by reviewing the student's individual income as well as the income of the student's parents. If the student has been determined "independent" from his/her parents based on the policies in the criteria for admission in Chapter 4, the parents' income will not be reviewed.

If the student is no longer income eligible based on his/her own income or the income of his/her parents, the student's assistance will be terminated in accordance with the policies in Chapter 15.

If the student continues to be income eligible based on his/her own income and the income of his/her parents (if applicable), the HAFC will process a reexamination in accordance with the policies in this chapter.

12.6 ANNUAL RECERTIFICATION EFFECTIVE DATES

The HAFC must establish policies concerning the effective date of changes that result from an annual reexamination [24 CFR 982.516].

In general, **an *increase* in the family share** of the rent that results from an annual reexamination will take effect on the family's anniversary date, and the family will be notified at least 30 days in advance.

- If less than 30 days remain before the scheduled effective date, the increase will take effect on the first of the month following the end of the 30-day notice period.
- If a family moves to a new unit, the increase will take effect on the effective date of the new lease and HAP contract, and no 30-day notice is required.
- If the family causes a delay in processing the annual reexamination, the family will be sent a non-compliance notice due to the family's non-compliance with supplying information requested by the HAFC. In the event the intent to terminate should be reversed, the i*ncrease* in the family share of the rent will be applied retroactively, to the anniversary effective date of the annual reexamination. The family will be responsible for any overpaid subsidy and may be offered a repayment agreement in accordance with the policies in Chapter 18.
- If the HAFC causes a delay in processing the annual reexamination, increases in the family share of the rent will take effect on the first of the month following the end of a 30-day notice period.

In general, a ***decrease* in the family share** of the rent that results from an annual reexamination will take effect on the first day of the month following the date the change occurred; e.g., family reports a decrease of income in the reexamination packet on 01/15/08; regardless of when the verification comes (see exceptions below) the HAFC will make the new family portion effective on 02/01/08. Also, the family's reexamination anniversary date will change to 02/01/09, which is the new effective date plus one year.

- If the family causes a delay in processing the annual reexamination, d*ecreases* in the family share of the rent will be applied prospectively, from the first day of the month following the date all required documentation was submitted by the family.
- Any delay in processing of the interim change caused by the HAFC will be made effective the first of the month following the date the change was reported.

12.6.1 Determining Whether Delay was Caused by the Family or the HAFC

Delays in reexamination processing are considered to be caused by the family if the family fails to provide information requested by the HAFC by the date specified, and this delay prevents the HAFC from completing the reexamination as scheduled.

Delays in reexamination processing are considered to be caused by the HAFC if the HAFC fails to act promptly in requesting additional verifications needed; or in following up on verifications not received timely (refer to Chapter 7 for each of these); or if the HAFC fails to recalculate the rent portions within a reasonable time (within no more than 10 business days) from the date all information has been received by the HAFC.

PART II: INTERIM REEXAMINATIONS
[24 CFR 982.516]

12.7 OVERVIEW

Family circumstances may change throughout the period between annual reexaminations. HUD and HAFC policies dictate what kind of information about changes in family circumstances must be reported, and under what circumstances the HAFC must process interim reexaminations to reflect those changes. HUD regulations also permit the HAFC to conduct interim reexaminations of income or family composition at any time. When an interim reexamination is conducted, only those factors that have changed are verified and adjusted.

In addition to specifying what information the family must report, HUD regulations permit the family to request an interim determination if other aspects of the family's income or composition changes. The HAFC must complete the interim reexamination within a reasonable time (30 days) after the family's request.

This part includes HUD and HAFC policies describing the changes families are required to report, what changes families may choose to report, and how the HAFC will process both HAFC- and family-initiated interim reexaminations.

12.7.1 Update Voucher Size

Changes in voucher size and payment standards do not occur during the interim certification process unless an error in the voucher size/payment standard was made at the last action (annual reexamination or admission to the program). If a family member is added or removed, the voucher/payment standard change is made at the time of the annual certification.

12.8 CHANGES IN FAMILY AND HOUSEHOLD COMPOSITION

HUD requires the HAFC adopt policies prescribing when and under what conditions the family must report changes in family composition; and when the HAFC will conduct an interim reexamination.

The HAFC will conduct interim reexaminations to account for any changes in household composition that occur between annual reexaminations. Reporting requirements are described in the following sections.

12.8.1 New Family Members Not Requiring Approval

The addition of a family member as a result of birth, adoption, or court-awarded custody does not require HAFC approval. However, the family is required to promptly notify the HAFC of the addition [24 CFR 982.551(h)(2)]. The family must inform the HAFC of the birth, adoption or court-awarded custody of a child within 10 calendar days or the next day the agency is open after the 10th calendar day.

12.8.2 New Family and Household Members Requiring Approval

With the exception of children who join the family as a result of birth, adoption, or court-awarded custody, a family must request HAFC approval to add a new family member [24 CFR 982.551(h)(2)] or other household member (live-in aide or foster child) [24 CFR 982.551(h)(4)].

When any new family member is being added, the HAFC will conduct an interim reexamination to determine any new income or deductions associated with the additional family member, and to make appropriate adjustments in the family share of the rent and the HAP payment [24 CFR 982.516(e)].

All changes in family composition must be approved by the HAFC prior to the individual moving in the unit. All changes in family composition (not requiring prior approval by HAFC) must be reported to the HAFC within 10 calendar days or the next day the agency is open after the 10th calendar day.

The HAFC will only approve an addition of a minor to the household composition resulting from birth, adoption, court-awarded custody, or a minor who is a member of the nuclear family who has been living elsewhere.

The HAFC will only approve the addition of an adult who

- Is the, spouse or Registered Domestic Partner of any family member, or
- An adult child due to recent discharge from the military, or
- An adult child or a parent due to a disability; or
- The biological parent of a minor child.

In order to add the adult the individual must meet the following criteria outlined in Chapter 4: Eligibility for admission:

4.5 Verification of Need for a Live-in Aide
4.6 Approval or Disapproval of a particular person as Live-in Aide
4.12 All Citizenship/Eligibility Immigration Status
4.13 Family consent to Release of Information
4.14 Restriction on Eligibility of Students
4.17 Mandatory Denial of Assistance
4.18 Additional Prohibitions
4.19 Screening for Admission
4.19.2 Factors to Consider Prior to Final Determination
4.20 Consideration of Circumstances

If the HAFC determines an individual meets the HAFC's eligibility criteria as defined in Chapter 4, and if the owner provides written permission to add the new family member to the lease, the HAFC will provide written approval to the family. If the approval of a new family member or live-in aide will cause overcrowding according to HQS standards, the approval letter will explain that the family will be issued another voucher and will be required to move.

If the HAFC determines that an individual does not meet the HAFC's eligibility criteria as defined in Chapter 4, the HAFC will notify the family in writing of its decision to deny approval of the new family or household member and the reasons for the denial.

In considering whether to approval additional family members the HAFC will consider current available funding if the change in family size would require the issuance of a larger voucher.

12.8.3 Departure of a Family or Household Member

Families must promptly notify the HAFC if any family member no longer lives in the unit [24 CFR 982.551(h)(3)]. Because household members are considered when determining the family unit (voucher) size [24 CFR 982.402], the HAFC also needs to know when any live-in aide, foster child, or foster adult ceases to reside in the unit.

If a household member ceases to reside in the unit, the family must inform the HAFC within 10 calendar days or the next day the agency is open after the 10th calendar day. This requirement also applies to a family member who has been considered temporarily absent at the point that the family concludes the individual is permanently absent.

If a live-in aide, foster child, or foster adult ceases to reside in the unit, the family must inform the HAFC within 10 business days.

Failure to report to the HAFC within 10 calendar days the departure of a family or household member is a violation of the family's obligations under the HCV program and may be grounds for termination of assistance. For actions the HAFC will take when non-reporting issues occur, see Chapter 23, *Investigating Errors and Program Abuse*.

12.9 CHANGES AFFECTING INCOME OR EXPENSES

The family is required to report all changes of income to the HAFC. The sections below will outline when the HAFC will conduct an interim reexaminations based on the reported changes.

The HAFC will not conduct an interim reexamination for increases in the family income, unless

- the family requests the HAFC to do so,
- there is also a change in the family composition, or
- if a family who had zero income obtains a source of income; in this case their rent will be adjusted to reflect the new income.

12.9.1 Required Reporting

The HAFC requires that the family report all changes in income to the HAFC within 10 calendar days of the change, though a rent adjustment will be deferred until the annual reexamination unless the family requests that the adjustment be processed.

12.9.2 HAFC-Initiated Interim Reexaminations

When the family reports zero income, the HAFC will conduct an interim reexamination every four months (or annual if within 120 days of the annual reexamination as long as the family continues to report that they have no income.

When the rent calculation results in a utility reimbursement payment to the family, the HAFC may conduct an interim reexamination every six months.

12.9.3 Family-Initiated Interim Reexaminations

HUD regulations require that the family be permitted to obtain an interim reexamination any time the family has experienced a change in circumstances since the last determination [24 CFR 982.516(b)(2)].

The family may request an interim reexamination any time the family has experienced a change in circumstances since the last determination [24 CFR 982.516(b)(2)]. The HAFC must process the request if the family reports a change that will result in a reduced family income.

If a family reports a decrease in income from the loss of welfare benefits due to fraud or non-compliance with a welfare agency requirement to participate in an economic self-sufficiency program, the family's share of the rent will not be reduced [24 CFR 5.615]. For more information regarding the requirement to impute welfare income see Chapter 6.

If a family reports a change that it was not required to report (e.g., an increase in an expense which would result in reducing the family's annual adjusted income; see Chapter 6 for a list of allowable expenses) and the change would result in a decrease in the family share of rent, the HAFC will conduct an interim reexamination.

12.10 PROCESSING THE INTERIM REEXAMINATION

12.10.1 Method of Reporting

The family must notify the HAFC of all changes in income or household composition in writing.

Generally, the family will not be required to attend an interview for an interim reexamination. However, if the HAFC determines that an interview is warranted, the family may be required to attend.

Based on the type of change reported, the HAFC will determine the documentation the family will be required to submit. The family must submit any required information or documents within 10 calendar days or the next day the agency is open after the 10th calendar day of receiving a request from the HAFC. This time frame may be extended for good cause with HAFC approval. The HAFC will accept required documentation by mail, by fax, or in person.

12.10.2 Effective Dates

The HAFC must establish the time frames in which any changes that result from an interim reexamination will take effect [24 CFR 982.516(d)]. The changes may be applied either retroactively or prospectively, depending on whether there is to be an increase or a decrease in the family share of the rent, and whether the family reported any required information within the required time frames [HCV GB, p. 12-10].

If the family share of the rent is to *increase*:

- The increase generally will be effective on the first of the month following 30 days' notice to the family.

If the family share of the rent is to *decrease*:

- The decrease will be effective on the first day of the month following the date of the reported change.

If an interim is within 120 days of the reexamination anniversary date, the HAFC will do a full reexamination and change the anniversary date to match the new effective date plus one year.

PART III: OUTCOMES FROM RECERTIFICATIONS: RENT CHANGE NOTICES AND HANDLING DISCREPANCIES

12.11 NOTIFICATION OF NEW FAMILY SHARE AND HAP AMOUNT

The HAFC must notify the owner and family of any changes in the amount of the HAP payment [HUD-52641, HAP Contract]. The notice must include the following information:

- The amount and effective date of the new HAP payment
- The amount and effective date of the new family share of the rent

The family must be given an opportunity for an informal hearing regarding the HAFC's determination of their annual or adjusted income, and the use of such income to compute the housing assistance payment [24 CFR 982.555(a)(1)(i)] (see Chapter 19).

The notice also will state the procedures for requesting an informal hearing.

12.12 DISCREPANCIES

During an annual or interim reexamination, the HAFC may discover that information previously reported by the family was in error, or that the family intentionally misrepresented information. When errors resulting in the overpayment or underpayment of subsidy are discovered, corrections will be made in accordance with the policies in Chapter 18.

CHAPTER 13: TRANSFERS AND PORTABILITY

[24 CFR 982.314; 982.353 (b); 982.355; PIH Notice 2011-3]

13.1 INTRODUCTION

HUD regulations permit families to move with continued assistance to another unit within the HAFC's jurisdiction, or to a unit outside of the HAFC's jurisdiction under Portability procedures. The regulations also allow the HAFC the discretion to develop policies which define any limitations or restrictions on moves. This chapter is separated into three sections which will explain the procedures for moves, both within and outside of, the HAFC's jurisdiction, and the policies for restriction and limitations on moves.

Section One: Policies Relating to Transfers Within the HAFC's Jurisdiction

This section will explain the policies that the HAFC must follow when a family is requesting to transfer their assistance from one unit to another within the jurisdiction, and any restrictions that apply.

Section Two: Policies Relating to Transfers Outside the HAFC's Jurisdiction (Portability)

This section will explain the policies that the HAFC must follow when a family is requesting to move outside of the jurisdiction which is referred to as Portability.

Section Three: Restrictions on Portability

This section covers the policies regarding restrictions which apply when a family requests to move outside the HAFC's jurisdiction.

SECTION ONE: POLICIES RELATING TO TRANSFERS WITHIN THE HAFC'S JURISDICTION

This section pertains to any request which does not involve portability. For information about portability see Sections Two and Three of this chapter.

13.2 ALLOWABLE MOVES

A family may move to a new unit under the following conditions;

1. The assisted lease for the old unit has terminated the HAP contract for owner breach.

2. The lease was terminated by mutual agreement of the owner and the family. For example, if a decrease in the voucher/subsidy size creates a hardship for the participant, the participant and landlord are allowed to enter into a Mutual Agreement so that the participant can find a more affordable unit.

3. The owner has given the family a notice to vacate, or has commenced an action to evict the tenant, or has obtained a court judgment or other process allowing the owner to evict the family (unless assistance to the family will be terminated).

4. The family has given proper notice of lease termination (if the family has a right to terminate the lease on notice to owner) for owner breach or otherwise.

5. The family has given proper notice of lease termination, and the move is needed to protect a victim who is covered under the Violence Against Women Act of 2005. See Section 7.12, Verification Under VAWA ACT.

13.3 RESTRICTIONS ON MOVES

[24 CFR 982.314(e), 982.552(c)(1)(vii); 982.54 (d) (19)]

The HAFC will deny permission to move if:

- The family owes the HAFC money.

A family requesting to move must:

- have a current recertification and

- a current inspection (provided there is no breach of HQS by the family, which has not been corrected

13.3.1 Moves within the First Year of the HAP Contract

Families will not be permitted to move until they have been under contract at least a year according to the effective date of their HAP contract.

The supervisor may make exceptions to these restrictions if there is proper supporting documentation from the client. The following are examples of when a mutual agreement would be accepted before the end of the first year:

1. To protect the health and or safety of a family member (e.g. domestic violence, witness protection programs, emergency fail HQS items);
2. To address an emergency situation over which the family or owner has no control (e.g. owner is going through foreclosure);
3. To allow a move, if needed as a reasonable accommodation, for a family who is a person with disabilities; and
4. To accommodate a change in family circumstances which requires a move to a distant area (e.g. new employment or school attendance in a distant city)

The HAFC will deny permission to move if there is insufficient funding for continued assistance.

13.4 PROCEDURE FOR MOVES

13.4.1 Issuance of Voucher

The HAFC will issue the voucher when the verifications are current. Refer to Section 8.4, Issuance of Vouchers, if verifications are over 60 days old at time voucher would be issued.

13.4.2 Rescinding of Vacate Notice

If the family does not locate a new unit, they may remain in the current unit so long as the owner and family submit a rescinding letter.

13.4.3 Notice Requirements

Briefing sessions emphasize the family's responsibility to give the owner and the HAFC proper written notice of any intent to move.

The family must give the owner the required number of day's written notice of intent to vacate specified in the lease and must give a copy to the HAFC simultaneously.

13.4.4 Time of Contract Change

A move within the same building or project, or between buildings owned by the same owner, will be processed like any other move except that there will be no overlapping assistance.

In a move, assistance will start on the new unit on the effective date of the lease and contract. Assistance payments may overlap for the month in which the family moves. The landlord is allowed to retain the Housing Assistance Payment (HAP) for the month in which the HAP contract was terminated.

SECTION TWO: PORTABILITY

[24 CFR 982.353; PIH Notice 2011-3]

Portability applies to families moving out of (Outgoing Portability) or into (Incoming Portability) a housing authority's jurisdiction within the United States and its territories. Under portability, families are eligible to receive assistance to lease a unit outside of the initial housing authority's jurisdiction. The unit may be located anywhere in the USA in the jurisdiction of a housing authority with a tenant-based assistance program.

13.5 OUTGOING PORTABILITY

[24 CFR 982.353, 982.355]

Within the limitations of the regulations and this policy, a voucher-holder or participant family has the right to receive tenant-based voucher assistance to lease a unit outside HAFC's jurisdiction, anywhere in the United States, in the jurisdiction of a Public Housing Authority (PHA) with a tenant-based program.

When a family requests to move to an area outside of the HAFC's jurisdiction , they are exercising their right to outgoing portability. In this instance the HAFC acts as the Initial housing authority and the following information is a list of the responsibilities the HAFC is responsible for.

If the head or spouse of the assisted family does not have a legal residence in the jurisdiction of the HAFC at the time of its application, the family will not have any right to portability, until after the family has leased up for a year within the jurisdiction of the HAFC.

13.5.1 Responsibility of the Family

The family must consider and verify whether they are eligible before taking any action to move.

- Provide a valid vacate notice to the HAFC and the owner
- Provide HAFC the specific information of the Receiving PHA
- Supply the name, address, phone number and portability contact name for the housing authority which has jurisdiction in the area where they want to move
- If there is more than one PHA in the area in which the family has selected a unit, the family will choose the receiving PHA
- Be in compliance with all of their family obligations
- The family will be required to meet with the HAFC portability specialist to complete the portability request

13.5.2 Responsibility of the Initial PHA

- The PHA will brief the family on the process that must take place to exercise portability.
- In cases where the family is not currently on the program, the PHA will determine whether the family is income-eligible in the area where the family wants to lease a unit. If the family is not income eligible in the area to which the family wishes to move, the PHA must inform the family they may not move to the area in question and receive voucher assistance.
- The PHA must contact the Receiving PHA via e-mail or other confirmed delivery method to determine whether the Receiving PHA will bill or absorb the family's voucher. Based on the Receiving PHA's response, the Initial PHA must determine whether they will approve or deny the portability request. See Section 13.7, Restrictions on Portability in this chapter.
- Once request is approved, the Initial PHA issues the family a voucher and must contact the Receiving PHA on the family's behalf..
- The Initial PHA must advise the family how to contact and request assistance from the receiving PHA.
- Advise the family that they must promptly contact the Receiving PHA and comply with Receiving PHA's procedures for incoming portable families.
- Promptly notify the Receiving PHA to expect the family.
- Pay the Receiving PHA 80% of the Initial PHA's ongoing administrative fee within 30 calendar days of receipt of PART II of the Form HUD-52665.
- Reimburse the Receiving PHA for the HAP payment made in behalf of the family.
- Make payment to the Receiving PHA per the Portability Billing Form.

13.5.3 Responsibility for Sending Documents

The Initial PHA must also send to the Receiving PHA the following documents:

- The current HUD-50058
- Copies of the income verification for the current HUD-50058
- Copies of the citizen/eligible immigrant verification
- A copy of the family's voucher
- The Portability Form, HUD-52665, with Part I completed
- Family Self-Sufficiency information if the family is participating in FSS

13.6 INCOMING PORTABILITY

[24 CFR 982.355, PIH Notice 2011-3]

When a family exercises their rights under portability to move into a new jurisdiction, the new housing authority is called the Receiving PHA. Below is a list of the responsibilities of the Receiving PHA in terms of assisting the family.

13.6.1 Responsibilities of the Receiving PHA

These are the responsibilities of the Receiving PHA:

- The PHA must promptly respond by e-mail or other confirmed delivery method to the Initial PHA's inquiry to determine if the family's voucher will be billed or absorbed. The decision to bill or absorbed cannot be reversed at a later date.
- The Receiving PHA does not re-determine income eligibility for a portable family that was already receiving assistance in the Initial HA tenant-based program.
- The Receiving PHA's selection preferences do not apply.
- The Receiving PHA's waiting list is not used.
- The Receiving PHA may opt to screen or conduct background checks using the Receiving PHA's screening criteria, the Receiving PHA must not delay issuing of voucher or otherwise delay approval of a unit until those processes are completed.
- The Receiving PHA is expected to issue a voucher to the family within two weeks of receiving the HUD-52665 and supporting documentation, provided the information is in order, the family has contacted the Receiving PHA, and the family complies with the Receiving PHA's procedures.
- The voucher cannot expire before any expiration date of any Initial HA voucher. The Receiving PHA decides whether to extend or suspend.
- Determine the family unit size based on the subsidy standards of the Receiving PHA.
- Promptly notify the Initial HA if the family fails to submit a request for tenancy approval within the term of the voucher.
- Promptly notify the Initial HA if the family has leased an eligible unit under the program.

The family must submit a request for approval of tenancy to the Receiving PHA during the term of the Receiving PHA voucher.

To provide tenant-based assistance for portable families, the Receiving PHA must perform all HA program functions such as reexaminations of family income and composition.

At any time the Initial HA or the Receiving PHA may make a determination to deny or terminate assistance to the family in accordance with program regulations.

The Receiving PHA may deny or terminate assistance for action or inaction of the family.

13.6.2 When the Receiving PHA Chooses to Bill the Initial PHA

If a HAP contact is executed, the Receiving PHA must bill the Initial PHA within 10 days of the HAP execution, but no later than 60 days following the expiration of the family voucher issued by the Initial PHA.

- The Portability Form, HUD-52665, with the applicable sections of Part IIB completed.
- A current HUD-50058 if item 3 or 4 are completed on Part II-B of the Portability Billing Form.
- Supply the name of PHA staff designated for inquiries on eligibility and billing.
- The Administrative Fee schedule for billing purposes.
- The Receiving PHA tax ID number.

13.6.3 Absorption

The HAFC will absorb all port-in families into its own voucher program provided that there is funding available. If funding is unavailable at time of portability, the HAFC may absorb a family into its own program at a later date once the HAP contract has been executed. After absorption, the family is assisted with funds available under the HAFC's voucher program.

13.6.4 Income and TTP of Incoming Portables

As Receiving PHA, the HAFC will not conduct a recertification interview unless there has been a change in the family's circumstances. If the family's income exceeds the income limit of the HAFC, the family will not be denied assistance unless the family is an applicant and over the Very-Low Income Limit. If the family's income is such that a $0 subsidy amount is determined prior to lease-up in the HAFC's jurisdiction, the HAFC will refuse to enter into a contract on behalf of the family at $0 assistance.

13.6.5 Requests for Tenancy Approval

A briefing will be mandatory for all portability families.

When the Family submits a Request for Tenancy Approval, it will be processed using the Receiving PHA's policies. If the Family does not submit a Request for Tenancy Approval

or does not execute a lease, the Initial HA will be notified within 60 calendar days by the Receiving PHA. If the Family leases up successfully, the Receiving PHA will notify the Initial HA within 10 working days, but no later than 60 days following the expiration date of the family voucher issued by the Initial PHA, and the billing process will commence. If the Receiving PHA denies assistance to the family, the HAFC will notify the Initial HA within 60 calendar days and the family will be offered a review or hearing. The Receiving PHA will notify the Family of its responsibility to contact the Initial HA if the family wishes to move outside the HAFC's jurisdiction under continued portability.

13.6.6 Payment to the Receiving PHA

When billed, the Initial HA will reimburse the Receiving PHA for 100% of the Housing Assistance Payment, 100% of the Special Claims paid on HAP contracts effective prior to 10/2/95, and 80% of the Administrative Fee (at the Initial HA's rate).

SECTION THREE: RESTRICTIONS ON PORTABILITY

[24 CFR 982.314, 982.552; 982.54 (d) (19)]

With regard to a request to move with continued assistance, participant families will not be permitted to move until they have been under contract at least a year according to the effective date of their HAP contract. Families will not be permitted to move outside the HAFC's jurisdiction under portability procedures during the initial year of assisted occupancy without supervisor approval. An example of such an exception would be where the family obtains new employment outside the HAFC jurisdiction which was secured after issuance of the voucher.

The supervisor may make exceptions to these restrictions if there is an emergency reason for the move over which the participant has no control. The HAFC will deny permission to move if there is insufficient funding for continued assistance.

13.7 RESTRICTIONS ON PORTABILITY

The HAFC will deny permission to move for the same reasons listed in *Restrictions on Moves* in this chapter, plus the following reasons:

- The PHA has grounds to deny the move because of the family's action or failure to act as described in 24 CFR 982.552 or 982.553
- The family is a non-resident applicant, or the family was a non-resident applicant that has not yet been assisted in the Initial PHA jurisdiction for twelve months since being admitted to the program. (24 CFR 982.353(c)).
- The family is an applicant and is not income-eligible in the area in which they wish to initially lease a unit. (24 CFR 982.353(d)(1)).
- The requested move does not comply with PHA established policies on the timing and frequency of moves.
- The PHA does not have sufficient funding for continued assistance to support the move in accordance with (24 CFR 982.314(e)(1).

13.7.1 When a Non-Resident Applicant Requests to Move

A family whose head or spouse has a domicile (legal residence) in the jurisdiction of the city and county of Fresno at the time the family first submits its application for participation in the program to the HAFC may lease a unit anywhere in the jurisdiction of the HAFC or outside the HAFC jurisdiction as long as there is another entity operating a tenant-based Section 8 program covering the location of the proposed unit.

A *non-resident* applicant, however, does not have that right. A non-resident applicant [as described in 24 CFR 982.353(c)] is one where neither the head of household nor the spouse had a legal residence in the jurisdiction of the Initial HA at the time when the family first submitted an application for participation in the program to the Initial HA. Such an applicant who was living in another jurisdiction at the time he or she made an application in Fresno County for assistance, will not be permitted to take the voucher and lease up in another city. The applicant may only lease up within the jurisdiction of the HAFC and is not permitted to move outside HAFC's jurisdiction during the initial lease term.

13.7.2 Exceptions to the Non-Resident Restriction

The HAFC will consider granting an exception to the above restriction pertaining to non-resident voucher holders for the following reasons:

- To protect the health or safety of a family member;
- To accommodate a change in family circumstances (e.g., new employment, school attendance in a distant area);
- To address an emergency situation over which a family has no control;
- For purposes of reasonable accommodation of a family member who is a person with disabilities.

13.7.3 Insufficient Funding to Support the Move

HAFC cannot deny a request to move under portability unless previously approved by HUD due to insufficient funding. The PHA may only deny a request to move to a higher cost unit within the PHA's jurisdiction or to a higher cost area if the PHA would be unable to avoid terminations of housing choice voucher assistance for current participants during the calendar year in order to remain within its budgetary allocation for housing assistance payments.

The PHA must provide written notification to the local HUD Office when it is necessary to deny moves to higher cost units and/or area. The notification must include:

- A financial analysis that demonstrates insufficient funds are projected to meet the current calendar year projection of expenses.
- A statement certifying the PHA has ceased issuing vouchers and will not admit families from their waiting list while the limitation on moves to a higher cost unit/area is in place.

- A copy of the PHA's policy stating how the PHA's will address families who have been denied moves.

Before denying the family's request to move due to insufficient funding, the Initial PHA must contact the Receiving PHA and confirm via e-mail or other confirmed delivery method whether the Receiving PHA will administer or absorb the family's voucher.

If it becomes necessary for HAFC to disapprove moves to a higher cost unit or higher cost area due to insufficient funding:

- This will be announced to all owners and participants.
- A list of families wanting to move under portability will be retained for 60 days, after which time the list will expire.
- Families who remain on the list and still want to move will have to initiate a new transfer request.

The PHA may not deny a family's request to move to a higher cost unit or area because it wishes to admit additional families from its waiting list into its voucher program.

CHAPTER 14: CONTRACT TERMINATIONS

14.1 INTRODUCTION

This chapter identifies the key documents/contracts that set forth the responsibilities of each party involved in the rental assistance relationship and outlines the policies and procedures under which these contracts can be terminated.

14.2 DESCRIPTION OF DOCUMENTS

There are three parties involved in the rental relationship: the assisted family, the owner and the Housing Authority.

The rights and responsibilities of the assisted family are defined in the voucher and the Statement of Family Obligations. A copy of the voucher is provided to the family at admission and each time a new voucher is issued. The family signs the Statement of Family Obligations annually.

The relationship between the family and the owner is outlined in the rental lease. Generally, the term of the lease is for one year and then turns into a month-to-month tenancy. Although the Housing Authority is not a part of the lease, HUD regulations allow public housing agencies to act against the family for serious or repeated violations of the lease.

The terms of the relationship between the owner and the Housing Authority are outlined in the Housing Assistance Payment (HAP) contract. The term of the HAP contract is the same as the term of the lease.

14.3 TERMINATION OF THE LEASE BY THE FAMILY: MOVES

[24 CFR 982.309(c)]

For continued tenant assistance, the family cannot terminate the lease until after the initial term of the lease except for material breach of the lease by the owner. The lease determines the notice period for termination to the owner. Most leases require, at minimum, a 30-day notification.

14.4 TERMINATION OF THE LEASE BY THE OWNER

An owner or manager may bifurcate (separate) a lease in order to evict, remove, or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others, without evicting, removing, terminating assistance, or otherwise penalizing the victim of such violence which is also a tenant or lawful occupant.

14.4.1 Terminating the Lease During the Initial Term of the Lease

[24 CFR 982.310(a)]

During the term of the lease, the owner may not terminate the tenancy except for good cause, which includes serious or repeated violations of the lease and/or violations of federal, state or local law that imposes obligations on the family in connection with the use of the unit.

Under such conditions, the owner must provide both the family and the Housing Authority with a copy of any notice to move or eviction action. An eviction action is defined as a notice to vacate, or a complaint, or other initial pleading used under state and local law to commence an eviction action. Any eviction notice served to a family must specify the grounds for termination of the tenancy.

An owner may begin termination of a tenancy for good cause by serving a legal notice of termination on the family for the following reasons:

1. Serious or repeated violation of the terms and conditions of the lease [24 CFR 982.310 (a)(1)];

2. Violation of federal, state or local law that imposes obligations on the tenant in connection with the occupancy or use of the premises [24 CFR 982.310(a)(2)]

3. Other good cause, [24 CFR 982.301(a)(3)] including:

   - Criminal activity by the tenant, any member of the household, a guest, or another person under the tenant's control that threatens the health, safety or right to peaceful enjoyment of the premises by the other residents, or persons residing in the immediate vicinity of the premises [24 CFR 982.310(d)]
   - Any drug-related criminal activity on or near the premises; or
   - Tenant disturbance of neighbors, destruction of property, or behavior resulting in the damage of the premises.

14.4.2 Terminating the Lease After the Initial Term of the Lease

After the initial term of the lease, the owner may terminate the lease for other good cause. Examples of other good cause include:

- Business or economic reason for regaining possession of the unit
- Owner's desire to repossess the unit for personal or family use or for a purpose other than residential property;

When terminating the lease for business or economic reasons, the owner is required to provide a 90-day notice to both the family and the Housing Authority.

14.4.3 Terminating the Lease due to Foreclosure During the Term of the Lease (Foreclosure ACT of 2009)

1. During the term of the lease, an owner seeking to terminate the lease and vacate the property prior to sale shall not constitute good cause.
2. If the tenant has more than 90 days left on the lease they can stay in the unit until the end of the lease.

3. If the new owner seeks to occupy the unit as their primary residence, the owner is required to provide a 90-day notice to both the family and the HAFC.

14.5 MUTUAL TERMINATION OF THE LEASE

In cases where the owner and the family agree to terminate the lease, both parties have an obligation to notify the Housing Authority in writing at least 30 calendar days in advance of the vacate date in order that the Housing Authority may avoid overpayment to the owner. If the family has properly notified the Housing Authority and is in good standing, they will be scheduled for a transfer appointment where they will receive a voucher and all the necessary documents to search for a new unit.

14.6 TERMINATION OF THE HAP CONTRACT BY HOUSING AUTHORITY

[24 CFR 982.453-982.454]

The Housing Authority will terminate the HAP contract as follows:

- When the Housing Authority terminates program assistance for the family.
- When the owner has breached the HAP contract.
- If the family is required to move from a unit which is overcrowded based on the Housing Authority's current subsidy standards [24 CFR 982.403(a)]
- If funding is no longer available under the Annual Contribution Contract -ACC [24 CFR 982.454].
- If the lease is terminated by the owner or tenant.
- If the family moves from the contract unit, the HAP contract terminates automatically.
- The HAP contract terminates automatically 180 calendar days after the last housing assistance payment to the owner.
- Upon receipt of a notice of foreclosure on the contract unit due to owner failure to comply with mortgage agreement.

Any of the following actions will be considered a breach of the HAP contract by the owner:

- The owner has violated any obligation under the HAP contract for the dwelling unit, including the owner's obligation to maintain the unit according to the Housing Quality Standards (HQS), including any standards the Housing Authority has adopted in this policy [24 CFR 982.453(a)(1)].
- The owner has violated any obligation under any other HAP contract under section 8 of the 1937 Act (42 U.S.C. 1437f) [24 CFR 982.453(a) (2)].
- The owner has committed fraud, bribery or any other corrupt criminal act in connection with any federal housing program [24 CFR 982.453(a) (3)].
- The owner has failed to comply with regulations, the mortgage or note, or the regulatory agreement for the projects with mortgages insured by HUD or loans made by HUD [24 CFR 982.453(a) (4)].
- The owner has engaged in drug-related criminal activity [24 CFR 982.453(a) (5)].
- The owner has committed any violent criminal activity [24 CFR 982.453(a) (6)].

14.6.1 If Funding is No Longer Available Under the Annual Contribution Contract -ACC

Should funding no longer be available under the Annual Contributions Contracts (ACC) and the Housing Authority has to terminate housing assistance due to the lack of Housing Assistance Payments (HAP) funding, the termination policy will protect the elderly and disabled families and veterans of U.S. Armed Forces, as well as those families that participate in Family Self-Sufficiency, Project-Based Vouchers, and the Section 8 Homeownership Programs.

The termination methodology will be determined when needed.

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14.7 HAP PAYMENTS AND CONTRACT TERMINATIONS
[24 CFR 982.311]

When a HAP contract terminates, the Housing Authority will make payments in accordance with the HAP contract. The Housing Choice Department (HCD) will:

- Allow the landlord to retain the HAP for the month in which the termination or vacate occurred.
- Not provide any additional payments beyond the month of termination or vacancy.
- This does not apply if the unit is in abatement due to the landlord non-compliance.

If the family continues to occupy the unit after the HAP contract is terminated, the family is responsible for the total amount of rent due to the owner.

14.8 TERMINATIONS DUE TO RESTRICTIONS ON ASSISTANCE TO NONCITIZENS
[24 CFR 5.514]

A tenant's assistance will be terminated upon the following events if evidence of citizenship (i.e. the declaration) and eligible immigration status is not submitted:

- At initial occupancy, or
- For new occupants of assisted units (i.e. A new family member comes to live in the assisted unit), at first interim or regular reexamination following the person's occupancy.
- Evidence of citizenship and eligible immigration status is timely submitted, but INS primary and secondary verification does not verify eligible immigration status of a family member; and the family does not pursue INS appeal or information hearing rights as provided in this section; or
- INS appeal and information hearing rights are pursued; but the final appeal or hearing decisions are decided against the family member; or
- The responsible entity determines that a family member has knowingly permitted another individual who is not eligible for assistance to reside (on a permanent basis) in the assisted housing unit of the family member. Such termination shall be for a period of not less than 24 months. This provision does not apply to a family if the ineligibility of the ineligible individual was considered in calculating any pro-ration of assistance provided for the family.

CHAPTER 15: TERMINATION OF ASSISTANCE

24 CFR 982.551 - 553

15.1 INTRODUCTION

The HAFC may terminate assistance for a family because of the family's action or failure to act. The HAFC will provide families with 1) written description of the Family Obligations under the program, 2) the grounds under which the HAFC can terminate assistance, and 3) the HAFC's informal hearing procedures. This chapter covers termination of assistance under HUD regulations and HAFC policies; how circumstances are factored into the HAFC's decision to terminate assistance; how a non-citizenship determination is reached; and how missed appointments and deadlines can result in the HAFC decision to terminate assistance.

15.1.1 General Definitions

Drug-related criminal activity (as defined in law) is the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug [24 CFR 5.100].

Violent criminal activity means any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.

Other Criminal Activity means any criminal activity including, but not limited to, violent criminal activity.

Currently engaged in is defined as any use of illegal drugs during the previous twelve months.

Pattern of abuse is defined as the use of a controlled substance or alcohol if there is more than three incidents during the previous 24 months. "Incident" includes but is not limited to arrests, convictions, no contest pleas, fines, and city ordinance violations.

Serious violation of the lease includes but is not limited to history of non-payment of rent, criminal or drug related activity, damages to the unit, and serious or repeated lease infractions.

Pattern/history of lease violations is defined as 3 or more notices from the owner and/or property manager for serious or repeated lease infractions within a 24-month period.

Abusive or violent behavior toward HAFC personnel includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language (written or oral) that is customarily used to insult or intimidate, may be cause for termination of assistance.

Threatened refers to oral or written threats or physical gestures that communicate an intent to abuse or commit violence.

15.2 TERMINATION OF FAMILY ASSISTANCE

Form of Termination of Assistance (Participants) [24 CFR 982.552(a)] **–** Due to a household's action or failure to act, the HAFC may terminate assistance to participants by:

- Refusing to enter into a HAP contract or approve a lease
- Terminating housing assistance payments under an outstanding HAP contract
- Refusing to process or provide assistance under portability procedures

15.3 MANDATORY TERMINATION

The HAFC **must** terminate assistance for the following reasons:

1. ***Methamphetamine*** – if any member of the household has ever been convicted of manufacturing or producing methamphetamine on the premises of federally assisted housing [24 CFR 982.553 (b)(1) (ii)].
2. ***Alcohol Abuse*** – if the HAFC determines that a household member's abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents [24 CFR 982.553 (b) (3)].
3. ***Serious violation of the lease*** - if the family is evicted from housing assisted under the program for serious violation of the lease. [24 CFR 982.552 (b) (2)]
4. ***Current illegal drug use for any household member*s**: if any household member is currently engaged in any illegal use of a drug [24 CFR 982.553 (b) (i) (A)].
5. ***A pattern of illegal use of a drug*** – if the HAFC determines that a pattern of illegal use of a drug by any household member interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents [24 CFR 982.553 (b) (i) (B)].
6. ***Criminal Activity (Violent Criminal Activity)*** - Any household member has violated the family's obligation under 982.551 not to engage in violent criminal activity [24 CFR 982.553 (b) (2)].
7. ***Criminal Activity (Drug-Related)*** - Any household member has violated the family's obligation under 982.551 not to engage in drug-related criminal activity [24 CFR 982.553 (b) (1)(iii)].
8. **Lifetime Registration:** If any member of the household is subject to a lifetime registration requirement under a State sex offender registration program [24 CFR 982.553 (a) (2)]. The termination applies to sex offenders only.

9. **Consent Forms:** The HAFC will terminate program assistance if any member of the family fails to sign and submit HUD or HAFC required consent forms for obtaining information [24 CFR 982.552 (b) (3)].

10. **Citizenship Status:** The HAFC will terminate program assistance if no member of the family is a U.S. citizen or eligible immigrant; (see Chapter 14) [24 CFR 982.552 (b) (4)].

11. **Students in Higher Education:** If a student, applying for or participating in the HCV program separately from his parents, is a student enrolled at an institution of higher education AND is under the age of 24, not a veteran, unmarried, and does not have any dependent children, the student will be denied (if an applicant) or terminated (if a current HCV participant) and his income separately or his parent's joint income do not meet the income requirements for admission to the HCV program [24 CFR 982.552 (b) (5)].

12. **End of Participation:** If the family is under contract and 180 days (six months) have elapsed since the HAFC's last housing assistance payment was made, the family will be terminated.

13. **Mandatory Social Security Numbers**: Where a family member is required to provide documentation of their SSN as required in Chapter 4, *Mandatory Social Security Numbers* and in Chapter 7, *Verification of Social Security Numbers*, failure on the part of the family member to provide the documentation will result in termination of the entire family.

15.3.1 Zero Assistance Tenants

The family may remain in the unit at $0 assistance for up to 180 days after the last HAP payment. If the family is still in the unit after 180 days, the assistance *will be terminated*. If, within the 180 day timeframe, an owner rent increase or a decrease in the Total Tenant Payment causes the family to be eligible for a housing assistance payment, the HAFC will resume assistance payments for the family.

In order for a family to move to another unit during the 180 days, the rent for the new unit would have to be high enough to necessitate a housing assistance payment [24 CFR 982.455 (a)].

15.3.2 Re-instatement of Assistance Exception

If a family member is terminated from assistance due to an arrest for a criminal charge, the family may be re-instated upon documentation that the criminal charge was dismissed or the person was found "not guilty" by a court of law.

15.4 GROUNDS FOR TERMINATION OF ASSISTANCE

The HAFC **may** at any time terminate program assistance for a participant, for any of the following violation:

1. **Family Obligations:** The family violates any family obligation under the program as listed in 24 CFR 982.551 [24 CFR 982.552 (c) (1) (i)] see §982.553 concerning termination of assistance for crime by family members.

2. **Balance Owing by Family:**

    - The family currently owes rent or other amounts to the HAFC or to another housing authority in connection with Section 8 or public housing assistance under the 1937 Act [24 CFR 982.552 (c) (1) (v)].
    - The family breaches an agreement with the HAFC to pay amounts owed to HAFC, or amounts paid to an owner by the HAFC [24 CFR 982.552 (c) (1) (vii].

3. **Family Self-Sufficiency (FSS) Non-compliance:** If a family participating in the FSS program fails to comply, without good cause, with the family's FSS contract of participation [24 CFR 982.552 (c) (1) (viii)].

4. **Actual or Threatened Abusive or Violent Behavior toward HAFC Personnel: I**f the family has engaged in or threatened abusive or violent behavior toward HAFC personnel [24 CFR 982.552 (c) (1) (ix)].
5. **Evicted from Federally Assisted Housing:** If any member of the family has ever been evicted from federally assisted housing in the last five years [24 CFR 982.552 (c) (1) (ii)].
6. **Fraud, Bribery, or Other Corrupt or Criminal Act within a Federal Housing Program:** If any family member has committed such acts in connection with a Federal housing program [24 CFR 982.552 (c) (1) (iv).

7. **Non compliance** with any assistance programs, governmental agency and/or law enforcement.
8. **A participant's misrepresentation of any information** to HAFC and/or any other agency that is related to eligibility, preferences, housing history, allowances, family composition, and/or criminal history (i.e., Welfare Fraud).
9. **Eviction or records of disturbance of neighbors** sufficient to warrant a police call which may adversely affect the health, safety, and peaceful enjoyment of the premises by the other residents or person residing in the immediate vicinity of the premises**.**
10. **Pattern of violent behavior-** includes evidence of repeated acts of violence on the part of any individual, or a pattern of conduct constituting a danger to peaceful occupancy of neighbors.

Actual physical abuse or violence may be cause for denial of admission.

The HAFC may terminate assistance if the HAFC determines that any household member has a history or any of the following:

a. Drug-related criminal activity;

b. Other criminal activity which may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity; .

c. Other criminal activity which may threaten the health or safety of the owner, property management staff, or persons performing a contract administration function or responsibility on behalf of the HAFC (including a HAFC employee or a HAFC contractor, subcontractor or agent); or

d. Violent criminal activity;

e. Convicted of any felony.

Period of time prohibited from termination of assistance for a, b and c above would be up to three years from the date of the offense.

Period of time prohibited from termination of assistance for item “d” above would be up to five years from the date of offense; however depending upon the seriousness of the crime committed the prohibition would be up to seven years from the date of the offense.

Period of time prohibited for termination of assistance for item “e” above would be three years from the date of offense.

15.5 VIOLENCE AGAINST WOMEN ACT (VAWA)

Under the Violence Against Women Act 2005 (VAWA) statues, the abuser's criminal activity directly related to abuse and beyond control of the victim **shall not be** grounds for termination. The legislation clarifies that the HAFC may terminate a VAWA victim if the individual is an actual and imminent threat to other tenants or the community. Also if the victim is evicted for unrelated criminal activity, this may be grounds for termination of the HCV assistance, provided the HAFC does not hold the victim to a more demanding standard than other program participants.

When a participant family is facing assistance termination because of the actions of a participant, household member, guest, or other person under the participant’s control and a participant or other household member claims that she or he is the victim of such actions and that the actions are related to domestic violence, dating violence, or stalking, the HAFC will require the individual to provide a signed statement certifying that claim.

The required certification must be submitted to the HAFC within 14 business days after the HAFC request is received by the victim. If the individual does not submit the required certification within the required 14-business-day period, the HAFC will proceed with termination of the family’s assistance.

15.6 CONSIDERATION OF CIRCUMSTANCES

HUD authorizes the HAFC to consider all relevant circumstances when deciding whether to termination assistance based on a family’s past history except in the situations for which termination of assistance is mandated; see *Mandatory Termination* in this Chapter.

In deciding whether to terminate assistance because of action or failure to act by members of the family; the HAFC has [24 CFR 982.552 (c) (2)]:

1. Discretion to consider all relevant circumstances in each case, including the seriousness of the case. The HAFC will use its discretion in reviewing, the extent of participation or culpability of individual family members, mitigating circumstances related to the disability of a family member, and the length of time since the violation occurred. The HAFC may also review the family's more recent history and record of compliance, and the effects of termination of assistance on other family members who were not involved in the action or failure to act [24 CFR 982.552 (c) (2) (i)].

2. The HAFC may impose, as a condition of continued assistance for other family members, a requirement that family members who participated in or were culpable for the action or failure will not reside in the unit. The HAFC may permit the other members of a family to continue in the program [24 CFR 982.552 (c) (2) (ii)]. If the violating member is a *minor*, the HAFC may consider individual circumstances with the advice of Juvenile Court officials. The HAFC will also consider whether the culpable member is a victim of domestic violence, dating violence, or stalking.

3. In determining whether to terminate assistance for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the HAFC [24 CFR 982.552 (c) (2) (iii)]:

    - Will consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program, or
    - Has otherwise been rehabilitated successfully (42 U.S.C. 13661).
    - May require the family to submit evidence of the household member's current participation, or successful completion of a supervised drug or alcohol rehabilitation program.

4. *Reasonable Accommodation:* If termination is based upon behavior resulting from a disability, the HAFC will delay the termination in order to determine if there is an accommodation which would negate the behavior resulting from the disability in accordance with part 8 of this title.

5. The HAFC will also consider whether the family disclosed the information to the HAFC under penalty of perjury when completing the certification packet.

If the HAFC seeks to terminate assistance because of illegal use or possession for personal use of a controlled substance, such use or possession must have occurred within *one year* before the date that the HAFC provides notice to the family of the HAFC determination to terminate assistance.

If the family is intentionally willingly and knowingly *commits fraud* or is involved in any other illegal scheme with the owner, the HAFC will terminate assistance. *In*

***making this determination*, the HAFC will carefully consider the possibility of overt or implied intimidation of the family by the owner and the family's understanding of the events.**

15.6.1 Required Evidence

The HAFC will use the concept of the preponderance of the evidence as the standard for making all termination decisions.

Preponderance of evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. The intent is not to prove criminal liability, but to establish that the act(s) occurred.

1. *Preponderance of evidence* will not be determined by the number of witnesses, but by the greater weight of all evidence.

2. *Credible evidence* may be obtained from police and/or court records. Testimony from neighbors, when combined with other factual evidence, can be considered credible evidence. Other credible evidence includes documentation of drug raids or arrest warrants.

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

15.6.2 Notice of Termination of Assistance

In any case where the HAFC decides to terminate assistance to the family, the HAFC must give the family written notice which states:

1. The reason(s) for the proposed termination,

2. The family's right, if they disagree, to request an Informal Hearing to be held before termination of assistance.

3. The date by which a request for an informal hearing must be received by the HAFC.

4. The HAFC will simultaneously provide written notice of the contract termination to the owner so that it will coincide with the Termination of Assistance. The Notice to the owner will not include any details regarding the reason for termination of assistance.

15.6.3 Termination of Assistance Based on Criminal Records

[24 5.903 (f)]

In all cases where criminal record or sex offender registration information would result in termination of assistance, the HAFC will notify the household in writing of the proposed adverse action and will provide the subject of the record and the tenant a copy of such information and an opportunity to dispute the accuracy and relevance of the information before a termination action is taken.

The family will be given 10 business days from the date of the HAFC notice, to dispute the accuracy and relevance of the information. IF the family does not contact the HAFC

to dispute the information within that 10 business day period, the HAFC will proceed with the termination action.

15.6.4 Confidentiality of Criminal Records

Consistent with the limitations on disclosure of records, the HAFC has established and implemented a system of records management that ensures that any criminal record received by the HAFC from a law enforcement agency is:

a. Maintained confidentially;
b. Not misused or improperly disseminated; and
c. Destroyed, once the purpose(s) for which the record was requested has been accomplished, including expiration of the period for filing a challenge to the HAFC action without institution of a challenge or final disposition of any such litigation.

All eviction and criminal background history is retained by the contracted provider. The HAFC will not print search results unless there is a need to due to an applicant's request for an Informal Review or as needed for review.

The results of the HAFC's background check will be maintained in a secure and confidential database. A copy of the Consent for Release of Information along with the approval/denial status will be kept in the participant's file.

15.7 PROCEDURES FOR NON-CITIZENS

Termination due to Ineligible Immigrant Status: Applicant or participant families in which all members are neither U.S. citizens nor eligible immigrants are not eligible for assistance and must have their assistance terminated. The HAFC must offer the family an opportunity for a hearing. (See "Eligibility for Admission" chapter, Section on Citizenship/Eligible Immigration Status.)

Assistance *may not* be terminated while verification of the participant family's eligible immigration status is pending.

False or Incomplete Information: When the HAFC has clear, concrete, or substantial documentation (such as a permanent resident card or information from another agency) that contradicts the declaration of citizenship made by an applicant or participant, an investigation will be conducted and the individual given an opportunity to present relevant information.

If the individual is unable to verify their citizenship, the HAFC may give him/her an opportunity to provide a new declaration as an eligible immigrant or to elect not to contend their status. The HAFC will then verify eligible status, deny, terminate, or prorate as applicable.

The HAFC will terminate assistance based on the submission of false information or misrepresentations.

Procedure for Termination: If the family (or any member) claimed eligible immigrant status and the INS primary and secondary verifications failed to document the status, the family may make an appeal to the INS and request a hearing with the HAFC either after the INS appeal or in lieu of the INS appeal.

After the HAFC has made a determination of ineligibility, the family will be notified of the determination and the reasons and informed of the option for prorated assistance (if applicable) [24 CFR 5.514, 5.516, 5.518].

15.8 MISSED APPOINTMENTS AND DEADLINES

[24 CFR 982.551, 982.552 (c)]

It is a Family Obligation to supply information, documentation, certification and not miss appointments as needed for the HAFC to fulfill its responsibilities. A Notice of Termination of Assistance will be sent to families who are in non-compliance for:

- Verification Procedures
- Housing Quality Standards and Inspections
- Re-certifications
- Appeals
- Scheduled Appointments

Acceptable reasons for missing appointments or *failing to provide information* by deadlines are accepted for extenuating circumstances such as medical, family emergency or other reasons that may need to be approved by a supervisor or manager.

Procedure when Appointments are Missed or Information Not Provided

1. The family will be given an opportunity to comply before being issued a Notice Termination of Assistance for breach of a family obligation.
2. The Notice of Termination may be rescinded for the following reasons:
   - If the family offers to correct the breached item(s) or cause within the time allowed to request a hearing and
   - If the family offers to cure and the family does not have a history of non-compliance, the notice will be rescinded

See Chapter 12, “Failure to Respond to Notification to Recertify” and Chapter 10 “Annual HQS Inspections” for more information on HAFC policy when appointments are missed.

15.9 INFORMAL HEARINGS
[24 CFR 982.555]

This information is covered in Chapter 19, *Reviews, Hearings and Other Appeals.*

CHAPTER 16: FAMILY SELF-SUFFICIENCY (FSS) PROGRAM

(24 CFR 984.101 – 401)

16.1 INTRODUCTION

The FSS program encourages families to attain economic independence and self-sufficiency. Families receiving Housing Choice Voucher (HCV) rental assistance and participating in FSS are provided one-on-one case management services to identify career/education goals, build assets, increase earnings, and/or achieve homeownership. The objective of the FSS program is to assist low-income families in reducing/eliminating dependency on government assistance programs.

16.2 FAMILY ELIGIBILITY

[24 CFR 984.103]

Participation in the FSS program is on a voluntary basis for families receiving housing assistance through the HCV program administered by the HA.

16.3 PROGRAM COORDINATING COMMITTEE (PCC)

[24 CFR 984.202]

The HAFC collaborates with a program coordinating committee (PCC) consisting of representatives from the public and private sector. The PCC is responsible to assist the HAFC in developing the FSS Action Plan. Other responsibilities include partnering with community organizations to provide supportive services and community resources to assist FSS families in overcoming barriers to self-sufficiency. These include, but are not limited to:

- Childcare
- Education
- Transportation
- Counseling
- Employment readiness
- Vocational training
- Homeownership education

16.4 FSS FAMILY SELECTION PROCESS

[24 CFR 984.203]

The HAFC will open the FSS interest list as needed in order to maintain the minimum program size. When the interest list is open, families may use any of the following options to be placed on the interest list:

- Call the HAFC
- Submit an FSS Application in person or by mail

Families are contacted according to the date and time the family expressed an interest. Eligible families are mailed an invitation to attend a one-on-one FSS orientation with an FSS Coordinator. At the orientation the family is given a general overview of the program and details on the roles and responsibilities of FSS participants, as well as the role of the HAFC. A description of supportive services, escrow accounts, program policies, expectations, and requirements for successful completion of the program is provided. Families sign a Contract of Participation, Individual Training and Services Plan (ITSP) and complete the family profile. A needs assessment is conducted to develop the ITSP for achieving self-sufficiency.

Families who decide at the orientation not to participate in FSS will be removed from the FSS interest list.

16.5 DENIAL OF FSS PARTICIPATION

[24 CFR 984.303]

The HAFC may deny participation to families who:

- Owe money to the HAFC or any other Public Housing Authority (PHA)
- Failed to comply with the HCV program at any PHA
- Failed to comply with the FSS program at any PHA
- Have successfully graduated from the FSS program with any PHA and received a full escrow payout

16.6 CONTRACT OF PARTICIPATION

[24 CFR 984.303]

The designated Head-of-Household (HOH) must sign a Contract of Participation, which describes the rights and responsibilities of the FSS family and the HAFC. The effective date of the contract is the first month following the date of enrollment. The term limit is five (5) years.

16.6.1 Essential Components

The following information must be entered into the contract for it to be valid:

- Contract start and end date
- Annual income
- Earned income
- Family rent portion (TTP or 30 percent of Monthly Adjusted Income for vouchers)
- Participant's signature and date
- HAFC Representative signature and date

16.6.2 Contract Extensions

Contracts may be extended up to a maximum of two (2) additional years with the approval of the HAFC. A written request must include "good cause," e.g., an FSS family is unable to complete the ITSP goals due to circumstances beyond the family's control. Other examples of "good cause" include but are not limited to:

- Serious illness
- Involuntary loss of employment
- Death in the family
- Separation/divorce
- Physical/mental impairment, external economic factors or other excruciating circumstances beyond the participants control which will require additional time to change and/or complete education/career goals
- Pursuit to homeownership
- Pursuit to higher education

During an extension to the contract, the family continues to have FSS amounts credited to the escrow account in accordance with 24 CFR 984.304.

16.6.3 Termination of the Contract

[24 CFR 984.303(h)]

The contract of participation is automatically terminated if the family's Section 8 assistance is terminated in accordance with HUD requirements. The contract of participation may be terminated before the expiration of the contract term, and any extension granted by the HAFC. The contract may be terminated for terms and conditions listed below:

- Failure of the FSS family to meet the obligations under the Contract of Participation without good cause
- Failure to comply with the Contract requirements because the family has moved outside the jurisdiction of the HAFC
- Such other act as is deemed inconsistent with the purpose of the FSS program

The Contract of Participation may also terminate due to:

- Mutual consent of the parties
- The family's withdrawal from the FSS program

16.6.4 Completion of the Contract

The Contract of Participation is considered to be completed, and a family's participation in the FSS program is considered to be concluded when one of the following occurs:

- The FSS family has fulfilled all of its obligations under the contract and obtained suitable employment on or before the expiration of the contract term, including any extension thereof, or
- The thirty (30) percent of the FSS family's monthly adjusted income is equal to or exceeds the published Fair Market Rent (FMR) for the size of the unit for which the FSS family qualifies based on HAFC occupancy standards

16.6.5 Individual Training and Services Plan (ITSP)

[24 CFR 984.303]

The ITSP plan identifies the participants' job-related final goal, as well as interim goals. Timelines for completion are established for each goal. The final goal must include suitable full-time employment, which also demonstrates advancement in education/employment/vocational training. FSS coordinators monitor the progress of each FSS family.

The ITSP shall include:

- The resources and services to be provided by the HAFC
- Targeted completion dates for each individual interim goal
- Referrals for career, education, and job-related activities
- Final goal to obtain suitable full-time employment
- Interim goal must include the requirement to be off welfare assistance for twelve (12) consecutive months prior to the completion/expiration of the Contract, including any extensions. [24 CFR 984.303(b)(2)]
- Participant's signature and date
- HAFC Representative signature and date

The participant may change the goals and services in the ITSP by submitting a written request for the change. The final employment goal can be changed only if: 1) The new goal demonstrates full-time suitable employment and supports FSS program goals for self sufficiency; and 2) the interim goals align with the final goal. The ITSP goals may be revised no more than three (3) times during the five-year contract period or any extension thereof.

16.6.6 Change in Head of Household

The FSS participant may designate a new HOH if the current HOH is unable to complete their obligations under the Contract of Participation. The request must be submitted to the HAFC in writing. The new HOH must sign and complete a new contract of participation and a new ITSP for goals and services. The start and end date of the new contract will remain the same as the original contract of participation.

16.6.7 Household with more than one ITSP

The FSS family may have more than one ITSP in a single household. Although, other adults are eligible to enter into their own individual ITSP, the Contract of Participation remains with the head of household and each adult family member with an ITSP must complete the activities in the ITSP. The additional adults will not be eligible for an escrow pay out.

16.7 FSS ESCROW ACCOUNTS

[24 CFR 984.305]

As an incentive for families to join the FSS program and as a strategy to assist families in building assets, HUD regulations allow an escrow account to be established on behalf of eligible families. Eligibility for an escrow account is determined according to a HUD-defined formula using the family's earned income data [24 CFR 982.505].

As the family's earned income increases and the household rent increases, the HAFC calculates escrow eligibility according to the HUD formula to determine the amount of escrow credits. Escrow funds are held in the participant's name until the participant has met the requirements for final escrow disbursement.

Under the requirements for escrow disbursement, the FSS participant must have:

- Completed the goals in the ITSP
- Obtained suitable employment. The HAFC has determined suitable employment for the HOH as year round full-time sustainable employment to be not less than thirty (30) hours per week **and** the gross annual income is equal to or exceeds the state minimum wage multiplied by nineteen hundred and fifty (1950) hours. Seasonal employment does not meet the HAFC standards for suitable employment unless the HOH is employed all year round with multiple seasonal jobs.
- Certified that all members of the household have not received welfare assistance for twelve (12) consecutive months prior to the expiration of the term of the contract, including any extension thereof.
- Achieved an annual anticipated income whereby thirty (30) percent of the family's monthly adjusted income is equal to or exceeds the published FMR for the size of unit which the FSS family qualifies based on the HAFC's occupancy standards.

The HAFC cannot restrict a family's use of FSS escrow account funds withdrawn by the family unless the funds are withdrawn to aid in the completion of an interim goal.

16.7.1 Annual FSS Escrow Statement

[24 CFR 984.305(3)(i)(ii)(iii)(iv)(v)

The HAFC will mail an escrow statement to all FSS family at least once annually. The statement will include:

- The balance at the beginning of the reporting period;
- The amount of the family's rent payment that was credited to the FSS account during the reporting period;
- Any deductions made from the account for amounts due the PHA;
- The amount of interest earned during the year, and
- The total amount in the account at the end of the reporting period.

16.7.2 Interim Disbursement

[24 CFR 984.305(c)(2)(ii)

The HAFC may disburse a portion of the funds from the family's escrow account during the Contract of Participation for completing an interim goal, if the funds are used for purposes consistent with the Contract of Participation, such as, but not limited to:

- School tuition
- Business start-up expenses
- A vehicle if public transportation is unavailable or inaccessible to the family
- Job training expenses
- Down payment for a home

16.7.3 Forfeiture of Escrow Account

[24 CFR 984.305(f)(i)(ii)(2)(ii)

The FSS escrow account may be forfeited if the family fails to comply with the FSS program, and any one of the following is true:

- The Contract of Participation is terminated, according to 24 CFR 984.303 (e),(h)
- The Contract of Participation is declared null and void
- The family has not met its responsibilities as stated in the Contract of Participation
- The HOH has failed to obtain suitable employment on or before the expiration of the contract term, including any extension thereof
- An intergenerational family, whose HOH becomes independent of welfare assistance, however another family member (or other members) of another household in the same family continue to receive Temporary Assistance for Needy Families (TANF). Note: If the family is receiving a TANF child-only grant,

or TANF non-needy grant as stated in HUD Notice PIH 2007-20, forfeiture of the escrow account will not be considered.

- The head of the family dies and the remaining members of the family choose not to continue participating in the program, and the contract obligations were not met by the HOH prior to his/her departure.

In the HCV program, FSS escrow account funds forfeited by the family will be treated as program receipts for payment of program expenses under the PHA budget for the HCV program, and shall be used in accordance with HUD requirements governing the use of program receipts.

16.7.4 Succession to FSS Account

[24 CFR 984.305(d)]

If the FSS HOH no longer resides with other family members in the assisted unit, the other remaining adult members of the FSS family have the right to designate another adult family member to receive the funds. The HAFC must be consulted and must approve this change. The request for change of HOH must be submitted in writing, and must include the following:

- The name of the new designated FSS HOH
- The signature of the new FSS HOH
- The effective date of the change

An addendum to the FSS Contract must include the effective date of change and must be signed by the new head of household and the HAFC representative.

16.8 GRIEVANCE

The FSS participant will be notified via mail of decisions affecting the family's participation in the FSS program. The notification will include the reasons for the decision and the HAFC policies and HUD regulations supporting it. If the participant disagrees with the decision, an appeal may be made within ten (10) business days of the notification (for any issues which are grieveable per 24 CFR 982.555(a)(1) and 984.303(i). The appeal must be submitted in writing to the HAFC for review. The family will be notified in writing of the due process, including the date set for an informal hearing.

16.9 PORTABILITY

[24 CFR 984.306]

Relocating FSS Family

After the first twelve (12) months of the FSS Contract of Participation, the FSS family may move outside the Initial PHA jurisdiction under the portability procedures in accordance to CFR 982.353.

16.9.1 Port-In Families

The relocating FSS family may participate in HAFC's FSS program if there are available FSS slots. The relocating family must submit a written request to the HAFC for continued participation in the FSS program, prior to the expiration of the FSS Contract of Participation and/or expiration of the Housing Choice Voucher. The HAFC is not obligated to enroll the relocating family in the FSS program. If the family is accepted in the FSS program, the Receiving PHA will enter into a new contract of participation with the FSS family for the term remaining on the contract from the Initial PHA. The Initial PHA will terminate its contract or participation with the family.

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16.9.2 Port-Out Families

The FSS family porting out of the HAFC may participate in the receiving PHA FSS program, if the receiving PHA has a FSS program. The receiving PHA is not obligated to enroll the family in the FSS program. If the receiving PHA enrolls the family in the FSS program, the escrow account will be transferred to the receiving PHA.

CHAPTER 17: SHELTER PLUS CARE

17.1 INTRODUCTION

The HAFC receives funding for Shelter Plus Care (SPC) program tenant based rental assistance to serve the disabled and homeless including the chronically homeless population. The HAFC enters into Memorandum of Understanding with supportive services agencies to qualify for and/or administer these funds. **The SPC program policies and procedures are the same as that of the Housing Choice Voucher (HCV) program except as otherwise noted. If there is a conflict between program regulations and the Administrative Plan, the program regulations have precedence.**

The HAFC provides SPC assistance under the Tenant-based Rental Assistance (TRA) of 24 CFR 582. The SPC **is not a Section 8/HCV program.** The SPC program is authorized by Title IV; Subtitle F, of the Steward B. McKinney Homeless Assistance Act (the McKinney Act) (42 U.S.C. 1403-11407b) which is designed to link rental assistance to supportive services for homeless individuals with disabilities and/or their families. The program primarily provides assistance to homeless individuals who have been diagnosed with the following:

- Mental illness,
- Chronic problems with alcohol, drugs, or both, or
- AIDS and related diseases (24 CFR 582.1).

17.2 TERM OF THE PROGRAM

[24 CFR 582.100(a)]

Assistance is provided for a term of one (1) to five (5) years or for as long as there is a continuum of funding available for this program. The program has limitations on bedroom sizes (see *Certificate Bedroom Size Issued* in this Chapter) and assistance will be issued accordingly.

17.3 BOARD OF COMMISSIONERS

[24 CFR 582.300]

The HAFC receives funding for the SPC program as a member of the Fresno-Madera Continuum of Care (CoC). The Fresno-Madera CoC provides for the consultation and participation of not less than one homeless or formally homeless individual to serve on the board of directors.

In addition, the HAFC has resident and participant commissioners on the HAFC Board. These individuals have the authority to vote on policy-making decisions.

17.4 OUTREACH

[24 CFR 582.325]

The HAFC will make every effort to partner with community-based organizations to provide effective outreach for hard-to-reach populations. Outreach should be directed to those who are in an emergency shelter or a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human being (e.g. person living in care, streets, and parks).

Outreach to the owners will be provided through participation in apartment association meetings. For more information on outreach please refer to Chapter 1 of this Plan.

17.5 SERVICE MATCH DOCUMENTATION

[24 CFR 582.110]

Under HUD regulations for SPC program, the HAFC is required to have a dollar-for-dollar match for TRA with in-kind supportive services.

17.6 HOMELESS MANAGEMENT INFORMATION SYSTEM (HMIS)

The HAFC participates in the HMIS program. HMIS is a computerized data collection application designed to capture client-level information on the characteristics and service needs of adults and children experiencing homelessness over time. HMIS is designed to aggregate client-level data to generate and unduplicated count of clients served within a community's system of homeless services, often referred to as the CoC.

17.7 DEFINITIONS

Some key definitions for this program are listed below. Additional definitions can be found in 24 CFR 582.5.

Homeless Person – Someone who is sleeping in places not meant for human habitation, such as cars, parks, sidewalks, and abandoned or condemned building; or is sleeping in an emergency shelter. This may include a person who ordinarily sleeps in one of the above places but is spending a short time (30 days or less) in a hospital or other institution. Someone who is living in transitional housing for homeless and who originally came from the streets or emergency shelter.

Chronically Homeless – An unaccompanied homeless individual with a disabling condition who has either been continuously homeless for a year or more OR has had at least four (4) episodes of homelessness in the past three (3) years. To be considered chronically homeless, a person must have been on the streets or in an emergency shelter (i.e. not in transitional housing) during these stays.

Persons with disabilities – a household composed of one or more persons at least one of whom is an adult who has a disability.

1. A person shall be considered to have a disability if such person has a physical, mental, or emotional impairment which is expected to be of long-continued and indefinite duration; substantially impedes his or her ability to live independently; and is of such nature that such ability could be improved by more suitable housing conditions.

2. A person will also be considered to have a disability if he or she has a developmental disability, which is a severe, chronic disability that:

(i) Is attributable to a mental or physical impairment or combination of mental and physical impairments;

(ii) Is manifested before the person attains age 22;

(iii) Is likely to continue indefinitely;

(iv) Results in substantial functional limitations in three or more of the following areas of major life activity;

(A) Self-care
(B) Receptive and expressive language;
(C) Learning;
(D) Mobility;
(E) Self-direction;
(F) Capacity for independent living; and
(G) Economic self-sufficiency; and
(H) Reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services that are of lifelong or extended duration and are individually planned and coordinated.

Additional definitions can be found in (24 CFR 582.5).

17.8 REFERRAL PROCESS

Eligible families are referred to the SPC Programs by pre-selected service providers upon request from the HAFC as and when the TRA is available.

17.9 INCOME LIMITS

[24 CFR 582.5]

Eligible families must be at 50% of the median income or lower to participate in the SPC program.

17.10 ELIGIBILITY

Applicants must meet HUD's eligibility requirements for the SPC program to qualify for rental assistance. In order to determine final eligibility, the HAFC may verify all information submitted by applicants.

17.11 VERIFICATION PROCEDURES

Since HUD requires that factors of eligibility must be verified, applicants and program participants are required to provide proof of their statements whenever required by the HA. The SPC program may require additional documents when verifying program eligibility. For example:

• Homeless Condition Form: Must be provided for all individual/families referred to the HA for the SPC program.

• Disability Verification Form: Must be provided for all individuals claiming a disability, especially a disability that is cited as a qualifying factor for the SPC program. Written determinations must be made by a psychiatric or medical professional trained to make such determination.

17.12 DENIAL OF PARTICIPATION

If a family has previously participated in any federally subsidized program and violated a family obligation and was terminated, the family may be denied future participation for a period of three (3) years.

Families referred and their contracted Community-Based Organization(s) (CBO) will be sent a denial letter and referred to the CBO if there are any further questions.

17.13 CRIMINAL BACKGROUND CHECKS

SPC applicants will not be required to undergo the criminal background check described in Chapter 4 of this Plan, with one exception. A criminal background check *will* be performed for head-of household and all adult family members, live-in aides eighteen years of age and older, to determine if client or family member is a registered sex offender, in compliance with HUD regulations.

17.14 BRIEFING SESSIONS

Once determined eligible, the family is required to attend a briefing session (see Chapter 8). The family will enter into a SPC Contract of Participation which explains that loss of program assistance may occur if any member of the family violates the terms. A Request for Tenancy Approval (RFTA) is also provided at the briefing session.

SPC uses Fair Market Rents published by HUD to determine the contract rent.

17.15 ISSUANCE OF CERTIFICATE

At the completion of the initial briefing and the signing of the SPC Contract of Participation, a SPC certificate will be issued. The eligible applicant must locate a unit within 120 days. If an extension is needed, one may be requested. The request will be evaluated and a decision made based upon the same policy outlined in the voucher issuance section of Chapter 8 of this administrative plan.

17.16 RENTAL ASSISTANCE PAYMENT (RAP) CONTRACTS

The owner must sign a (RAP) Contract for the SPC program, and must comply with its provisions in addition to the requirements of the lease agreement.

17.17 TENANT RENT PORTION UNDER SPC

SPC program funds are contracted based on 100% of the Fair Market Rents published by HUD. Tenant rental portions are limited to 30% of the participant's adjusted monthly income.
To calculate tenant's rent portion the following steps should be taken:

1. Calculate each of the following:
    a) 10% of the gross income.
    b) Then calculate 30% of the adjusted monthly income, and
    c) Welfare rent.
2. Subtract the greatest of the three from the utility allowance (if the utility allowance is not included in the rent) to obtain the tenant rent portion.
3. To arrive at the RAP, subtract the tenant rent portion from the contract rent.

For more information on determining adjusted income, please refer to Chapter 6 (Factors Related to Total Tenant Payment Determination).

Actual amount of General Relief income will be calculated in determining the total tenant payment for SPC families receiving general relief income.

The following is not applicable to the SPC program:

- Earned Income Disallowance
- Minimum Rent ($50)
- Zero Income 90 day review
- Monthly Living Expense worksheet

17.18 CERTIFICATE BEDROOM SIZE ISSUED (SPC SUBSIDY STANDARDS)

Under the SPC program, the client will be eligible for a bedroom size based upon family composition and will be issued as follows:

- Head-of-Household or head-of-household and spouse—One bedroom
- All other family members—Two Persons for each additional bedroom (not to exceed a 3 bedroom unit)
- Caregivers and Live-in Aides—One additional bedroom (not to exceed a 3 bedroom unit)

Bedroom sizes are limited based on the allocation specified in the SPC grant agreement.

17.19 RE-EXAMINATIONS/INTERIMS

[24 CFR 582.310]

The HAFC is required to process annual re-examinations. In cases where a family experiences a change in household composition and/or income between annual re-examination, the HAFC will process an interim re-examination. The family is required to report all changes in household composition and/or income to the HAFC within 10 calendar days of the occurrence. For more information regarding causes for processing annual/interim reexaminations and the requirements for competing annual/interim re-examinations, please refer to Chapter 12.

17.20 HOUSING QUALITY STANDARDS

[24 CFR 528.305(a)]

Housing Quality Standards (HQS) are the HUD minimum quality standards for tenant based programs. HQS standards are required both at initial occupancy and annually during the term of the RAP contract. Newly leased units must pass the HQS inspection before the beginning date of the assisted lease and RAP Contract. For more information on HQS refer to chapter 10 with the exception that 982.401 (j) does not apply. However, Part 35 subparts A, B, K, and R of this title does apply.

17.21 RENT REASONABLENESS

[24 CFR 582.305(b)]

It is the HAFC's responsibility to ensure that the rents charged by owners are reasonable based upon objective comparables in the rental market. The HAFC will not approve the lease or execute RAP contract until it has determined that the unit meets the minimum HQS and that the rent is reasonable. The HAFC will determine rent reasonableness at initial lease-up, before any increase in rent to owner and at other times described in Chapter 12.

17.22 LIMITATIONS ON SPC ASSISTANCE

17.22.1 Section 8 Homeownership Program

The Section 8 homeownership program outlined in the Administrative Plan does not apply to the SPC program client.

17.22.2 Family Self-Sufficiency (FSS)

The SPC client is not eligible for the FSS program.

17.22.3 Portability

SPC clients have no portability rights. SPC clients must continue to live within the HAFC's jurisdiction for as long as they continue to participate in this program.

17.22.4 Change of Head of Household

[24 CFR 582 (3)]
If the head of household (qualifying tenant) should become deceased, remaining family members will receive continued rental assistance only until the end of the grant period under which the SPC client was leased. No other rights of survivorship are available.

If the head of household is terminated for non-compliance the remaining family members will not be eligible to continue in the SPC program.

17.23 TRANSFERS BY THE HAFC

The HAFC may elect to transfer participants from one SPC TRA to another SPC TRA grant, if the HAFC determines such transfer is necessary for grants management reasons, (e.g. to increase or decrease spending rates in a given grant). Such transfers do not involve a physical move by the participant.

The HAFC shall document the date of the transfer and the reason for the transfer in the participant's file.

17.24 TERMINATIONS RELATED TO THE SPC PROGRAM

17.24.1 When SPC Family Violates Participation Agreement

Housing assistance may be terminated if a family violates specific SPC program Participant-Service Provider Agreement, Contract of Participation and/or the family obligation.

17.24.2 Requests from Outside Agency to Terminate Housing Assistance under SPC

CBO's and/or other government units or departments currently contracted by the HAFC that provide supportive services may request termination of housing assistance for a program participant who is in violation of the SPC program requirements, Participant-Service Provider Agreement, Contract of Participation, and/or conditions of occupancy.

17.24.3 Termination Related to Inpatient Rehabilitation

[24 CFR 582.105(d)(2)]

In the event the head of household requires in-patient rehabilitation, RAP will continue for 90-days for each occurrence, as long as tenant's portion of rent is paid on time and in full. This is applicable for one instance of in-patient rehabilitation only. If the head of household should require in-patient rehabilitation for more than 90 days for an occurrence, rental assistance will terminate in accordance with termination procedures established in this Administrative Plan.

CHAPTER 18: OWNER OR FAMILY DEBTS TO THE HAFC

18.1 INTRODUCTION

This Chapter describes the HAFC's policies for the recovery of monies which have been overpaid for families, and to owners. It describes the methods that will be utilized for collection of monies and the guidelines for different types of debts. It is the HAFC's policy to meet the informational needs of owners and families, and to communicate the program rules in order to avoid owner and family debts. Before a debt is assessed against a family or owner, the file must contain documentation to support the HAFC's claim that the debt is owed. The file must further contain written documentation of the method of calculation, in a clear format for review by the owner, the family or other interested parties.

The HAFC will sometimes take other or additional actions than debt recovery when program fraud or abuse occurs. For more information, see Chapter 23 on Program Integrity.

18.2 TYPES OF DEBT OWED TO THE HAFC

Families are required to repay the HAFC for amounts paid to an owner on behalf of the family for unpaid rent.

Owners are required to repay the HAFC to recover overpayments, abatements or other reduction of housing assistance payments. (24 CFR 982.453(b)

18.2.1 Program Fraud

Families who owe money to the HAFC due to program fraud are subject to the policies described in Chapter 23.

If a family owes an amount which equals or exceeds $10,000.00 as a result of program fraud, the case will be referred to the Inspector General. Where appropriate, the HAFC will refer the case for criminal prosecution.

18.3 COLLECTION METHODS

When families or owners owe money to the HAFC, the HAFC will make every effort to collect it. The HAFC will use a variety of collection tools to recover debts including, but not limited to:

- Requests for lump sum payments
- Reductions in HAP to owner
- Repayment agreements
- Collection agencies
- Civil suits

18.4 REPAYMENT AGREEMENT FOR FAMILIES

[24 CFR 792.103, 982.552 (c) (6-8)]

If a family owes money to the HAFC for claims paid to an owner, the HAFC will review the circumstances resulting in the overpayment and decide whether the family must pay the full amount or enter into a repayment agreement.

If a repayment agreement is to be entered into, the HAFC will require that the family pay an initial 25% lump sum with the remaining balance to be paid in equal payments over a period of time not to exceed 12 months. The maximum amount for which the HAFC will enter into a payment agreement with a family is $10,000.

A repayment agreement as used in this Plan is a document entered into between the HAFC and a person who owes a debt to the HAFC. It is similar to a promissory note, but contains more details regarding the nature of the debt, the terms of payment, any special provisions of the agreement, and the remedies available to the HAFC upon default of the agreement.

The HAFC may offer a repayment agreement to the tenant or owner, which acknowledges a debt, in a specific amount and agreement to repay the amount due within one (1) year of the agreement date.

The maximum amount for which the HAFC will enter into a payment agreement with a family is $10,000.

Payment plans beyond the 1-year agreement may be considered in cases of family hardship and if requested with reasonable notice from the family with verification of the hardship, and the approval of the supervisor.

18.4.1 Guidelines for Repayment Agreements

[24 CFR 982.552 (c) (8)]

Repayment agreements will be executed between the HAFC and the head of household and spouse.
Monthly payments may be decreased in cases of family hardship and if requested with reasonable notice from the family with verification of the hardship, and the approval of the supervisor.

18.4.2 Payment Schedule for Monies Owed to the HAFC

The repayment schedule will be set up on a case-by-case basis, depending upon the family's income; however, initial payment and all subsequent payments must be set up so that the monies will be paid in full within one year.

18.4.3 Additional Monies Owed

If the family already has a Repayment Agreement in place and incurs an additional debt to the HAFC, the HAFC will not enter into more than one repayment agreement with the family. Extenuating circumstances may be referred to a supervisor.

18.4.4 Late Payments

If a payment is not received by the close of business, five calendar days after the due date. It is considered late and the HAFC may:

- Require the family to pay the balance in full
- Pursue civil collection of the balance due
- Terminate the housing assistance
- Grant an extension of 30 calendar days (requires supervisory approval)

18.4.5 Requests to Move and Balance is Still Owing

If the family requests a move to another unit and is in arrears on a repayment agreement for money owed to the HAFC, the request for a voucher to move will be denied, unless the balance is paid in full.

However, if the need to move is due to one of the following reasons, (or for another reason which is approved by a supervisor), the request to move may be approved:

- Family size exceeds the HQS maximum occupancy standards
- The HAP contract is terminated due to owner non-compliance or opt-out
- A move from the premises is required as a reasonable accommodation

18.5 OWNER DEBTS TO THE HAFC

[24 CFR 982.453(b)]

If the HAFC determines that the owner has retained Housing Assistance Payments for which he is not entitled, the HAFC may reclaim the amounts from future Housing Assistance Payments owed the owner for any units under contract.

If future Housing Assistance Payments are insufficient to reclaim the amounts owed, the HAFC will take one or more of the following actions:

- Require the owner to pay the amount in full within 30 calendar days
- Enter into a Repayment agreement with the owner for the amount owed
- Pursue collections through the local court system
- Restrict the owner from future participation at HAFC discretion.

18.6 RECORDKEEPING AND REPORTING REQUIRED WITH FRAUD RECOVERIES

[24 CFR 792.204]

HUD regulations (24 CFR 792.204) encourage public housing agencies to investigate and pursue instances of tenant and owner fraud and abuse in the operation of the Section 8 housing assistance programs. According to the criteria explained in part 792, the HAFC will be eligible to retain a portion of program fraud recoveries.

To permit HUD to audit amounts retained under this part, the HAFC will maintain all records required by HUD, including:

- Amounts recovered on any judgment or repayment agreement;
- The nature of the judgment or repayment agreement; and
- The amount of the legal fees and expenses incurred in obtaining the judgment or repayment agreement and recovery.

CHAPTER 19: REVIEWS, HEARINGS AND OTHER APPEALS

19.1 INTRODUCTION

The informal hearing requirements defined in HUD regulations are applicable to participating families who disagree with an action, decision, or inaction of the HAFC. This Chapter describes the policies, procedures and standards to be used when families disagree with an HAFC decision. The procedures and requirements are explained for preference denial meetings, informal reviews and hearings. It is the policy of the HAFC to ensure that all families have the benefit of all protections due to them under the law.

This Chapter also addresses the Housing Choice Department's policy on handling discrimination complaints.

19.2 DISCRIMINATION COMPLAINTS

Should an applicant or participant contact the Housing Choice Voucher Department with a claim that a department employee engaged in a discriminatory action in carrying out program rules, an appointment will be made with a supervisor. The supervisor will question the client in order to learn the exact nature of the complaint.

All processes will be assessed as to whether correct policy was carried out.

If the process was conducted correctly, regulatory requirements will be explained to the client. If upon assessment it is found that processes need to be streamlined, the process will be reviewed and improvements made.

If there was an oversight on the part of the Assisted Housing Division (AHD), the error will be corrected and the family will be accommodated accordingly to federal guidelines.

If upon assessment a personnel issue should arise, progressive discipline will be instituted and the family would again be accommodated.

In the event an applicant or participant brings some other discrimination issue to the attention of the AHD, this will be handled by a staff person at the supervisory level or above. A referral to the Fair Housing Council will be made when appropriate; but not before researching any issue which is within the scope of authority of the HAFC and applying a suitable remedy.

19.2.1 Other Complaints to the HAFC

The HAFC will respond promptly to complaints from families, owners, employees, and members of the public. All complaints will be documented. The HAFC may require that complaints other than HQS violations be put in writing. HQS complaints may be reported by telephone.

All complaints from families, owners, and the general public regarding disagreement with an action or inaction of the HAFC will be referred to a supervisor.

If a staff person reports an owner or family either violating or not complying with program rules, the matter will be referred to a supervisor.

19.3 INFORMAL REVIEW PROCEDURES FOR APPLICANTS

[24 CFR 982.54(d)(12), 982.554]

The HAFC will give an applicant an opportunity for an informal review of the HAFC decision denying assistance to the applicant. The exception is that when an applicant is denied assistance for citizen or eligible immigrant status, the applicant is entitled to an informal hearing.

19.3.1 Notice to Applicant

When the HAFC determines that an applicant is ineligible for the program, the family must be notified of their ineligibility in writing. The notice must contain:

- The reason(s) they are ineligible
- The procedure for requesting a review if the applicant does not agree with the decision
- The time limit for requesting a review

19.3.2 When Informal Review is Required

The HAFC must provide applicants with the opportunity for an Informal Review of decisions denying:

- Listing on the HAFC's waiting list
- Issuance of a Voucher
- Participation in the program

19.3.3 When Informal Review is Not Required

Informal Reviews are not required for established policies and procedures and HAFC determinations such as:

1. Discretionary administrative determinations by the HAFC
2. General policy issues or class grievances
3. A determination of the family unit size under the HAFC subsidy standards
4. Refusal to extend or suspend a Voucher
5. Disapproval of tenancy
6. Determination that unit is not in compliance with HQS
7. Determination that unit is not in accordance with HQS due to family size or composition

19.3.4 Procedure for Review

The procedures for informal review will include the following:

- A request for an Informal Review must be received in writing by the close of the business day, no later than 10 business days from the date of the HAFC's notification of denial of assistance.
- The informal review will be scheduled within 30 business days from the date the request is received.
- The applicant will be given the option of presenting oral or written objections to the decision.
- Both the HAFC and the family may present evidence and witnesses. The family may use an attorney or other representative to assist them at their own expense.
- The review may be conducted by mail and/or telephone if acceptable to both parties.
- A Notice of the Review findings will be provided in writing to the applicant within 10 business days after the review. It shall include the decision of the review officer, and an explanation of the reasons for the decision.

All requests for a review, supporting documentation, and a copy of the final decision will be retained in the family's file.

19.3.5 Review Officer

The hearing will be conducted by any person or persons designated by the HAFC, other than a person who made or approved the decision under review, nor a subordinate of this person.

19.3.6 Restrictions on Assistance for Non-Citizens

This type of denial is covered in *Hearing and Appeal Provisions for Non-Citizens* of this Chapter.

19.4 INFORMAL HEARING PROCEDURES

[24 CFR 982.555(a-g), 982.54(d)(13)]

19.4.1 When Hearing is Required

The HAFC will provide participants with the opportunity for an informal hearing to consider whether the following HAFC decisions relating to the individual circumstances of a participant family are in accordance with the law, HUD regulations and HAFC policies:

1. A determination of the family's annual or adjusted income and use of such income to compute the housing assistance payment

2. A determination of the appropriate utility allowance for tenant-paid utilities from the HAFC utility allowance schedule.

3. A determination of the family unit size determination under HAFC subsidy standards.

4. A determination that a certificate program family is residing in a unit with a larger number of bedrooms than appropriate for the family unit size under the HAFC's subsidy standards, or the HAFC determination to deny the family's request for exception from the standards.

5. A determination to terminate assistance because a participant family has been absent from the assisted unit for longer than the maximum period permitted under the HAFC policy (see Chapter 6) and HUD rules.

6. A determination to terminate assistance for a participant family because of family's action or failure to act.

7. Determination to terminate a family's FSS Contract, withhold supportive services, or propose forfeiture of the family's escrow account.

8. Determination not to reduce a family's portion of rent because of 1) family's noncompliance with welfare requirements or 2) welfare fraud.

9. A determination not to approve a family's request for a reasonable accommodation, as required in providing grievance rights under Section 504 of the Rehabilitation Act of 1973.

The HAFC will always provide the opportunity for an informal hearing before termination of assistance.

19.4.2 When Hearing is Not Required

Informal Hearings are not required for established policies and procedures and HAFC determinations such as:

- Discretionary administrative determinations by the HAFC.
- General policy issues or class grievances.
- Establishment of the HAFC schedule of utility allowances for families in the program.
- An HAFC determination not to approve an extension or suspension of a voucher term.
- An HAFC determination not to approve a unit or tenancy.
- An HAFC determination that an assisted unit is not in compliance with HQS. (However, the HAFC must provide a hearing for a family breach of HQS because that is a family obligation determination).
- An HAFC determination that the unit is not in accordance with HQS because of the family size.
- An HAFC determination to exercise or not exercise any right or remedy against the owner under a HAP contract.

19.4.3 Notice to Family

In cases which entitle the family to an informal hearing as described in 19.4.1 above, the HAFC will notify the family that the family may ask for an explanation of the basis of the HAFC determination, and that if the family does not agree with the determination, the family may request an informal hearing on the decision.

This written notice will:

- Include a brief statement of the reasons for the decision
- State the family has a right to an explanation of the basis for the HAFC's decision
- State that if the family does not agree with the decision, the family may request an informal hearing on the decision
- State the deadline for the family to request an informal hearing
- Indicate to whom the hearing request should be addressed

19.4.4 Scheduling an Informal Hearing

[24 CFR 982.555(d)

When an informal hearing is required, the HAFC must proceed with the hearing in a reasonably expeditious manner upon the request of the family.

- A request for an informal hearing must be made in writing and delivered to the HAFC either in person or by first class mail, by the close of the business day, no later than10 business days from the date of the HAFC's decision or notice to terminate assistance.
- The HAFC will send written notice of the informal hearing date to the family within 10 business days of the family's request, . The written notice will also include the request for the family to make any rebuttal evidence available to the HAFC no later within 10 business days prior to the hearing date.
- The family may request to reschedule a hearing for good cause, or if it is needed as a reasonable accommodation for a person with disabilities. Good cause is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family. Requests to reschedule a hearing must be made orally or in writing prior to the hearing date. At its discretion, the HAFC may request documentation of the "good cause" prior to rescheduling the hearing.
- If the family does not appear at the scheduled time, and did not make prior arrangements to reschedule the hearing, the decision made by HAFC upon which the appeal has been requested, will stand.
- The family has a 15-minute grace period to show up for the appointment. If family does not show, HAFC decision will be upheld. The HAFC will take into consideration extenuating circumstances.

19.4.5 Notification of Hearing

It is the HAFC's objective to resolve disputes at the lowest level possible, and to make every effort to avoid the most severe remedies. However, if this is not possible, the HAFC will ensure that applicants and participants will receive all of the protections and rights afforded by the law and the regulations.

When the HAFC receives a request for an informal hearing, a hearing shall be scheduled within 30 business days. The notification of hearing will contain:

1. The time, date and place of the hearing
2. The family's right to bring evidence, witnesses, legal or other representation at the family's expense
3. Copies of the documents or evidence in the possession of the HAFC upon which the HAFC based the proposed action. NOTE: Other viewing arrangements other than mailing will be made with the family if the evidence is of a confidential nature (e.g. criminal records). The HAFC will make the opportunity to view these documents available no later than 10 business days before the hearing date.

19.4.6 The HAFC's Hearing Procedures

The HAFC and participants will adhere to the following procedures:

1. Discovery

   Before the hearing the family will be given the opportunity to examine any HAFC documents that are directly relevant to the hearing. The family will be advised regarding how they may view this information. Any documents not provided by the HAFC to the family as part of discovery, cannot be later introduced by the HAFC at the hearing.

   The HAFC will give the family the opportunity to share any documents of its choice which are relevant to the hearing with the HAFC prior to the hearing. The HAFC will be allowed to copy any such document at the HAFC's expense. If the family does not make the document(s) available to the HAFC prior to the hearing, the family may not rely on the document(s) at the hearing.

2. Representation of the Family

   At its own expense the family may be represented by a lawyer or other representative.

3. Hearing Officer

   The hearing will be conducted by any person or persons designated by the HAFC, other than a person who made or approved the decision under review or a subordinate of this person.

   The person who conducts the hearing will regulate the conduct of the hearing in accordance with HAFC hearing procedures.

4. Evidence

   The HAFC will produce an audio recording of the informal hearing. If the family wishes to have a copy of the recording such a request must be made 10 business days prior to the hearing date.

   The HAFC and the family must have the opportunity to present evidence and may question any witnesses. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings. If a witness is not able to attend the hearing, the HAFC will allow a sworn declaration

under penalty of perjury (does not require notarization) to be provided in place of the witness.

The hearing shall concern only the issues for which the family has received the opportunity for hearing. Evidence presented at the hearing may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings. No documents may be presented which have not been provided to the other party before the hearing if requested by the other party. "Documents" include records and regulations.

The Hearing Officer will determine whether the action, inaction or decision of the HAFC is legal in accordance with HUD regulations and this Administrative Plan based upon the evidence and testimony provided at the hearing.

If the Hearing Officer determines that additional evidence is needed prior to making the decision, the Hearing Officer may set a date to reconvene the hearing once the information is received so the family may review the additional evidence and respond to it.

5. Family Rights

- To present written or oral objections to the HAFC's determination.
- Present any information or witnesses pertinent to the issue of the hearing
- Request that a HAFC staff be available or present at the hearing to answer questions pertinent to the case
- If a family wishes to request an audio recording of the hearing, such request must be made 10 business days prior to the hearing date. The family and HAFC have the right to have the hearing recorded by audiotape, at the requesting party's expense.

6. HAFC Rights

In addition to other rights contained in this Chapter, the HAFC has the right to:

- Be notified if the family intends to be represented by legal counsel, advocate, or another party
- Have its attorney present
- Have staff persons and other witnesses present who are familiar with the case.

7. Issuance of Decision

The person who conducts the hearing must issue a written decision within 10 business days. Factual determination relating to the individual circumstances of the family shall be based on a preponderance of the evidence presented at the hearing.

A notice of the hearing findings shall be provided in writing to the HAFC and the family and shall include:

- A clear summary of the decision and reasons for the decision;
- If the decision involves money owed, the amount owed; and

- Documentation of the calculation of monies owed;

The date the decision goes into effect is determined by HAFC.

8. Effect of the Decision

The HAFC is not bound by a hearing decision:

- Which concern matters in which the HAFC is not required to provide an opportunity for a hearing
- Contrary to HUD regulations or requirements, or otherwise contrary to Federal, State or local laws; or
- Which exceed the authority of the person conducting the hearing under HAFC procedures.

If the HAFC determines that it is not bound by a hearing decision, the HAFC will notify the family in writing within 10 business days and the reason for the determination.

If the family misses an appointment or deadline ordered by the Hearing Officer, the action of the HAFC shall take effect and another hearing will not be granted.

All requests for a hearing, supporting documentation, and a copy of the final decision will be retained in the family's file.

9. Appellate Review

If the family does not agree with the Hearing Officer's decision, the family may request an appellate level review by the Executive Director or his designee.

19.5 HEARING AND APPEAL PROVISIONS FOR NON-CITIZENS

[24 CFR 5.514]

Denial or termination of assistance based on immigration status is subject to special hearing and notice rules. Applicants who are denied assistance due to immigration status are entitled to an informal hearing, not an informal review.

Assistance to a family may not be delayed, denied, or terminated on the basis of immigration status at any time prior to a decision under the United States Citizenship and Immigration Services (USCIS) appeal process. Assistance to a family may not be terminated or denied while the HAFC hearing is pending, but assistance to an applicant may be delayed pending the completion of the informal hearing.

A decision against a family member, issued in accordance with the USCIS appeal process or the HAFC informal hearing process, does not preclude the family from exercising the right, that may otherwise be available, to seek redress directly through judicial procedures.

19.5.1 Notice of Denial or Termination of Assistance
[24 CFR 5.514(d)]

The notice of denial or termination of assistance for noncitizens must advise the family:

- That financial assistance will be denied or terminated, and provide a brief explanation of the reasons for the proposed denial or termination of assistance.
- The family may be eligible for pro-ration of assistance if at least one family member is a citizen or eligible immigrant.
- In the case of a participant, the criteria and procedures for obtaining relief under the provisions for preservation of families [24 CFR 5.514 and 5.518].
- That the family has a right to request an appeal to the USCIS of the results of secondary verification of immigration status and to submit additional documentation or explanation in support of the appeal.
- That the family has a right to request an informal hearing with the HAFC either upon completion of the USCIS appeal or in lieu of the USCIS appeal.
- For applicants, assistance may not be delayed until the conclusion of the USCIS appeal process, but assistance may be delayed during the period of the informal hearing process.

19.5.2 USCIS Appeal Process
[24 CFR 5.514(e)]

When the HAFC receives notification that the USCIS secondary verification failed to confirm eligible immigration status, the HAFC must notify the family of the results of the USCIS verification. The family will have 30 days from the date of the notification to request an appeal of the USCIS results. The request for appeal must be made by the family in writing directly to the USCIS. The family must provide the HAFC with a copy of the written request for appeal and the proof of mailing.

The HAFC will notify the family in writing of the results of the USCIS secondary verification within 10 business days of receiving the results. The family must provide the HAFC with a copy of the written request for appeal and proof of mailing within 10 business days of sending the request to the USCIS.

The family must forward to the designated USCIS office any additional documentation or written explanation in support of the appeal. This material must include a copy of the USCIS document verification request (used to process the secondary request) or such other form specified by the USCIS, and a letter indicating that the family is requesting an appeal of the USCIS immigration status verification results.

The USCIS will notify the family, with a copy to the HAFC, of its decision. When the USCIS notifies the HAFC of the decision, the HAFC must notify the family of its right to request an informal hearing.

The HAFC will send written notice to the family of its right to request an informal hearing within 10 business days of receiving notice of the USCIS decision regarding the family's immigration status.

19.5.3 Informal Hearing Procedures for Applicants

[24 CFR 5.514(f)]

After notification of the USCIS decision on appeal, or in lieu of an appeal to the USCIS, the family may request that the HAFC provide a hearing. The request for a hearing must be made either within 30 days of receipt of the HAFC notice of denial, or within 30 days of receipt of the USCIS appeal decision.

The informal hearing procedures for applicant families are described below.

Informal Hearing Officer

The HAFC must provide an informal hearing before an impartial individual, other than a person who made or approved the decision under review, and other than a person who is a subordinate of the person who made or approved the decision.

Evidence

The family must be provided the opportunity to examine in advance of the hearing, any documents in the possession of the HAFC pertaining to the family's eligibility status, or in the possession of the USCIS (as permitted by USCIS requirements), including any records and regulations that may be relevant to the hearing. The HAFC's policy regarding this right of discovery ,which pertains to both the family and to the HAFC, is described in *The HAFC's Hearing Procedures, Discovery, of this chapter.*

The family must be provided the opportunity to present evidence and arguments in support of eligible status. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

The family must also be provided the opportunity to refute evidence relied upon by the HAFC, and to confront and cross-examine all witnesses on whose testimony or information the HAFC relies.

Representation and Interpretive Services

The family is entitled to be represented by an attorney or other designee, at the family's expense, and to have such person make statements on the family's behalf.

The family is entitled to arrange for an interpreter to attend the hearing, at the expense of the family, or the HAFC, as may be agreed upon by the two parties.

Recording of the Hearing

The HAFC will produce an audio recording of the informal hearing. If the family wishes to have a copy of the recording such a request must be made 10 business days prior to the hearing date.

Hearing Decision

The HAFC must provide the family with a written final decision, based solely on the facts presented at the hearing, within 14 calendar days of the date of the informal hearing. The decision must state the basis for the decision.

19.5.4 Informal Hearing Procedures for Residents

[24 CFR 5.514(f)]

After notification of the USCIS decision on appeal, or in lieu of an appeal to the USCIS, the family may request that the HAFC provide a hearing. The request for a hearing must be made either within 30 days of receipt of the HAFC notice of termination, or within 30 days of receipt of the USCIS appeal decision.

19.5.5 Retention of Documents

[24 CFR 5.514(h)]

The HAFC must retain for a minimum of 5 years the following documents that may have been submitted to the HAFC by the family, or provided to the HAFC as part of the USCIS appeal or the HAFC informal hearing process:

- The application for assistance
- The form completed by the family for income reexamination
- Photocopies of any original documents, including original USCIS documents
- The signed verification consent form
- The USCIS verification results
- The request for a USCIS appeal
- The final USCIS determination
- The request for an informal hearing
- The final informal hearing decision

CHAPTER 20: LIMITED ENGLISH PROFICIENCY (LEP)

20.1 INTRODUCTION

In accordance with Executive Order 13166, the HAFC will provide meaningful access to its programs and activities by persons with Limited English Proficiency (LEP). This chapter describes how the HAFC will undertake reasonable efforts to provide or arrange free language assistance for its LEP participants and applicants to the assisted housing programs as well as the general public. See also Section 1.14 of this Plan, "When Translation Services Are Needed".

20.2 MEANINGFUL ACCESS & THE FOUR-FACTOR ANALYSIS

Meaningful access is free language assistance in accordance with federal guidelines. The HAFC will assess and update the following four-factor analysis as needed, including but not limited to:

- The number or proportion of LEP persons eligible to be served or likely to be served by the HAFC.
- The frequency with which LEP persons using a particular language come into contact with the HAFC.
- The nature and importance of the HAFC program, activity or service to the person's life.
- The HAFC's resources and the cost of providing meaningful access.

20.3 LANGUAGE ASSISTANCE

The following language assistance policies will apply:

- A person who does not speak English as their primary language AND who has a limited ability to read, write, speak or understand English may be a Limited English Proficient (LEP) person and may be entitled to language assistance with respect to HAFC programs and activities.

- Language assistance includes interpretation, which means oral or spoken transfer of a message from one language into another language; and/or translation, which means the written transfer of a message from one language into another language. The HAFC will determine when interpretation and/or translation services are needed and are reasonable based upon the four-factor analysis.

- HAFC staff will take reasonable steps to provide language assistance to LEP clients who have difficulty communicating in English. Should a client ask for language assistance and the Housing Authority determines that: a) the client is

an LEP person and b) such assistance is necessary to provide meaningful access, the HAFC will make reasonable efforts to provide free language assistance. The Housing Authority will provide the language assistance in the LEP client's preferred language upon request.

The HAFC will periodically assess client needs for language assistance based on the frequency of requests for interpreters and/or translation, as well as the literacy skills of clients.

20.4 TRANSLATION OF DOCUMENTS

The HAFC will consider the following factors in determining whether a document requires translation:

- Whether the document meets the threshold of a "vital document". Per the HUD guidance, "vital documents" are those that are critical for ensuring meaningful access by beneficiaries or potential beneficiaries generally and LEP persons specifically. For further details see the HAFC's Language Assistance Plan.

- The costs and benefits of translating documents for potential LEP groups, the barriers to meaningful translation or interpretation of technical housing information, the likelihood of frequent changes in documents, the existence of multiple dialects within a single language group, the literacy rate in an LEP group and other relevant factors. The HAFC will undertake this examination when an eligible LEP group constitutes 5 percent of an eligible client group (for example, 5 percent of households living in HAFC housing developments) or 1,000 persons, whichever is less.

In consideration of the above, the HAFC provides translations of the following assisted public housing "vital documents"

- Application
- Outreach activities
- Voucher
- Family Obligations
- Lease Addendum
- Termination letters

As the HAFC continues to translate further assisted public housing program "vital documents", this list will be updated on an annual basis.

As opportunities arise, the HAFC may work with other local Public Housing Authorities (PHAs) to share the costs of translating common documents.

As HUD continues to translate standard housing documents in multiple languages, the HAFC will replace its translated versions with the official HUD versions. The HAFC encourages HUD to provide this service to PHAs and other federally funded agencies whose limited resources hinder their LEP efforts.

The HAFC will consider technological aids such as Internet-based translation services, which may provide helpful, although perhaps not authoritative, translations of written materials.

20.5 AUDIOVISUAL MATERIALS

The HAFC will make reasonable efforts to produce multiple translations of audiovisual materials it uses to inform or educate applicants, participants and other client groups.

20.6 INTERPRETERS

Formal Interpreters

To provide meaningful access for LEP clients, the HAFC will use the Language Line Services which provides accurate and complete interpretation in 156 languages. At important stages that require one-on-one contact, written translation and verbal interpretation services will be provided consistent with the four-factor analysis herein.

Outside vendors who are qualified interpreters shall be used at the following and at the request of the family:

- Informal reviews for denial of admission
- Informal meetings for settlement agreements and
- Informal hearings for termination of rental assistance housing.

Informal Interpreters

Informal interpreters may include the family members, friends, legal guardians, service representatives or advocates of the LEP client. HAFC staff will determine whether it is appropriate to rely on informal interpreters, depending upon the circumstances and subject matter of the communication. However in many circumstances, informal interpreters, especially children, may not be an appropriate option to provide accurate interpretations. There may be issues of confidentiality, competency or conflict of interest.

An LEP person may use an informal interpreter of his/her own choosing and at his/her expense, either in place of or as a supplement to the free language assistance offered by the HAFC. If possible, the Housing Authority should accommodate an LEP client's request to use an informal interpreter in place of a formal interpreter.

If an LEP client prefers an informal interpreter, after the HAFC has offered free interpreter services, the informal interpreter may interpret. If the LEP person decides to

provide his/her own interpreter, the LEP person's election of this choice will be documented. The HAFC may require the family to sign a waiver of their right to the HAFC-supplied interpreter.

If an LEP client wants to use his/her own informal interpreter, the HAFC reserves the right to also have a formal interpreter present.

Outside Resources

Outside resources may include community volunteers, HAFC residents or Housing Choice Voucher/Section 8 participants.

Outside resources may be used for interpreting services at public or informal meetings or events if a timely request has been made.

The HAFC will establish and maintain relationships with organizations that assist specific cultural and ethnic groups living in Fresno County. To help their clients obtain or keep housing assistance through the HAFC, these organizations may provide qualified interpreters for LEP persons.

20.7 MONITORING

The HAFC will review and revise this LAP Policy as needed as part of the Agency Plan process. The review will include:

1. Reports from the HAFC's software system on the number of LEP clients, to the extent that the software and staff data entry can provide such information. Such reports may be supplemented by staff observations.

2. A determination as to whether 5 percent or 1,000 persons from HCV participants speak a specific language, which triggers consideration of document translation needs as described above.

3. Analysis of staff requests for contract interpreters: number of requests, languages requested costs, etc.

20.8 LEP POLICY DISTRIBUTION AND TRAINING

The LEP Policy will be:

1. Distributed to all HAFC staff.

2. Available at the HAFC Administrative Office.

3. Posted on HAFC's website at www.hafresn.org

4. Explained in orientation and training sessions for supervisors and other staff who need to communicate with LEP clients.

CHAPTER 21: SECTION 8 HOMEOWNERSHIP PROGRAM

21.1 INTRODUCTION

The HAFC has developed their Section 8 Homeownership Program (S8 HOP) according to the Quality Housing and Work Responsibility Act of 1998 and the Section 8 Homeownership Final Rule of September 12, 2000.

21.2 GENERAL PROVISIONS

[24 CFR 982.625**]**

S8 HOP option is used to assist existing Housing Choice Voucher (HCV) program participants to purchase a home using mortgage subsidy rather than rental subsidy. Under this subsidy option. The HAFC will pay a monthly homeownership assistance payment; it will not offer homeowner assistance in the form of a single down payment assistance grant.

The HAFC will approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

The HAFC has established a minimum homeowner down payment requirement of at least three (3) percent of the purchase price for participation in the S8 HOP; and requires that at least one (1) percent of the purchase price come from the participant's personal resources.

The HAFC requires financing on the purchase of a home under the S8 HOP to:

- Be provided, insured, or guaranteed by the State or Federal government;
- Comply with secondary mortgage market underwriting requirements, or
- Comply with generally accepted private sector underwriting standards.

21.3 FAMILY ELIGIBILITY REQUIREMENTS

[24 CFR 982.626, 982.627]

The participant must meet all initial requirements before the commencement of homeownership assistance, these include: First Time Home Buyer, Unit Eligibility, Income, Employment and the additional HUD requirements listed below:

21.3.1 First Time Home Buyer Requirements

Requirements include the following:

- The participant must be an existing participant in the HCV program.

- The participant must satisfy the first-time homeowner requirement by being any of the following:
- A first-time homeowner (as defined in the Glossary of this Administrative Plan)
- A new cooperative member (as defined in the Glossary)
- A participant of which at least one family member in the household is a person with a disability, and use of the homeownership option is needed as a reasonable accommodation.
- The participant must have satisfactorily completed the HAFC pre-purchase one-on-one and group homeownership counseling.

21.3.2 Unit Eligibility Requirements

Refer to ELIGIBLE UNITS later in this Chapter.

21.3.3 Income Requirements

- The participant must have a gross annual income equal to the federal minimum wage multiplied by 2,000, based on the income of adult family members who will own the home. Unless the family is elderly or disabled, income from welfare assistance will not be counted toward this requirement.
- In the case of elderly/disabled participants, the minimum income requirement will be the monthly Federal Supplemental Security Income (SSI) benefit for an individual living alone multiplied by twelve.
- For an elderly/disabled participant, welfare assistance payments for adult family members who own the home will be included in determining the minimum income requirement.

21.3.4 Employment Requirements

The participant must meet the federal minimum employment requirement. (This does not apply to elderly or disabled participants).

At least one adult family member who will own the home must be currently employed fulltime and must have been continuously employed for one year prior to homeownership assistance. (This does not apply to elderly or disabled participants).

HUD regulations define “full-time employment” as not less than an average of 30 hours per week.

A participant will be considered to have been continuously employed even if that participant has experienced a break in employment, provided that the break in employment did not exceed 30 calendar days; did not occur within the 6-month period immediately prior to the family’s request to utilize the homeownership option; and has been the only break in employment within the past 12 calendar months.

21.3.5 Additional HUD Eligibility Restrictions

There are two additional HUD eligibility restrictions:

- The HAFC denies the use of S8 HOP for cooperative members who have acquired cooperative membership shares prior to commencement of homeownership assistance. No family member may have ownership interest in a residence at the commencement of homeownership assistance for the purchase of any home.
- The HAFC denies the use of the S8 HOP for a participant in which an adult member of the household has defaulted on a mortgage while receiving homeownership assistance, thereby securing debt which will be incurred to the home purchase.

21.4 HOMEOWNERSHIP COUNSELING REQUIREMENTS

[24 CFR 982.630]

Once the participant has been determined eligible, they must complete group and/or one-on-one homeownership counseling sessions on the following:

- Budgeting/Financial Literacy
- Credit
- Pre-purchase Homebuyer Education
- Home maintenance (including care of grounds)
- Negotiating the purchase price of a home
- Obtaining loan pre-approvals, and selecting appropriate financing
- Selecting a home in HAFC jurisdiction based on family needs such as; schools, transportation, supportive services, etc.
- Understanding state and federal truth-in-lending laws to identify and avoid loans with oppressive terms and conditions

In addition, the participant must complete a 16-hour Homeownership Education and Counseling (HEC) certification program of the HAFC.

The HAFC will require quarterly post-purchase counseling after commencement of homeownership assistance until the final homeownership assistance payment is provided.

21.5 ELIGIBLE UNITS

[24 CFR 982.628]

The unit must meet all of the following requirements:

- Participants may enter into a contract of sale for units not yet under construction, however HAFC will not issue homeownership assistance payments for the unit unless or until:
    - The responsible entity has completed an environmental review and provided the review to the HAFC; or
    - HUD has performed an environmental review and notified the HAFC in writing of the environmental approval of the site prior to commencement of construction; or
    - Construction of the unit has been completed, and the unit has passed Housing Quality Standards (HQS) and the independent private inspection.
- The HAFC will require participants to obtain and maintain flood insurance for units in a special flood hazard area, and prohibit assistance for participants acquiring units in coastal barrier resources. The HAFC will notify the participant if the unit is in an airport runway clear zone and/or airfield clear zone.
- The unit is either a one-unit property (including a manufactured home) or single dwelling unit in a cooperative or condominium.
- A unit where the family will not own fee title to the real property on which the home is located will be approved only if:
    - The home is or will be located on a permanent foundation; and
    - The family has the right to occupy the home site for at least 40 years.
- The unit has passed inspection by HAFC and by an independent inspector designated and paid for by the family.

21.6 INELIGIBLE UNITS

[CFR 982.352]

The unit must not fall under any types of housing listed as ineligible housing in Chapter 9 of this administrative plan, with the **exception** of:

- A unit occupied by its owner or by a person with any interest in the unit.
- HAFC-owned housing

The HAFC will not approve the seller of the unit if the HAFC has been informed that the seller is disbarred, suspended, or subject to a limited denial of participation.

21.7 ISSUANCE OF SECTION 8 VOUCHER AND PURCHASE REQUIREMENTS

[24 CFR 982.629]

A homeownership voucher will be issued to the participant when all requirements have been met. The participant deadline date for locating, purchasing, and closing escrow on a home is 120 calendar days from the date the family's eligibility for the homeownership option is determined. With good cause, the HAFC may extend the time limit for a participant for an additional 30 days.

Participants must submit progress reports during the housing search and escrow period, while continuing to meet with the homeownership coordinator for ongoing counseling. Participant progress reports will be provided in 30-day intervals.

If the participant is unable to purchase a home within the maximum time permitted by HAFC, the HAFC will continue the client's participation in the Section 8 Housing Choice Voucher rental subsidy program. The participant may not re-apply for the Section 8 Homeownership program until they have completed one-on-one counseling with the Homeownership Coordinator/Housing Counselor.

21.8 INSPECTIONS AND SALES CONTRACT

[24 CFR 982.631]

The unit must meet HQS regulations, and must also be inspected by an independent professional inspector selected by, and paid for, by the participant. The independent inspection must cover major building systems and components. The inspector must be qualified to identify physical defects and report on property conditions, including major building systems and components. These systems and components include, but are not limited to:

- Foundation and structure; housing interior and exterior; roofing; plumbing, electrical and heating systems. Copies of the independent inspection report is provided to the participant and the HAFC by the independent inspector**.** Based on the information in this report, the family and HAFC determines whether any pre-purchase repairs are necessary.

The HAFC may disapprove the unit for homeownership assistance based on information provided with the inspection report.

21.8.1 Sales Contract

The participant must enter into a contract of sale with the seller of the unit. A copy of the contract must be given to the HAFC. The contract of sale must specify the price and terms of sale, and provide that the purchaser will arrange for a pre-purchase independent inspection of the home. The contract must also:

- Provide that the purchaser is not obligated to buy the unit unless the inspection is satisfactory to the purchaser and to the HAFC.
- Provide that the purchaser is not obligated to pay for any necessary repairs; and
- Must have certification that the seller has not been debarred, suspended or subject to a limited denial of participation.

21.9 FINANCING AND AFFORDABILITY OF PURCHASE

[24 CFR 982.632]

The participant is responsible for securing financing options, and obtaining HAFC approval of the proposed mortgage. HAFC will impose financing restrictions listed

below, and may disapprove proposed financing options if HAFC determines that the debt is unaffordable.

HAFC will prohibit the following forms of financing:

- Adjustable Rate Mortgage (ARM)
- Balloon payment mortgages
- Seller financing will be considered on a case-by-case basis.

21.10 MORTGAGE ASSISTANCE REQUIREMENTS AND FAMILY OBLIGATIONS

[24 CFR 982.633]

Homeownership assistance may only be paid while the participant is residing in the home. The HAFC shall not pay Homeownership Assistance Payment for any month after the month when the family moves out of the home.

Before the commencement of homeownership assistance, the unit must pass HQS inspection, and the participant must execute a statement of family obligations. The participant and any other adult(s) on the mortgage loan must comply with the following obligations:

- To the extent required by the HAFC, the mortgagee(s) must attend and complete ongoing housing counseling. (Refer to *Homeownership Counseling Requirements* in this Chapter.)
- The mortgagee(s) must comply with the terms of any mortgage securing debt incurred to purchase the home, or any refinancing of such debt.
- The participant may not convey or transfer ownership of the home, except for purposes of HAFC approved financing, refinancing, or pending settlement of the estate of a deceased family member. Use and occupancy of the home are subject to the following stipulations:
    - The participant must utilize the home receiving HAFC mortgage subsidy as their primary and only residence (CFR 982.551 [h]). The participant must provide certification of primary residence and promptly notify the HAFC upon absence from the unit [CFR 982.551 (h)(1)]
    - The participant must notify the HAFC of any changes in the home pertaining to family composition. All changes in family composition must be approved by the HAFC [CFR 982.551 (h)(2)]
    - Profit-making activities facilitated by any household member must be incidental to the family's residence in the home [CFR 982.551 (h)(5)]
    - Household members may not sublease or sublet the home [CFR 982.551 (h)(6)]

- The participant must supply true and complete information upon the request of the HAFC or HUD which includes but is not limited to:
    - Evidence of citizenship or eligible immigration status (CFR 982.551[b])
    - Information used to complete regularly scheduled reexamination of interim reexaminations of family composition and income (CFR 982.551[b])
    - Social Security numbers (CFR 982.551[b])
    - Mortgage financing or refinancing, sale or transfer of any interest in the home, or homeownership expenses.
- The participant must notify the HAFC before moving out of the home.
- The participant must notify the HAFC if the family defaults on the mortgage used to purchase the home.
- Neither the participant nor any other family member residing in the home may have any ownership interest in any other residential property.
- The participant must allow HAFC, to inspect the property for HQS compliance prior to the commencement of mortgage subsidy and annually within a 12 month period for as long as the mortgage assistance is provided by the HAFC.

Before commencement of homeownership assistance, the participant must execute a statement in which the family agrees to comply with all family obligations under the homeownership option.

21.11 MAXIMUM TERM OF HOMEOWNERSHIP ASSISTANCE

[24 CFR 982.634]

The maximum term of homeownership assistance is:

- 15 years, if the initial mortgage term is 20 years or longer; or
- 10 years in all other cases.

However, the maximum term does not apply in the case of elderly or disabled participants. In the case of an elderly family, the exception only applies if the family qualifies as an elderly family at the start of homeownership assistance. Additionally, in the case of a disabled family, the exception applies if at any time during receipt of homeownership assistance the participant qualifies as a disabled family.

If, during the course of homeownership assistance, the family ceases to qualify as a disabled or elderly family, the maximum term becomes applicable from the date the mortgage assistance commenced. However, in this case the family must be afforded at least 6 months of homeownership assistance after the maximum term becomes applicable.

21.11.1 Assistance for Different Homes or from Different Housing Authorities

If the participant has previously received homeownership assistance from any PHA and after a 3 year period, now qualifies for the S8 HOP option, the total amount of assistance terms is subject to the maximum term limitations noted above. The time limit applies to any member of the household who has ownership interest in the unit during any time that homeownership payments are made, or is a spouse of any member of the household who has an ownership interest.

21.12 HOMEOWNERSHIP ASSISTANCE PAYMENTS AND HOMEOWNERSHIP EXPENSES

[982.635]

The monthly homeownership assistance payment will be equal to the lower of: the voucher payment standard minus the total tenant payment, or the monthly homeownership expenses minus the total tenant payment.

In determining the amount of the homeownership assistance payment, the HAFC uses the same payment standard schedule, as those described in this Plan for the HCV program. However, when the payment standard falls below the payment standard used at the initial eligibility for S8 HOP, the higher of the two will be used for determining mortgage subsidy.

The HAFC pays the homeownership mortgage assistance payment directly to the S8 HOP participant, or directly to the lender, depending on the preference of the lending institution.

In accordance with HUD regulations, the HAFC has determined the following items will be included as homeownership expenses:

- Principal and interest on initial mortgage debt
- Refinancing of initial mortgage debt
- Mortgage insurance premiums incurred to finance the purchase of the home
- Real Estate Taxes and public assessments of the home
- Home insurance
- An allowance for major repairs and replacements
- Principal and interest on debt for home repairs and improvements
- HAFC utility allowance used for the HCV program
- Allowance for routine maintenance costs
- Land lease payments (where a family does not own fee title to the real property on which the home is located)

If the home is a cooperative or condominium, expenses will exclude Real Estate taxes and public assessment allowance, but include operating charges or maintenance fees assessed by the condominium or cooperative homeowner association.

Homeownership assistance for a participant terminates automatically 180 calendar days after the last homeownership assistance payment on behalf of the participant. However, HAFC has the discretion to grant relief from this requirement in those cases where automatic termination would result in extreme hardship for the participant.

Extreme hardship would be defined as:

- Significant reduction in the household income
- Significant household debt, which was beyond the control of the participant

The HAFC reviews all relevant circumstances regarding financial hardship and reviews them on a case-by-case basis.

21.13 PORTABILITY

[24 CFR 982.636, 982.353(b) and (c), 982.552, 982.553]

Subject to the restrictions on portability included in HUD regulations and in Chapter 13 of this Plan, the participant may exercise portability if the receiving PHA is administering a voucher homeownership program and accepting new homeownership participants.

21.14 MOVE WITH CONTINUED TENANT-BASED ASSISTANCE

[24 CFR 982.637]

A participant receiving homeownership assistance may move with continued tenant-based assistance in accordance with HUD regulations in 982.637. The participant may move with voucher rental assistance or with voucher homeownership assistance. Continued tenant-based assistance for a new unit cannot begin if any family member owns any title to the prior home.

21.15 TERMINATION OF ASSISTANCE FOR THE FAMILY

[24 CFR 982.638, 982.551, 982.552, 982.553]

Termination of homeownership assistance is governed by the policies for the Housing Choice Voucher program outlined in Chapter 15 of the Administrative Plan in accordance with CFR 982.551.

However, the following provisions are not applicable to homeownership:

- Activities regarding lease agreements such as lease violations, transfer of a lease or lease terminations
- Providing eviction notice

- The participant cannot own or have interest in the unit

The HAFC will terminate homeownership assistance if the participant is dispossessed from the home due to a judgment or order of foreclosure.

The HAFC will permit such participant to move with continued voucher rental assistance. However, rental assistance will be denied if the participant has defaulted on a Federal Housing Administration (FHA) insured mortgage, and the participant fails to demonstrate that:

- The participant conveyed title to the home as required by HUD, and;
- The participant moved within the period required by HUD.

The HAFC will terminate homeownership assistance if the participant or any other member of the household violates any of the following:

- Those stated in Chapter 15 of this administrative plan, Grounds for Denial or Termination of Assistance (CFR 982.552)
- Those stated in Chapter 15 of this administrative plan, Crime by Family Members (CFR 982.553).

CHAPTER 22: PROJECT-BASED VOUCHERS

22.1 INTRODUCTION

Under the project-based voucher (PBV) program a local housing authority will enter into a contract with an owner for specific units for a specific term in order to 1) expand the affordable housing in the community, and 2) to provide rental assistance for qualifying low-income families. The voucher assistance is attached to the structure, rather than to the tenant, as occurs in the tenant-based voucher program.

The program does not receive separate funding; housing authorities that already administer a tenant-based voucher program under an annual contributions contract (ACC) with HUD are allowed to use part of its voucher program budget authority and attach the funding to specific units rather than using it for tenant-based assistance. Housing authorities will only operate a PBV program which is consistent with its Annual Plan, and the goal of deconcentrating poverty and expanding housing and economic opportunities. Housing Authority of the City of Fresno (HAFC) has stated in its Annual Plan its reasons for offering a PBV program in Fresno County, and these are restated below:

22.1.1 Program's Current Goals

HAFC has the following current goals for the Project-Based Voucher program:

- HAFC will operate a project-based voucher program using up to 20 percent of its budget authority for project-based assistance.
- It will promote the deconcentration of poverty and expanding housing opportunities by selecting projects which are in non-impacted areas (with the exception being those six RDA areas described in the next section below).
- It will work with other programs to expand the affordable housing opportunities in our community.
- Promote development of housing units serving very low income populations, such as homeless, special needs and individuals with severe mental illness.

22.1.2 Annual Plan Statement

As HAFC strives to provide housing opportunities for individuals and families in need throughout Fresno County, especially those who are most vulnerable, project based vouchers (PBV) are an essential resource. To date, HAFC has agreed to provide PBVs for four projects targeting persons with very-low incomes, generally below 30-40% of the area median income. Each of the four projects was selected in accordance with HUD Title 24 Part 983.51 and HAFCs Administrative Plan. Selected projects have demonstrated a need for rent subsidy in order to help offset basic operating costs and allow for the projects' financial feasibility.

22.2 DESCRIPTION OF THE PBV PROGRAM

[24 CFR 983.5]

The PBV program is administered by a public housing authority that already administers the tenant-based voucher program, as mentioned earlier, as follows:

- After going through the selection process described in later in this Chapter, HAFC enters into a HAP contract with an owner for units in existing housing or in newly constructed or rehabilitated housing.
- In the case of newly constructed or rehabilitated housing, the housing is developed under an Agreement between the owner and the HAFC. In the agreement HAFC agrees to execute a HAP contract after the owner completes the construction or rehabilitation of the units.
- During the term of the HAP contract, HAFC makes housing assistance payments to the owner for units leased and occupied by eligible families.

22.3 PBV RULES VERSUS TENANT-BASED VOUCHER RULES

[24 CFR 983.1, 983.2]

Much of the tenant-based voucher program regulations in 24 CFR 982 also apply to the PBV program. Consequently, many of the HCV policies related to tenant-based assistance also apply to PBV assistance. The provisions of the tenant-based voucher regulations that do *not* apply to the PBV program are listed at 24 CFR 983.2, such as voucher issuance and portability.

Except as otherwise noted in this chapter, or unless specifically prohibited by PBV program regulations, the HAFC policies for the tenant-based voucher program contained in this Administrative Plan, also apply to the PBV program and its participants.

22.4 PBV DEFINITIONS

[983.3(b)]

Definitions specific to the PBV program are covered in 24 CFR 983.3(b). Definitions regarding other voucher terms can be located in 24 CFR 982.4.

Included below are some key HUD definitions which will assist in understanding our policy regarding the administration of the PBV program in Fresno County.

Agreement to Enter into HAP Contract (Agreement). The Agreement is a written contract between the HAFC and the owner in the form prescribed by HUD. The Agreement defines requirements for development of housing to be assisted under the PBV program. Once development is completed by the owner in accordance with the Agreement, the HAFC enters into a HPA contract with the owner. The Agreement is not used for existing housing (as described below).

Existing Housing. Housing units that already exist on the proposal selection date and that substantially comply with the Housing Quality Standards (HQS) on that date. [The units must fully comply with HQS before execution of the HAP contract].

Newly Constructed Housing. Housing units that do not exist on the proposal selection date and are developed after the date of selection pursuant to an Agreement between the HAFC and the owner for use under the PBV program.

Non-Impacted Areas. Those areas that are not located in non-poverty impacted census tracts and the six RDA areas located within the City of Fresno jurisdiction.

HAFC-Owned Unit. For purposes of the PBV program, a HAFC-owned unit is one which is owned by the HAFC that administers the voucher program. HAFC-owned means that the HAC or its officers, employees, or agents hold a direct or indirect interest in the building in which the unit is located, including an interest as titleholder or lessee, or as a stockholder, member of general or limited partner, or member of a limited liability corporation, or an entity that holds any such direct or indirect interest.

Proposal Selection Date. The date the HAFC gives written notice of PBV proposal selection to an owner whose proposal is selected in accordance with the criteria established in the HAFC's administrative plan [this Chapter].

Rehabilitated Housing. Housing units that exist on the proposal selection date, but do not substantially comply with the HQS on that date, and are developed, pursuant to an Agreement between the HAFC and owner, for use under the PBV program.

22.5 RELOCATION REQUIREMENTS

[24 CFR 983.7]

Any persons displaced as a result of implementation of the PBV program, must be provided relocation assistance in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA)[42 U.S.C. 4201-4655] and implementing regulations at 49 CFR part 24.

The cost of required relocation assistance may be paid with funds provided by the owner, local public funds, or funds available from other sources. HAFC may not use voucher program funds to cover relocation costs, except that HAFC may use their administrative fee reserve to pay for relocation expenses after all other program administrative expenses are satisfied, and provided that payment of the relocation benefits is consistent with state and local law. Use of the administrative fee for these purposes must also be consistent with other legal and regulatory requirements, including the requirement in 24 CFR 982.155 and other official HUD issuances.

The acquisition of real property for a PBV project is subject to the URA and 49 CFR Part 24, subpart B. It is the responsibility of the HAFC to ensure the owner complies with these requirements.

22.6 EQUAL OPPORTUNITY REQUIREMENTS

[24 CFR 983.8]

HAFC will comply with all equal opportunity requirements under federal law and regulations in its implementation of the PBV program. This includes the requirements and authorities cited at 24 CFR 5.105(a). In addition, HAFC must comply with the Agency Plan certification on civil rights and affirmatively furthering fair housing, submitted in accordance with 24 CFR 903.7(o).

22.7 HOUSING TYPE

[24 CFR 983.52]

HAFC may attach PBV assistance for units in existing housing or for newly constructed or rehabilitated housing developed under and in accordance with an Agreement to Enter into a Housing Assistance Payments Contract (hereafter referred to as Agreement) that was executed prior to the start of construction. *A housing unit is considered an existing unit for purposes of the PBV program, if, at the time of notice of HAFC selection, the units substantially comply with HQS*. Units for which new construction or rehabilitation was started in accordance with PBV program requirements do not qualify as existing housing.

HAFC's choice of housing type will be reflected in its solicitation for proposals.

22.8 PROHIBITION OF ASSISTANCE FOR CERTAIN UNITS: INELIGIBLE HOUSING TYPES

[24 CFR 983.53]

The HAFC will not attach or pay PBV assistance to:

- shared housing units;
- units on the grounds of a penal reformatory, medical, mental, or similar public or private institution;
- nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care (except that assistance may be provided in assisted living facilities);
- units that are owned or controlled by an educational institution or its affiliate and are designated for occupancy by students;
- manufactured homes;
- cooperative housing; and
- transitional housing.

In addition, the HAFC will not attach or pay PBV assistance for a unit occupied by an owner and the HAFC will not select or enter into an Agreement or HAP contract for a unit occupied by a family ineligible for participation in the PBV program**.**

22.9 PROHIBITION OF PBV ASSISTANCE IN SUBSIDIZED HOUSING
[24 CFR 983.54]

HAFC will not attach or pay PBV assistance to units in any of the following types of subsidized housing:

- A public housing unit;
- A unit subsidized with any other form of Section 8 assistance;
- A unit subsidized with any governmental rent subsidy;
- A unit subsidized with any governmental subsidy that covers all or any part of the operating costs of the housing;
- A unit subsidized with Section 236 rental assistance payments (except that a housing authority may attach assistance to a unit subsidized with Section 236 interest reduction payments);
- A Section 202 project for non-elderly with disabilities;
- Section 811 project-based supportive housing for persons with disabilities;
- Section 202 supportive housing for the elderly;
- A Section 101 rent supplement project;
- A unit subsidized with any form of tenant-based rental assistance;
- A unit with any other duplicative federal, state, or local housing subsidy, as determined by HUD or the HAFC in accordance with HUD requirements.

22.10 PROJECT-BASED VOUCHERS AND HAFC-OWNED UNITS
[24 CFR 983], 983.102(f), 983.301((g) and 983.303(f)]

HUD allows HAFCA-owned units to be assisted under the PBV program, with certain stipulations:

- HUD requires Housing Quality Standard (HQS) inspections and rent determinations to be conducted by outside entities [983.59(b)].
- Rent determinations must be in accordance with 24 CFR 983.301 through 983.305 with the same requirements of other units; i.e., are determined by independent entity approved by HUD.
- The independent entity approved by HUD must establish the initial contract rents based on an appraisal by a licensed, state-certified appraiser [983.59(b)(1)].
- The independent entity that performs these program services may be the unit of general local government for Fresno County or another HUD-approved public or private independent entity [983.59(c)].
- Payment of the independent entity and the appraiser will come from HAFC ongoing administrative fees [983.59(d)]; but may be reimbursed by the developer or owner requesting project-based vouchers.

- The independent entity, HAFC and the appraiser may not charge the family any fee for the appraisal or the services provided by the independent entity [983.59(d)].
- Copies of the HQS inspections and rent reasonableness determinations must be provided to the HUD field office as well as to the HAFC [983.103(f)(2), 983.303(f)(2)].
- A HAFC-owned unit may be assisted under the PBV program only if the HUD field office or HUD-approved independent entity reviews the selection process and determines selection was appropriate based on the selection criteria in the administrative plan [983.51(e)].
- Under no circumstances may PBV assistance be used with a public housing unit [983.51(e)].

22.11 SELECTION OF PBV OWNER PROPOSALS

HAFC will describe the procedures for owner submission of PBV proposals in its Request for Proposal (RFP). The RFP will also include the selection criteria to be used by HAFC in selecting owner proposals. Before selecting a PBV proposal, the HAFC must determine that the PBV proposal complies with HUD program regulations and requirements, including a determination that the property is eligible housing, complies with the cap on the number of PBV units per building, and meets the site selection standards described in this Chapter.

22.11.1 Owner Proposal Selection Procedures

[24 CFR 983.51]

HAFC will select PBV proposals in accordance with the selection procedures in its administrative plan and each individual RFP. It will select PBV proposals by either of the following two methods.

Method One: Competitive Basis

HAFC will solicit application submissions in response to an RFP under a competitive selection process. HAFC will not limit proposals to a single site or impose restrictions that explicitly or practically preclude owner submission of proposals for PBV housing on different sites.

Method Two: Prior Competitive Selection

The HAFC may select proposals that were previously selected based on a competition. This may include selection of a proposal for housing assisted under a federal, state, or local government housing assistance program that was,

- subject to a competition in accordance with the requirements of the applicable program, community development program, or supportive services program that requires competitive selection of proposals (e.g., HOME units); and

- where the proposal has been selected in accordance with such program's competitive selection requirements within three years of the PBV proposal selection date, and
- where the earlier competitive selection proposal did not involve any consideration that the project would receive PBV assistance.

In specific instances, PBV assistance can be awarded non-competitively and posted for public notification. These proposals can be presented at any time. These proposals will be rated on its merits and selected based on type of population being served. Owners or developers are not required to wait for publication of a Request for Proposal to present a proposal for consideration under the guidelines of non-competitive selection. However, the HAFC must publish the award of any units under the PBV program in a newspaper of general circulation. Every effort will be made to do this within 30 days.

22.11.2 Solicitation and Selection of PBV Proposals

HAFC procedures for selecting PBV proposals will be designed and operated to provide broad public notice of the opportunity to offer PBV proposals for its consideration. The public notice procedures will include publication of the public notice in a local newspaper of general circulation and other means designed and actually operated to provide broad public notice. The public notice of the HAFC request for PBV proposals must specify the submission deadline. Detailed application and selection information must be provided at the request of interested parties. HAFC Policy for requesting proposals is listed below by unit type.

22.11.3 HAFC Request for Proposals for Rehabilitated and Newly Constructed Units

HAFC will advertise its request for proposals (RFP) for rehabilitated and newly constructed housing in the following newspapers and trade journals:

- *The Fresno Bee*
- *The Business Journal*

HAFC will post the RFP and proposal submission rating and ranking procedures on its electronic website.

Publication of its advertisement will be carried in the newspapers and trade journals mentioned above for at least one day per week for three consecutive weeks. The advertisement will specify the number of units that HAFC estimates it will be able to assist under the funding the HAFC has made available. Proposals will be due in the HAFC office by close of business 30 calendar days from the date of the last publication.

In order for the proposal to be considered, the owner must submit the proposal to the HAFC by the published deadline date, and the proposal must respond to all requirements as outlined in the RFP. Incomplete proposals will not be reviewed.

HAFC will rate and rank proposals for rehabilitated and newly constructed housing using the following criteria:

- Owner experience and capability to build or rehabilitate housing as identified in the RFP;
- Extent to which the project furthers HAFC's goal of deconcentrating poverty and expanding housing and economic opportunities.
- Promoting development of housing units serving very low income populations, such as homeless, special needs and individuals with severe mental illness.

22.11.4 HAFC Requests for Proposals for Existing Housing Units

[24 CFR 983.51(c)]

HAFC will follow the same process in requesting proposals for existing housing units as described in Section 21.10.3 above, except that owner proposals will be accepted on a first-come first-served basis and will be evaluated using the following criteria:

- Experience as an owner in the tenant-based voucher program and owner compliance with the owner's obligations under the tenant-based program;
- Extent to which the project furthers the HAFC goal for deconcentrating poverty and expanding housing and economic opportunities; and
- Extent to which units are occupied by families that are eligible to participate in the PBV program.

22.11.5 HAFC Selection of Proposals: Previous Competition

HAFC will periodically advertise it is accepting proposals for PBV assistance from owners of units which were competitively selected under another federal, state or local housing assistance program. Advertisements will be published in the following newspapers and trade journals:

- *The Fresno Bee*
- *The Business Journal*

In addition to, or in place of advertising, HAFC may also directly contact specific owners that have already been selected for Federal, state, or local housing assistance based on a previously held competition, to inform them of available PBV assistance.

Proposals will be reviewed on a first-come first-served basis. The HAFC will evaluate each proposal on its merits using the following factors:

- Extent to which the project furthers the HAFC goal of deconcentrating poverty and expanding housing and economic opportunities; and

- Extent to which the proposal compliments other local activities such as the redevelopment of a public housing site under the HOPE VI program, the HOME program, CDBG activities, or other development activities in a HUD-designated Enterprise Zone, Economic Community, Redevelopment Area or Renewal Community.

22.11.6 HAFC Notice of Owner Selection

[24 CFR 983.51(d)]

HAFC must give prompt written notice to the party that submitted a selected proposal and must also give prompt public notice of such selection. Public notice procedures will include publication of public notice in a local newspaper of general circulation and other means designed and actually operated to provide broad public notice.

Within 10 business days of HAFC making the selection, the HAFC will notify the selected owner in writing of the owner's selection for the PBV program. The HAFC will also notify in writing all owners that submitted proposals that were not selected and advise such owners of the name of the selected owner.

In addition, the HAFC will publish its notice for selection of PBV proposals for two consecutive days in the same newspapers and trade journals which were used to solicit the proposals. The announcement will include the name of the owner that was selected for the PBV program. The HAFC will also post the notice of owner selection on its electronic web site.

HAFC will make available to any interested party its rating and ranking sheets and documents that identify the basis for selecting the proposal. These documents will be available for review by the public and other interested parties for one month after publication of the notice of owner selection. HAFC will not make available sensitive owner information that is privileged, such as financial statements and similar information about the owner.

HAFC will make these documents available for review at its Central Office during normal business hours. The cost for reproduction of allowable documents will be according to the department's general policy, which is $.50 for the first page and $.30 per page thereafter, plus $20 per hour for staff time or $5 per quarter hour or fraction thereof.

22.11.7 Prohibition of Excess Public Assistance: Subsidy Layering Requirements

[24 CFR 983.55]

HAFC will provide PBV assistance only in accordance with HUD subsidy layering regulations and other requirements. However, a subsidy layering review is not required in the case of a HAP contract for an existing project or if a subsidy layering review has been conducted by the applicable State or local agency.

The subsidy layering review is intended to prevent excessive public assistance by combining (layering) housing assistance payment subsidy under the PBV program with other governmental housing assistance from federal, state, or local agencies, including assistance such as tax concessions or tax credits.

HAFC will submit the necessary documentation to HUD for a subsidy layering review. The Authorities will not enter into an Agreement or a HAP contract until HUD (or an independent entity approved by HUD) has conducted any required subsidy layering review and determined that the PBV assistance is in accordance with HUD subsidy layering requirements.

The HAP contract must contain the owner's certification that the project has not received and will not receive (before or during the term of the HAP contract) any public assistance for acquisition, development, or operation of the housing other than assistance disclosed in the subsidy layering review in accordance with HUD requirements.

22.11.8 Cap on Number of PBV Units in A Project

[24 CFR 983.56]

25 Percent per Project Cap
[24 CFR 983.56(a)]

In general, the HAFC will not select a proposal to provide PBV assistance for units in a project or enter into an agreement to enter into a HAP or a HAP contract to provide PBV assistance for units in a project, if the total number of dwelling units in the project that will receive PBV assistance during the term of the PBV HAP contract is more than 25 percent of the number of dwelling units (assisted or unassisted) in the project. "Project" is defined to mean "a single building, multiple contiguous buildings, or multiple buildings on contiguous parcels of land".

Exceptions to 25 Percent per Project CAP
[24 CFR 983.56(b)]

Exceptions are allowed and PBV units are not counted against the 25 percent per project cap if the units are in a single-family building (one to four units) or are excepted units". Beyond this, HAFC will not impose any further cap on the number of PBV units assisted per project.

In selecting families for admission to excepted units, the Management Agent must give preference to elderly or disabled families; or to families receiving supportive services.

Management Agent will ensure there is a Statement of Family Responsibility signed by the family and Management Agent at the time leasing is conducted for the excepted unit.

22.11.9 Excepted Units Within a Multifamily Project

"Excepted Units" mean units in a multifamily project that are specifically made available for qualifying families and individuals. Qualifying families and individuals are elderly or disabled or are receiving supportive services. To qualify a family must have at least one member receiving at least one supportive service. If applicable, an individual must also be receiving supportive services for special needs such as mental health service. The service can either be provided on site or utilized on a referral basis through staff services on site.

The types of supportive services that will be offered include, but are not limited to:

- After-school tutoring and home work help for a minimum of four hours weekly;
- Educational and computer training classes for children and adults for a minimum of six hours weekly.

For qualifying families in Excepted Units, all services will be monitored annually. Families will be required to certify their participation in the supportive services, which will be verified by the HAFC. In addition, the owner must certify annually that it continues to provide a supportive services program. The owner must also notify the HAFC immediately once a family is no longer in compliance with their services obligation.

Management Agent will monitor the supportive services requirement regularly to ensure a qualifying family continues to reside in all excepted units.

- Attendance records at supportive service classes, where required, will meet this monitoring requirement.

All families are required to certify their participation in supportive services.

Management Agent (may provide through a vendor) must certify annually that it continues to provide the supportive service program(s).

Management Agent must notify HAFC immediately once a family no longer meets the definition of qualifying family; (e.g., is in non-compliance with their supportive services obligation; or due to a change in family composition the family is no longer elderly or disabled).

HAFC Quality Assurance will audit family participation in any required supportive services attached to the excepted unit; this will be done at least annually or more often if needed.

22.11.10 Site Selection Standards

[24 CFR 983.57]

<u>Compliance with PBV Goals, Civil Rights Requirements, and HQS</u>

[24 CFR 983.57(b)]

HAFC will not select a proposal for existing, newly constructed, or rehabilitated PBV housing on a site or enter into an Agreement or HAP contract for units on the site, unless

the HAFC has determined that PBV assistance for housing at the selected site is consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities. The standard for deconcentrating poverty and expanding housing and economic opportunities must be consistent with the HAFC's Agency Plan and the Housing Choice Voucher's administrative plan.

In addition, prior to selecting a proposal, the HAFC must determine that the site is suitable from the standpoint of facilitating and furthering full compliance with the applicable Civil Rights Laws, regulations, and Executive Orders, and that the site meets the HQS site and neighborhood standards at 24 CFR 982.401(l).

It is the HAFC's goal to select sites for PBV housing that provide for deconcentrating poverty and expanding housing and economic opportunities. In complying with this goal the Authorities will limit approval of sites for PBV housing in census tracts that have poverty concentrations of 20 percent or less.

However, the HAFC will grant exceptions to the 20 percent standard where it is determined that the PBV assistance will compliment other local redevelopment activities designed to deconcentrate poverty and expand housing and economic opportunities in census tracts with poverty concentrations greater than 20 percent, such as sites in:

- A census tract in which the proposed PBV development will be located in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community;
- A census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition and HOPE VI redevelopment;
- A census tract in which the proposed PBV development will be located is undergoing significant revitalization as a result of state, local, or federal dollars invested in the area;
- A census tract where new market rate units are being developed where such market rate units will positively impact the poverty rate in the area;
- A census tract where there has been an overall decline in the poverty rate within the past five years; or
- A census tract where there are meaningful opportunities for educational and economic advancement.

Under no circumstances will the HAFC approve PBV assistance in a census tract with a concentration factor greater than 75 percent of the community-wide poverty rate or forty percent, whichever is lower.

22.11.11 Existing and Rehabilitated Housing Site and Neighborhood Standards

[24 CFR 983.57(d)]

HAFC will not enter into an Agreement to enter into a HAP contract (nor enter into a HAP contract for existing or rehabilitated housing) until it has determined that the site complies with the HUD required site and neighborhood standards. The site must:

- Be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
- Have adequate utilities and streets available to service the site;
- Promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- Be accessible to social, recreational, educational, commercial, retail and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units; and
- Be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

22.11.12 New Construction Site and Neighborhood Standards

[24 CFR 983.57(e)]

In order to be selected for PBV assistance, a site for newly constructed housing must meet the following HUD required site and neighborhood standards:

- The site must be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
- The site must have adequate utilities and streets available to service the site;
- The site must not be located in an area of minority concentration unless the HAFC determines that sufficient, comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside areas of minority concentration or that the project is necessary to meet overriding housing needs that cannot be met in that housing market area;
- The site must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area;
- The site must promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- The neighborhood must not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate;
- The housing must be accessible to social, recreational, educational, commercial, retail and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units appropriate to the subject population; and
- Except for housing designed for elderly persons, the housing must be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

22.11.13 Environmental Review

[24 CFR 983.58]

HAFC activities under the PBV program are subject to HUD environmental regulations in 24 CFR parts 50 and 58. The *responsible entity* is responsible for performing the federal environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). The HAFC will not enter into an Agreement nor enter into a HAP contract until it has complied with the environmental review requirements.

In the case of an existing structure, the HAFC is not required to undertake any environmental review before entering into a HAP contract, except to the extent such a review is otherwise required by law or regulation.

HAFC will not enter into an Agreement or a HAP contract with an owner, and the HAFC, the owner, and its contractors will not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct real property or commit or expend program or local funds for PBV activities under this part, until the environmental review is completed.

HAFC must supply all available, relevant information necessary for the responsible entity to perform any required environmental review for any site. The HAFC must require the owner to carry out mitigating measures required by the responsible entity (or HUD, if applicable) as a result of the environmental review.

22.12 DWELLING UNITS

[24 CFR 983.101]

Overview

The housing quality standards for PBV are essentially the same as for Tenant Based Vouchers, except the requirements for Lead-Based Paint are exchanged for the following:

Lead-based Paint

The lead-based paint requirements for the tenant-based voucher program do not apply to the PBV program. Instead, The Lead-based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-based Paint Hazard Reduction Act of 1992(42 U.S.C. 4851-4856), and implementing regulations at 24 CFR part 35,subparts A, B, H, and R, apply to the PBV program.

22.12.1 Housing Accessibility for Persons with Disabilities

[24 CFR 983.102]

The housing must comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR part 8. The HAFC must ensure that the percentage of accessible dwelling units complies with the requirements of Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as implemented by HUD's regulations at 24 CFR 8, subpart C.

Housing first occupied after March 13, 1991, must comply with design and construction requirements of the Fair Housing Amendments Act of 1988 and implementing regulations at 24 CFR 100.205, as applicable. (24 CFR 983.102)

22.13 INSPECTING UNITS

22.13.1 Pre-selection Inspection

[983.103(a)]

The HAFC must examine the proposed site before the proposal selection date. If the units to be assisted already exist, the HAFC must inspect all the units before the proposal selection date, and must determine whether the units substantially comply with HQS. To qualify as existing housing, units must substantially comply with HQS on the proposal selection date. However, HAFC will not execute the HAP contract until the units fully comply with HQS.

22.13.2 Pre-HAP Contract Inspections

[983.103(b)]

The HAFC must inspect each contract unit before execution of the HAP contract. HAFC will not enter into a HAP contract covering a unit until the unit fully complies with HQS.

22.13.3 Turnover Inspections

[983.103(c)]

Before providing assistance to a new family in a contract unit, the HAFC must inspect the unit. The HAFC will not provide assistance on behalf of the family until the unit fully complies with HQS.

22.13.4 Annual Inspections

[983.103(d)]

At least annually during the term of the HAP contract, the HAFC must inspect a random sample, consisting of at least 20 percent of the contract units in each building to determine if the contract units and the premises are maintained in accordance with HQS. Turnover inspections are not counted toward meeting this annual inspection requirement.

If more than 20 percent of the annual sample of inspected contract units in a building fails the initial inspection, the HAFC must reinspect 100 percent of the contract units in the building.

22.13.5 Other Inspections

[983.103(e)]

The HAFC must inspect contract units whenever needed to determine that the contract units comply with HQS and that the owner is providing maintenance, utilities, and other services in accordance with the HAP contract. The HAFC must take into account complaints and any other information coming to its attention in scheduling inspections.

The HAFC must conduct follow-up inspections needed to determine if the owner (or, if applicable, the family) has corrected an HQS violation, and must conduct inspections to

determine the basis for exercise of contractual and other remedies for owner or family violation of HQS.

In conducting HAFC supervisory quality control HQS inspections, the HAFC should include a representative sample of both tenant-based and project-based units.

22.13.6 Inspecting HAFC-Owned Units

[983.103(f)]

In the case of HAFC-owned units:

- The inspections must be performed by an independent agency as designated in this Chapter, rather than by HAFC.
- The independent entity will furnish a copy of each inspection report to HAFC and to the HUD field office.
- HAFC will take all necessary actions in response to inspection reports from the independent agency, including exercise of contractual remedies for violation of the HAP contract by the HAFC owner.

22.14 REQUIREMENTS FOR REHABILITATED AND NEWLY CONSTRUCTED UNITS

22.14.1 Applicability

[983.151]

This section applies to PBV assistance for newly constructed or rehabilitated housing. This section does not apply to PBV assistance for existing housing.

Housing selected for this type of assistance, will not at a later date be selected for PBV assistance as existing housing.

22.14.2 Purpose of the Agreement to Enter into HAP Contract

[983.152(b)]

In order to offer PBV assistance in rehabilitated or newly constructed units, the HAFC must enter into an Agreement with the owner of the property. The Agreement must be in the form required by HUD [24 CFR 983.152(a)].

In the Agreement the owner agrees to develop the PBV contract units to comply with HQS, and the HAFC agrees that upon timely completion of such development in accordance with the terms of the Agreement, the HAFC will enter into a HAP contract with the owner for the contract units [24 CFR 983.152(b)].

22.14.3 Content of the Agreement

[983.152(c)]

At a minimum, the Agreement must comply with the Housing Quality Standards and describe the following features of the housing to be developed and assisted under the PBV program:

- Number of contract units by area (size) and number of bedrooms and bathrooms;

- Site and the location of the contract units;
- Services, maintenance, or equipment to be supplied by the owner without charges in addition to the rent;
- Utilities available to the contract units, including a specification of utility services to be paid by the owner and utility services to be paid by the tenant;
- An indication of whether or not the design and construction requirements of the Fair Housing Act and Section 504 of the Rehabilitation Act of 1973 apply to units under the Agreement. If applicable, any required work item resulting from these requirements must be included in the description of work to be performed under the Agreement;
- Estimated initial rents to owner for the contract units;

- For rehabilitated units, the work description must include the rehabilitation work write up and, where determined necessary by the HAFC, specifications and plans.
- For new construction units, the description must include the working drawings and specifications.

22.14.4 Execution of the Agreement

[983.153]

The Agreement must be executed promptly after HAFC notice of proposal selection to the selected owner. However, the HAFC will not enter into the Agreement with the owner until the subsidy layering review is completed. Likewise, the HAFC will not enter into the Agreement until the environmental review is completed and the HAFC has received environmental approval.

The HAFC will enter into the Agreement with the owner within 10 business days of receiving both environmental approval and notice that subsidy layering requirements have been met, and before construction or rehabilitation work is started**.**

22.14.5 Requirements of Development Work

[983.154]

Labor Standards

If an Agreement covers the development of nine or more contract units (whether or not completed in stages), the owner and the owner's contractors and subcontractors must pay Davis-Bacon wages to laborers and mechanics employed in the development of housing. The HUD-prescribed form of the Agreement will include the labor standards clauses required by HUD, such as those involving Davis-Bacon wage rates.

The owner, contractors, and subcontractors must also comply with the Contract Work Hours and Safety Standards Act, Department of Labor regulations in 29 CFR part 5, and other applicable federal labor relations laws and regulations. The HAFC must monitor compliance with labor standards.

Equal Opportunity

The owner must comply with Section 3 of the Housing and Urban Development Act of 1968 and the implementing regulations at 24 CFR Part 135. The owner must also comply with federal equal employment opportunity requirements.

Disclosure of Conflict of Interest

The Agreement and HAP contract must include a certification by the owner that the owner and other project principals are not on the U.S. General Services Administration list of parties excluded from federal procurement and non-procurement programs.

The owner must also disclose any possible conflict of interest that would be a violation of the Agreement, the HAP contract, or HUD regulations.

22.15 COMPLETION OF HOUSING

[983.155]

The Agreement must specify the deadlines for completion of the housing, and the owner must develop and complete the housing in accordance with these deadlines. The Agreement must also specify the deadline for submission by the owner of the required evidence of completion.

Required Evidence of Completion

At a minimum, the owner must submit the following evidence of completion to the HAFC in the form and manner required by the HAFC:

Owner certification that the work has been completed in accordance with HQS and all requirements of the Agreement; and

Owner certification that the owner has complied with labor standards and equal opportunity requirements in development of the housing.

At the HAFC's discretion, the Agreement may specify additional documentation that must be submitted by the owner as evidence of housing completion.

HAFC will determine the need for the owner to submit additional documentation as evidence of housing completion on a case-by-case basis depending on the nature of the PBV project. The HAFC will specify any additional documentation requirements in the Agreement to enter into HAP contract.

22.16 HAFC ACCEPTANCE OF COMPLETED UNITS

[983.156]

Upon notice from the owner that the housing is completed, the HAFC must inspect to determine if the housing has been completed in accordance with the Agreement, including compliance with HQS and any additional requirements imposed under the Agreement. The HAFC must also determine if the owner has submitted all required evidence of completion.

If the work has not been completed in accordance with the Agreement, the HAFC must not enter into the HAP contract.

If the HAFC determines the work has been completed in accordance with the Agreement and that the owner has submitted all required evidence of completion, the HAFC must submit the HAP contract for execution by the owner and must then execute the HAP contract.

22.17 HOUSING ASSISTANCE PAYMENTS CONTRACT (HAP)

[983.201 to 983.209]

22.17.1 Overview

[983.202]

The HAFC must enter into a HAP contract with an owner for units that are receiving PBV assistance. The purpose of the HAP contract is to provide housing assistance payments for eligible families. Housing assistance is paid for contract units leased and occupied by eligible families during the HAP contract term. The HAP contract must be in the form required by HUD [24 CFR 983.202].

22.17.2 HAP Contract Requirements

Contract Information
[983.203]

The HAP contract must specify the following information:

- The total number of contract units by number of bedrooms;
- The project's name, street address, city or county, state and zip code, block and lot number (if known), and any other information necessary to clearly identify the site and the building;
- The number of contract units in each building, the location of each contract unit, the area of each contract unit, and the number of bedrooms and bathrooms in each contract unit;
- Services, maintenance, and equipment to be supplied by the owner and included in the rent to owner;
- Utilities available to the contract units, including a specification of utility services to be paid by the owner (included in rent) and utility services to be paid by the tenant;
- Features provided to comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR part 8;
- The HAP contract term;
- The number of units in any building that will exceed the 25 percent per building cap, which will be set-aside for occupancy by qualifying families; and

- The initial rent to owner for the first 12 months of the HAP contract term.

22.17.3 Execution of the HAP Contract

[983.204]

The HAFC will not enter into a HAP contract until each contract unit has been inspected and the HAFC has determined that the unit complies with the Housing Quality Standards (HQS). For existing housing, the HAP contract must be executed promptly after the HAFC selects the owner proposal and inspects the housing units. For newly constructed or rehabilitated housing the HAP contract must be executed after the HAFC has inspected the completed units and has determined that the units have been completed in accordance with the agreement to enter into HAP, and the owner furnishes all required evidence of completion.

For existing housing, the HAP contract will be executed within 10 business days of HAFC determining that all units pass HQS.

For rehabilitated or newly constructed housing, the HAP contract will be executed within 10 business days of HAFC determining that the units have been completed in accordance with the Agreement to enter into HAP, all units meet HQS, and the owner has submitted all required evidence of completion.

22.17.4 Term of HAP Contract

[983.205]

The HAFC will enter into a HAP contract with an owner for an initial term of no less than one year and no more than fifteen (15) years.

The term of all PBV HAP contracts will be negotiated with the owner on a case-by-case basis.

The HAFC may agree to enter into an extension at the time of the initial HAP contract or any time before expiration of the contract for an additional term of up to fifteen (15) years. For example, the HAFC may execute an initial HAP Contract good for 15 years for project-based units, and a separate HAP Contract granting an extension of another 15 years. When determining whether or not to extend an expiring PBV contract, HAFC will consider several factors including, but not limited to:

- The cost of extending the contract and the amount of available budget authority;
- The condition of the contract units;
- The owner's record of compliance with obligations under the HAP contract and lease(s);
- Whether the location of the units continues to support the goals of deconcentrating poverty and expanding housing opportunities; and
- Whether the funding could be used more appropriately for tenant-based assistance.

22.17.5 Termination by HAFC

[983.205(c)]

The HAP contract must provide that the term of the HAFC's contractual commitment is subject to the availability of sufficient appropriated funding as determined by HUD or by the HAFC in accordance with HUD instructions. For these purposes, sufficient funding means the availability of appropriations, and of funding under the ACC from such appropriations, to make full payment of housing assistance payments payable to the owner for any contract year in accordance with the terms of the HAP contract.

If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, the HAFC may terminate the HAP contract by 60-day notice to the owner. The termination must be implemented in accordance with HUD instructions.

22.17.6 Termination by Owner

[983.205(d)]

If in accordance with program requirements the amount of rent to an owner for any contract unit is reduced below the amount of the rent to owner at the beginning of the HAP contract term, the owner may terminate the HAP contract by giving notice to the HAFC. In this case, families living in the contract units must be offered tenant-based assistance.

22.17.7 Remedies for HQS Violations

[983.207(b)]

The HAFC will not make any HAP payment to the owner for a contract unit during any period in which the unit does not comply with HQS. If the HAFC determines that a contract does not comply with HQS, the HAFC may exercise any of its remedies under the HAP contract, for any or all of the contract units. Available remedies include termination of housing assistance payments, abatement or reduction of housing assistance payments, reduction of contract units, and termination of the HAP contract.

HAFC will abate and terminate PBV HAP contracts for non-compliance with HQS in accordance with the policies used in the tenant-based voucher program. These policies are contained in Chapter 10, regarding enforcing owner compliance.

22.18 AMENDMENTS TO THE HAP CONTRACT

[983.206]

22.18.1 Substitution of Contract Units

At the HAFC's discretion and subject to all PBV requirements, the HAP contract may be amended to substitute a different unit with the same number of bedrooms in the same building for a previously covered contract unit. Before any such substitution can take place, the HAFC must inspect the proposed unit and determine the reasonable rent for the unit.

22.18.2 Addition of Contract Units

At the HAFC's discretion and subject to the restrictions on the number of dwelling units that can receive PBV assistance per building and on the overall size of the HAFC's PBV program, a HAP contract may be amended during the three-year period following the execution date of the HAP contract to add additional PBV units in the same building. This type of amendment is subject to all PBV program requirements except that a new PBV proposal is not required.

HAFC will consider adding contract units to the HAP contract when the HAFC determines that additional housing is needed to serve eligible low-income families. Circumstances may include, but are not limited to:

- The local housing inventory is reduced due to a disaster (either due to loss of housing units, or an influx of displaced families)
- Voucher holders are having difficulty finding units that meet program requirements.

22.18.3 HAP Contract Year, Anniversary and Expiration Dates

[983.206(c)]

The HAP contract year is the period of 12 calendar months preceding each annual anniversary of the HAP contract during the HAP contract term. The initial contract year is calculated from the first day of the first calendar month of the HAP contract term.

The annual anniversary of the HAP contract is the first day of the first calendar month after the end of the preceding contract year.

There is a single annual anniversary and expiration date for all units under a particular HAP contract, even in cases where contract units are placed under the HAP contract in stages (on different dates) or units are added by amendment. The anniversary and expiration dates for all units coincide with the dates for the contract units that were originally placed under contract.

22.19 OWNER RESPONSIBILITIES UNDER THE HAP

[983.208 to 983.209]

The owner is responsible for performing all the owner responsibilities under the Agreement and the HAP contract. 24 CFR 982.452 (Owner responsibilities) applies.

By execution of the HPA contract, the owner certifies that at such execution and at all times during the term of the HAP contract:

- All contract units are in good condition and the owner is maintaining the premises and contract units in accordance with HQS;
- The owner is providing all services, maintenance, equipment and utilities as agreed to under the HAP contract and the leases;

- Each contract unit for which the owner is receiving HAP, is leased to an eligible family referred by the HAFC, and the lease is in accordance with the HAP contract and HUD requirements;
- To the best of the owner's knowledge the family resides in the contract unit for which the owner is receiving HAP, and the unit is the family's only residence;
- The owner (including a principal or other interested party) is not the spouse, parent, child, grandparent, grandchild, sister, or brother of any member of a family residing in a contract unit;
- The amount of the HAP the owner is receiving is correct under the HAP contract;
- The rent for contract units does not exceed rents charged by the owner for comparable unassisted units;
- Except for HAP and tenant rent, the owner has not received and will not receive any other payment or consideration for rental of the contract unit; and
- The family does not own or have any interest in the contract unit.

Additional HAP Requirements

Housing Quality and Design Requirements
[983.207]

The owner is required to maintain and operate the contract units and premises in accordance with HQS, including performance of ordinary and extraordinary maintenance. The owner must provide all the services, maintenance, equipment, and utilities specified in the HAP contract with the HAFC and in the lease with each assisted family. In addition, maintenance, replacement and redecoration must be in accordance with the standard practice for the building as established by the owner.

The HAFC may elect to establish additional requirements for quality, architecture, or design of PBV housing. Any such additional requirements must be specified in the Agreement and the HAP contract. These requirements must be in addition to, not in place of, compliance with HQS.

HAFC will identify the need for any special features on a case-by-case basis depending on the intended occupancy of the PBV project. The HAFC will specify any special design standards or additional requirements in the invitation for PBV proposals, the Agreement, and the HAP contract.

22.20 TENANT SELECTION AND OCCUPANCY
[983.251]

22.20.1 Selection of PBV Program Participants

Overview

Many of the provisions of the tenant-based voucher regulations [24 CFR 982] also apply to the PBV program. This includes requirements related to determining eligibility and selecting applicants from the waiting list. Even with these similarities, there are requirements that are unique to the PBV program. This part describes the requirements and policies related to eligibility and admission to the PBV program.

22.20.2 Eligibility for PBV Assistance

[983.251(a)]

The HAFC will select families for the PBV program from those who have applied for admission to the voucher program. As with the tenant-based voucher program, eligibility for admission must be determined at the time of the formal application interview.

Applicants for PBV assistance must meet the same eligibility requirements as applicants for the tenant-based voucher program. Applicants must qualify as a family as defined by HUD and the HAFC, have income at or below HUD-specified income limits, and qualify on the basis of citizenship or the eligible immigration status of family members [24 CFR 982.201(a) and 24 CFR 983.2(a)]. In addition, an applicant family must provide social security information for family members [24 CFR 5.216 and 5.218] and consent to the HAFC's collection and use of family information regarding income, expenses, and family composition [24 CFR 5.230]. An applicant family must also meet HUD requirements related to current or past criminal activity.

HAFC will determine an applicant family's eligibility for the PBV program in accordance with the policies in Chapter 4 (Eligibility for Admission) of this Administrative Plan.

22.20.3 In-Place Families

[983.251(b)]

An eligible family residing in a proposed PBV contract unit on the date the proposal is selected by the HAFC is considered an in-place family. These families are afforded protection from displacement under the PBV rule. If a unit to be placed under contract (either an existing unit or a unit requiring rehabilitation) is occupied by an eligible family on the date the proposal is selected, the in-place family will be placed on the HAFC's waiting list even if the waiting list is closed. Once the family's continued eligibility is determined (the HAFC may deny assistance to an in-place family for the grounds specified in 24 CFR 982.552 and 982.553), the family must be given an absolute selection preference and the HAFC must refer these families to the project owner for an appropriately sized PBV unit in the project. Admission of eligible in-place families is not subject to income targeting requirements.

This regulatory protection from displacement does not apply to families that are not eligible to participate in the program on the proposal selection date.

22.20.4 Selection from the Waiting List

[983.251(c)]

Applicants who will occupy units with PBV assistance must be selected from the HAFC's waiting list. The HAFC will establish a separate waiting list for PBV units, and will

establish separate waiting lists for PBV units in particular projects. The waiting list may establish criteria or preferences for occupancy of particular units. The HAFC will offer to place applicants who are listed on the tenant-based waiting list on the waiting list for PBV assistance.

HAFC will establish and manage separate waiting lists for individual projects that are receiving PBV assistance.

In selecting families to occupy PBV units with special accessibility features for persons with disabilities, HAFC must first refer families who require such accessibility features to the owner, per 24 CFR 8.26 and 100.202.

22.20.5 Referred by PBV Owner or for Set Aside PBV Voucher Allocations

PBV Owner Referral

The HAFC will place families referred by the PBV owner on its PBV waiting list in order of date and time of referral.

Set Aside PBV Voucher Referral

Periodically HAFC has the opportunity to target PBV's for special needs populations. HAFC would enter into a Memorandum of Understanding to provide supportive housing in collaboration with another local agency which would provide supportive services for the special population. In the Memorandum of Understanding the two organizations would identify referral criteria and set the roles needed to ensure eligibility requirements are met.

At the time the project waiting list is offered, applicants on the tenant-based waiting list will be given the opportunity to be added to the project waiting list. Additionally referrals would come directly from the collaborating agency to be added to the project waiting list. Families who meet the criteria would be given first preference for the set aside units.

22.20.6 Income Targeting

HUD requires that extremely low-income (ELI) families make up at least 75% of the families admitted to the HCV program during the HAFC'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 HAFC may skip non-ELI families on the waiting list in order to select an ELI family.

HAFC 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.

22.20.7 Units with Accessibility Features

When selecting families to occupy PBV units that have special accessibility features for persons with disabilities, the HAFC must first refer families who require such features to the owner.

22.20.8 Preferences

The PBV program differs from the tenant-based program in terms of local preferences.

The HAFC must provide an absolute selection preference for eligible in-place families as described in 24 CFR 983.251(b). HAFC will provide a selection preference:

- when required by the regulation (e.g. eligible in-place families,
- qualifying families for excepted units, and
- mobility-impaired persons for accessible units.

The only additional preference will be for veterans of U.S. Armed Forces (same as defined in Chapter 3 of this Administrative Plan), which is required by state law.

Preference for Services Offered

[24 CFR 983.251(d)]

HAFC may give preference to disabled families who need services offered at a particular project. Such preference must be in accordance with the limits listed here:

The preference is limited to:

- The population of families (including individuals) with disabilities that significantly interfere with their ability to obtain and maintain themselves in housing;
- Who, without appropriate supportive services, will not be able to obtain or maintain themselves in housing; and
- For whom such services cannot be provided in a non-segregated setting.

22.20.9 Offer of PBV Assistance

[983.251(e)]

Refusal of Offer

The HAFC is prohibited from taking any of the following actions against a family who has applied for, received, or refused an offer of PBV assistance:

Refuse to list the applicant on the waiting list for tenant-based voucher assistance;

Deny any admission preference for which the applicant qualifies;

Change the applicant's place on the waiting list based on preference, date, and time of application, or other factors affecting selection under the HAFC's selection policy;

Remove the applicant from the tenant-based voucher waiting list.

22.20.10 Disapproval by Landlord

[983.251(e) (2)]

If a PBV owner rejects a family for admission to the owner's units, such rejection will not affect the family's position on the tenant-based voucher waiting list.

22.21 ACCEPTANCE OF OFFER

[983.252]

Family Briefing

When a family accepts an offer for PBV assistance, the HAFC will give the family an oral briefing. The briefing must include information on how the program works and the responsibilities of the family and owner. In addition to the oral briefing, the HAFC must provide a briefing packet that explains how the HAFC determines the total tenant payment for a family, the family obligations under the program, and applicable fair housing information.

Information Packet

HAFC will provide each family attending the briefing with a packet which contains the following information:

(1) How HAFC determines the total tenant payment for a family;

(2) Family obligations under the program; and

(3) Applicable fair housing information.

Persons with Disabilities

If an applicant family's head or spouse is disabled, the HAFC must assure effective communication, in accordance with 24 CFR 8.6, in conducting the oral briefing and in providing the written information packet. The HAFC's reasonable accommodation policy is outlined in Chapter 1 of this Administrative Plan. In addition, the HAFC must have a mechanism for referring a family that includes a member with a mobility impairment to an appropriate accessible PBV unit.

Persons with Limited English Proficiency

The HAFC takes reasonable steps to assure meaningful access by persons with limited English proficiency in accordance with Title VI of the Civil Rights Act of 1964 and Executive Order 13166. This policy is described in Chapter 20.

22.22 OWNER SELECTION OF TENANTS

[983.253]

The owner is responsible for developing written tenant selection procedures that are consistent with the purpose of improving housing opportunities for very low-income

families and reasonably related to program eligibility and an applicant's ability to fulfill their obligations under the lease. An owner must promptly notify in writing any rejected applicant of the grounds for any rejection [24 CFR 983.253(b)], and provide a copy to the HAFC.

Leasing

During the term of the HAP contract, the owner must lease contract units to eligible families that are selected and referred by the HAFC from the HAFC's waiting list. The contract unit leased to the family must be the appropriate size unit for the size of the family, based on the HAFC's subsidy standards.

22.23 VACANCIES

22.23.1 Filling Vacancies

[983.254]

The owner must promptly notify the HAFC of any vacancy or expected vacancy in a contract unit. After receiving such notice, the HAFC must make every reasonable effort to promptly refer a sufficient number of families for the owner to fill such vacancies. The HAFC and the owner must make reasonable efforts to minimize the likelihood and length of any vacancy.

The owner must notify HAFC in writing (mail, fax, or e-mail) within 5 business days of learning about any vacancy or expected vacancy.

The HAFC will make every reasonable effort to refer families to the owner within 10 business days of receiving such notice from the owner.

22.23.2 Reduction in HAP Contract Units Due to Vacancies

If any contract units have been vacant for 120 or more days since owner notice of the vacancy, the HAFC may give notice to the owner amending the HAP contract to reduce the number of contract units by subtracting the number of contract units (according to the bedroom size) that have been vacant for this period.

If any contract units have been vacant for 120 days, HAFC will give notice to the owner that the HAP contract will be amended to reduce the number of contract units that have been vacant for this period. The HAFC will provide the notice to the owner within 10 business days of the 120th day of the vacancy. The amendment to the HAP contract will be effective the 1st day of the month following the date of the HAFC's notice.

22.24 TENANT SCREENING

[983.255(a)]

22.24.1 HAFC Responsibility

The HAFC is not responsible or liable to the owner or any other person for the family's behavior or suitability for tenancy.

HAFC will screen applicants prior to offering a voucher according to Chapter 4 and Chapter 15, and may deny applicants based on such screening.

The HAFC must provide the owner with an applicant family's current and prior address (as shown in HAFC records) and the name and address (if known by the HAFC) of the family's current landlord and any prior landlords.

HAFC will make an exception to this requirement if the family's whereabouts must be protected due to domestic abuse or witness protection.

In addition, the HAFC will apply the same policies regarding providing information the HAFC may have about a family, directly to the owner as described below. A statement of the HAFC's policy on release of information to prospective landlords will be included in the briefing packet which is provided to the family. The HAFC must give the same types of information to all owners.

HAFC will inform owners of their responsibility to screen prospective tenants, and will provide owners with the required known name and address information, at the time of the turnover HQS inspection or before. The HAFC will orally provide the following information (for the last 5 years, providing the information is in the tenant file) to the owner, based on documentation in its possession:

- Eviction history
- Damage to rental units
- Other aspects of tenancy history (e.g., 3-Day Notices).

22.24.2 Owner Responsibility

The owner is responsible for screening and selection of the family to occupy the owner's unit. When screening families and individuals the owner will consider the background of the proposed tenants with respect to the following factors:

- Payment of rent and utility bills;
- Caring for a unit and premises;
- Respecting the rights of other residents to the peaceful enjoyment of their housing;
- Drug-related criminal activity or other criminal activity that is a threat to the health, safety, or property of others; and
- compliance with other essential conditions of tenancy.

22.25 LEASE

[983.256]

After an applicant has been selected from the waiting list, determined eligible by the HAFC, referred to an owner and determined suitable by the owner, the family will sign the lease and occupancy of the unit will begin.

The tenant must have legal capacity to enter a lease under state and local law. *Legal capacity* means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner.

22.25.1 Form of Lease

The tenant and the owner must enter into a written lease agreement, approved for use in the State of California that is executed by both parties. If an owner uses a standard lease form for rental units to unassisted tenants in the locality or premises, the same lease must be used for assisted tenants, except that the lease must include a HUD-required tenancy addendum. The tenancy addendum must include, word-for-word, all provisions required by HUD.

If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease, such as a HAFC model lease.

HAFC will not review the owner's lease for compliance with state or local law.

22.25.2 Lease Requirements

The lease for a PBV unit must specify all of the following information:

1. The names of the owner and the tenant;
2. The unit rented (address, apartment number, if any, and any other information needed to identify the leased contract unit);
3. The term of the lease (initial term and any provision for renewal);
4. The amount of the tenant rent to owner, which is subject to change during the term of the lease in accordance with HUD requirements;
5. A specification of the services, maintenance, equipment, and utilities that will be provide by the owner; and
6. The amount of any charges for food, furniture, or supportive services.

22.25.3 Tenancy Addendum

The tenancy addendum in the lease must state:

1. The program tenancy requirements;
2. The composition of the household as approved by the HAFC (the names of family members and any HAFC-approved live-in aide);
3. All provisions in the HUD-required tenancy addendum must be included in the lease.

The terms of the tenancy addendum prevail over other provisions of the lease.

22.25.4 Initial Term and Lease Renewal

The initial lease term must be for at least one year. Upon expiration of the lease, an owner may renew the lease, refuse to renew the lease for good cause, or refuse to renew the lease without good cause. If the owner refuses to renew the lease without

good cause, the HAFC must provide the family with a tenant-based voucher and remove the unit from the PBV HAP contract.

22.25.5 Changes in the Lease

If the tenant and owner agree to any change in the lease, the change must be in writing, and the owner must immediately give the HAFC a copy of all changes.

The owner must notify the HAFC in advance of any proposed change in the lease regarding the allocation of tenant and owner responsibilities for utilities. Such changes may only be made if approved by the HAFC and in accordance with the terms of the lease relating to its amendment. The HAFC must redetermine reasonable rent, in accordance with program requirements, based on any change in the allocation of the responsibility for utilities between the owner and the tenant. The redetermined reasonable rent will be used in calculation of the rent to owner from the effective date of the change.

22.26 MOVES

[983.257 to 983.261]

22.26.1 Owner Termination of Tenancy

With two exceptions, the owner of a PBV unit may terminate tenancy for the same reasons an owner may in the tenant-based voucher program. In the PBV program, terminating tenancy for good cause does not include doing so for a business or economic reason, or a desire to use the unit for personal or family use or other non-residential purpose.

22.26.2 Tenant Absence from the Unit

The owner may specify in the lease a maximum period of tenant absence from the unit that is shorter than the maximum period permitted by HAFC Policy. According to program requirements, the family's assistance must be terminated if they are absent from the unit for more than 180 consecutive days.

22.26.3 Security Deposits

The owner may collect a security deposit from the tenant.

HAFC will allow the owner to collect a security deposit amount that is not in excess of amounts charged by the owner to unassisted tenants.

When the tenant moves out of a contract unit, the owner, subject to state and local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid tenant rent, damages to the unit, or other amounts owed by the tenant under the lease.

The owner must give the tenant a written list of all items charged against the security deposit and the amount of each item. After deducting the amount used to reimburse the owner, the owner must promptly refund the full amount of the balance to the tenant.

If the security deposit does not cover the amount owed by the tenant under the lease, the owner may seek to collect the balance form the tenant. The HAFC has no liability or responsibility for payment of any amount owed by the family to the owner.

22.26.4 Over-crowded, Under-Occupied, and Accessible Units

[983.259]

If the HAFC determines that a family is occupying a wrong size unit, based on the HAFC's subsidy standards, or a unit with accessibility features that the family does not require, and the unit is needed by a family that does require the features, the HAFC must promptly notify the family and the owner of this determination, and the HAFC must offer the family the opportunity to receive continued housing assistance in another unit.

HAFC will notify the family and the owner of the family's need to move based on the occupancy of a wrong-size or accessible unit within 10 business days of the HAFC's determination. The HAFC will offer the family the following types of continued assistance in the following order, based on the availability of assistance:

PBV assistance in the same building or project

PBV assistance in another project

Tenant-based voucher assistance

If the HAFC offers the family a tenant-based voucher, the HAFC must terminate the housing assistance payments for a wrong-sized or accessible unit at expiration of the term of the family's voucher (including any extension granted by the HAFC).

If the HAFC offers the family another form of assistance that is not a tenant-based voucher, and the family does not accept the offer, does not move out of the PBV unit within a reasonable time as determined by the HAFC, or both, the HAFC must terminate the housing assistance payments for the unit at the expiration of a reasonable period as determined by the HAFC.

When HAFC offers a family another form of assistance that is not a tenant-based voucher, the family will be given 30 days from the date of the offer to accept the offer and move out of the PBV unit. If the family does not move out within this 30 day time frame, the HAFC will terminate the housing assistance payments at the expiration of this 30-day period.

The HAFC may make exceptions to this 30-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

22.26.5 Family Right to Move

[983.260]

The family may terminate the lease at any time after the first year of occupancy. The family must give advance written notice to the owner in accordance with the lease and provide a copy of such notice to the HAFC. If the family wishes to move with continued tenant-based assistance, the family must contact the HAFC to request the rental assistance prior to providing notice to terminate the lease.

If the family terminates the lease in accordance with these requirements, the HAFC is required to offer the family the opportunity for continued tenant-based assistance, in the form of a voucher or other comparable tenant-based rental assistance. If voucher or other comparable tenant-based assistance is not immediately available upon termination of the family's lease in the PBV unit, the HAFC must give the family priority to receive the next available opportunity for continued tenant-based assistance.

If the family terminates the assisted lease before the end of the first year, the family relinquishes the opportunity for continued tenant-based assistance.

22.26.6 Exceptions to the Occupancy Cap

[983.261]

The HAFC will not pay housing assistance under a PBV HAP contract for more than 25 percent of the number of dwelling units in a building unless the units are [24 CFR 983.56]:

- In a single-family building;
- Specifically made available for elderly or disabled families; or
- Specifically made available for families receiving supportive services as defined in Section 22.11.9 of this chapter. At least one member must be receiving at least one qualifying supportive service.

If a family at the time of initial tenancy is receiving and while the resident of an excepted unit has received Family Self-Sufficiency (FSS) supportive services or any other service as defined by the HAFC and successfully completes the FSS contract of participation or the supportive services requirement, the unit continues to count as an excepted unit for as long as the family resides in the unit.

A family (or remaining members of a family) residing in an excepted unit that no longer meets the criteria for a qualifying family in connection with the 25 percent per building cap exception (e.g. the family does not successfully complete supportive services requirements, or due to a change in family composition the family is no longer elderly or disabled), must vacate the unit within ninety calendar days ~~a reasonable period of time established by the HAFC~~, and the HAFC must cease paying housing assistance payments on behalf of the non-qualifying family.

If the family fails to vacate the unit within the established time, the unit must be removed from the HAP contract unless the project is partially assisted, and it is possible for the HAP contract to be amended to substitute a different unit in the building in accordance with program requirements; or the owner terminates the lease and evicts the family. The housing assistance payments for a family residing in an excepted unit that is not in compliance with its family obligations to comply with supportive services requirements must be terminated by the HAFC.

22.27 RENT TO OWNER (HOUSING ASSISTANCE PAYMENTS)
[983.301 to 983.305]

22.27.1 Determining Rent to Owner: Overview

[983.301(a)]

The amount of the initial rent to an owner of units receiving PBV assistance is established at the beginning of the HAP contract term. Although for rehabilitated or newly constructed housing, the agreement to enter into HAP Contract (Agreement) states the estimated amount of the initial rent to owner, the actual amount of the initial rent to owner is established at the beginning of the HAP contract term.

During the term of the HAP contract, the rent to owner is redetermined at the owner's request in accordance with program requirements, and at such time that there is a five percent or greater decrease in the published FMR.

22.27.2 Rent Limits
[983.301(b)]

The rent to owner must not exceed the lowest of the following amounts:

An amount determined by the HAFC, not to exceed 110 percent of the applicable fair market rent (or any HUD-approved exception payment standard) for the unit bedroom size minus any utility allowance;

The reasonable rent; or

The rent requested by the owner.

22.27.3 Use of FMRs, Exception Payment Standards, and Utility Allowances
[983.301(f)]

When determining the initial rent to owner, the HAFC must use the most recently published FMR in effect and the utility allowance schedule in effect at execution of the HAP contract. When redetermining the rent to owner, the HAFC must use the most recently published FMR and the utility allowance schedule in effect at the time of reexamination. At its discretion, the HAFC may for initial rent, use the amounts in effect at any time during the 30-day period immediately before the beginning date of the HAP contract, or for reexaminations of rent, the 30-day period immediately before the reexamination date.

Any HUD-approved exception payment standard amount under the tenant-based voucher program also applies to the project-based voucher program. HUD will not approve a different exception payment standard amount for use in the PBV program.

Likewise, the HAFC will not establish or apply different utility allowance amounts for the PBV program. The same utility allowance schedule applies to both the tenant-based and project-based voucher programs.

Upon written request by the owner, the HAFC will consider using the FMR or utility allowances in effect during the 30-day period before the start date of the HAP, or reexamination of rent. The owner must explain the need to use the previous FMR's or utility allowances and include documentation in support of the request. HAFC will review and make a decision based on the circumstances and merit of each request.

In addition to considering a written request from an owner, the HAFC may decide to use the FMR or utility allowances in effect during the 30-day period before the start date of the HAP, or reexamination of rent, if the HAFC determines it is necessary due to budgetary constraints.

22.27.4 HAFC-Owned Units

[983.301(g)]

See *Project-Based Vouchers and HAFC-Owned Units* of this Chapter for information regarding rents for HAFC-owned PBV units.

22.27.5 Reexamination of Rent

[983.302]

The HAFC must redetermine the rent to owner upon the owner=s request or when there is a five percent or greater decrease in the published FMR.

22.27.6 Rent Increase

If an owner wishes to request an increase in the rent to owner from the HAFC, it must be requested at the annual anniversary of the HAP contract. The request must be in writing and in the form and manner required by the HAFC. The HAFC will only make rent increases in accordance with the rent limits described previously. There are no provisions in the PBV program for special adjustments (e.g. adjustments that reflect increases in the actual and necessary expenses of owning and maintaining the units which have resulted from substantial general increases in real property taxes, utility rates, or similar costs).

An owner's request for a rent increase must be submitted to the HAFC 60 days prior to the anniversary date of the HAP contract, and must include the new rent amount the owner is proposing.

The HAFC will not approve and the owner may not receive any increase of rent to owner until and unless the owner has complied with requirements of the HAP contract, including compliance with HQS. The owner may not receive any retroactive increase of rent for any period of noncompliance.

22.27.7 Rent Decrease

If there is a decrease in the rent to owner, as established in accordance with program requirements such as a change in the FMR or exception payment standard, or reasonable rent amount, the rent to owner must be decreased regardless of whether the owner requested a rent adjustment. However, in the HAFC's sole discretion, the HAP contract may provide that the maximum rent permitted for a dwelling unit shall not be less than the initial rent for the dwelling unit under the initial HAP contract covering the unit.

22.27.8 Notice of Rent Change

The rent to owner is redetermined by written notice by the HAFC to the owner specifying the amount of the redetermined rent. The HAFC notice of rent adjustment constitutes an amendment of the rent to owner specified in the HAP contract. The adjusted amount of rent to owner applies for the period of 12 calendar months from the annual anniversary of the HAP contract.

HAFC will provide the owner with at least 30 days written notice of any change in the amount of rent to owner.

22.28 REASONABLE RENT

[983.303]

At the time the initial rent is established and all times during the term of the HAP contract the rent to owner for a contract unit may not exceed the reasonable rent for the unit as determined by the HAFC.

22.28.1 When Rent Reasonable Determinations are Required

The HAFC must redetermine the reasonable rent for a unit receiving PBV assistance whenever any of the following occur:

- There is a five percent or greater decrease in the published FMR in effect 60 days before the contract anniversary (for the unit sizes specified in the HAP contract) as compared with the FMR that was in effect one year before the contract anniversary date;
- The HAFC approves a change in the allocation of responsibility for utilities between the owner and the tenant;
- The HAP contract is amended to substitute a different contract unit in the same building; or
- There is any other change that may substantially affect the reasonable rent.

22.28.2 How to Determine Reasonable Rent

The reasonable rent of a unit receiving PBV assistance must be determined by comparison to rent for other comparable unassisted units. When making this determination, the HAFC must consider factors that affect market rent. Such factors include the location, quality, size, type and age of the unit, as well as the amenities, housing services maintenance, and utilities to be provided by the owner.

In the case of dwelling units receiving low-income housing tax credits (LIHTC), the rent is considered reasonable if it does not exceed the greater of (1) the rent for other LIHTC assisted units in the project not occupied by families with tenant-based assistance, or (2) the payment standard established by the HAFC for a unit of the size involved.

22.28.3 Comparability Analysis

For each unit, the comparability analysis must use at least three comparable units in the private unassisted market. This may include units in the premises or project that is receiving project-based assistance. The analysis must show how the reasonable rent was determined, including major differences between the contract units and comparable unassisted units, and must be retained by the HAFC. The comparability analysis may be performed by HAFC staff or by another qualified person or entity. Those who conduct these analyses or are involved in determining the housing assistance payment based on the analyses may not have any direct or indirect interest in the property.

22.28.4 Owner Certification of Reasonable Rent

By accepting each monthly housing assistance payment, the owner certifies that the rent to owner is not more than rent charged by the owner for other comparable unassisted units in the premises. At any time, the HAFC may require the owner to submit information on rents charged by the owner for other units in the premises or elsewhere.

22.28.5 Determining Reasonable Rent for HAFC-Owned Units

[983.303(f)]

See *Project-Based Vouchers and HAFC-Owner Units* of this Chapter.

22.29 EFFECT OF OTHER SUBSIDY AND RENT CONTROL

[983.304]

22.29.1 Other Governmental Subsidies

At its discretion, a HAFC may reduce the initial rent to owner because of other governmental subsidies, including tax credit or tax exemption, grants, or other subsidized financing.

For units receiving assistance under the HOME program, rents may not exceed rent limits as required by that program.

For units in any of the following types of federally subsidized projects, the rent to owner may not exceed the subsidized rent (basic rent) or tax credit rent as determined in accordance with requirements for the applicable federal program:

An insured or non-insured Section 236 project;

A formerly insured or non-insured Section 236 project that continues to receive Interest Reduction Payment following a decoupling action;

A Section 221(d)(3) below market interest rate (BMIR) project;

A Section 515 project of the Rural Housing Service;

A project receiving low-income housing tax credits;

Any other type of federally subsidized project specified by HUD.

22.29.2 Combining Subsidy

Rent to owner may not exceed any limitation required to comply with HUD subsidy layering requirements.

22.29.3 Rent Control

In addition to the rent limits set by PBV program regulations, the amount of rent to owner may also be subject to rent control or other limits under local, state, or federal law.

22.30 PAYMENTS TO OWNER

22.30.1 Housing Assistance Payments for Occupied Units

[983.351]

During the term of the HAP contract, the HAFC must make housing assistance payments to the owner in accordance with the terms of the HAP contract. During the term of the HAP contract, payments must be made for each month that a contract unit complies with HQS and is leased to and occupied by an eligible family. The housing assistance payment must be paid to the owner on or about the first day of the month for which payment is due, unless the owner and the HAFC agree on a later date.

Except for discretionary vacancy payments, the HAFC will not make any housing assistance payment to the owner for any month after the month when the family moves out of the unit (even if household goods or property are left in the unit).

The amount of the housing assistance payment by the HAFC is the rent to owner minus the tenant rent (total tenant payment minus the utility allowance).

In order to receive housing assistance payments, the owner must comply with all provisions of the HAP contract. Unless the owner complies with all provisions of the HAP contract, the owner does not have a right to receive housing assistance payments.

22.31 VACANCY PAYMENTS

[983.352]

If an assisted family moves out of the unit, the owner may keep the housing assistance payment for the calendar month when the family moves out. However, the owner may not keep the payment if the HAFC determines that the vacancy is the owner's fault.

If HAFC determines that the owner is responsible for a vacancy and as a result is not entitled to keep the housing assistance payment, HAFC will notify the landlord of the amount of housing assistance payment that the owner must repay. The HAFC will require the owner to repay the amount owed in accordance with Chapter 18 of this administrative plan.

At the discretion of the HAFC, the HAP contract may provide for vacancy payments to the owner. The HAFC may only make vacancy payments if:

- The owner gives the HAFC prompt, written notice certifying that the family has vacated the unit and identifies the date when the family moved out (to the best of the owner's knowledge);

- The owner certifies that the vacancy is not the fault of the owner and that the unit was vacant during the period for which payment is claimed;
- The owner certifies that it has taken every reasonable action to minimize the likelihood and length of vacancy; and
- The owner provides any additional information required and requested by the HAFC to verify that the owner is entitled to the vacancy payment.

The owner must submit a request for vacancy payments in the form and manner required by the HAFC and must provide any information or substantiation required by the HAFC to determine the amount of any vacancy payment.

If an owner's HAP contract calls for vacancy payments to be made, and the owner wishes to receive vacancy payments, the owner must have properly notified HAFC of the vacancy in accordance with the policy in this Administrative Plan regarding filling vacancies.

In order for a vacancy payment request to be considered, it must be made within 10 business days of the end of the period for which the owner is requesting the vacancy payment. The request must include the required owner certifications and HAFC may require the owner to provide documentation to support the request. If the owner does not provide the information requested by the HAFC within 10 business days of the request, no vacancy payments will be made.

22.32 TENANT RENT TO OWNER

[983.353]

The tenant rent is the portion of the rent to owner paid by the family. The amount of tenant rent is determined by the HAFC in accordance with HUD requirements. Any changes in the amount of tenant rent will be effective on the date stated in the HAFC notice to the family and owner.

The family is responsible for paying the tenant rent (total tenant payment minus the utility allowance). The amount of the tenant rent determined by the HAFC is the maximum amount the owner may charge the family for rental of a contract unit. The tenant rent covers all housing services, maintenance, equipment, and utilities to be provided by the owner. The owner may not demand or accept any rent payment from the tenant in excess of the tenant rent as determined by the HAFC. The owner must immediately return any excess payment to the tenant.

22.32.1 Tenant and HAFC Responsibilities

The family is not responsible for the portion of rent to owner that is covered by the housing assistance payment and the owner may not terminate the tenancy of an assisted family for nonpayment by the HAFC.

Likewise, the HAFC is responsible only for making the housing assistance payment to the owner in accordance with the HAP contract. The HAFC is not responsible for paying tenant rent, or any other claim by the owner, including damage to the unit. The HAFC will not use housing assistance payments or other program funds (including

administrative fee reserves) to pay any part of the tenant rent or other claim by the owner.

22.32.2 Utility Reimbursements

If the amount of the utility allowance exceeds the total tenant payment, the HAFC must pay the amount of such excess to the tenant as a reimbursement for tenant-paid utilities, and the tenant rent to the owner must be zero.

HAFC will make utility reimbursements to the family.

22.33 OTHER FEES AND CHARGES
[983.354]

22.33.1 Meals and Supportive Services

The owner may not require the tenant to pay charges for meals or supportive services. Non-payment of such charges is not grounds for termination of tenancy.

22.33.2 Other Charges by Owner

The owner may not charge extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants in the premises.

CHAPTER 23: PROGRAM INTEGRITY

23.1 INTRODUCTION

Fraud is defined as the intentional, false representation or concealment of a material fact for the purpose of inducing another to act upon it to his or her injury. Fraud and abuse by a participant or applicant therefore, may constitute an intentional misrepresentation of income, assets, and allowances, or intentional misrepresentation of family composition or initiating and participating in bribes or other illegal activities. Intentional may mean a claim that a participant or applicant *knows or has reason to know* is false, fictitious, or fraudulent. *Knows or has reason to know* may mean a person acts in deliberate ignorance of the truth or acts in reckless disregard of the truth or falsity of the claim or statement.

23.2 CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD

The HAFC does not intend to undertake an inquiry or an audit of a participant family arbitrarily. The HAFC's expectation is that families will comply with HUD requirements, provisions of the lease, and other program rules. The HAFC staff will make an effort (formally and informally) to orient and educate all families in order to avoid unintentional violations**.** However, the HAFC has a responsibility to HUD, to the community, and to eligible families in need of housing assistance, to monitor tenants' lease obligations for compliance and, when indicators of possible abuse come to the HAFC' s attention, to investigate such claims.

The HAFC may initiate an investigation of a participant family in the event of one or more of the following circumstances:

Referrals, Complaints, or Tips: Referrals from other agencies, companies or persons which are received by mail, by telephone or in person, which allege that a participant family is in noncompliance with, or otherwise violating the lease or the program rules**.** Such follow-up will be made providing that the referral contains at least one item of information that is independently verifiable

Internal File Review: If the HAFC staff discovers (as a function of a (re)certification, an interim redetermination, or a quality control review), information or facts which conflict with previous file data, the HAFC's knowledge of the family, or is discrepant with statements made by the family.

Verification or Documentation: If the HAFC receives independent verification or documentation, which conflicts with representations in the participant family file (such as public record information, credit bureau reports, or reports from other agencies).

23.3 STEPS TO HELP PREVENT PROGRAM ABUSE AND FRAUD

Management and program staff utilize various methods and practices (listed below) to help prevent program abuse, noncompliance, and willful violations of program rules by applicants and participant families**.** This policy objective is to establish confidence and trust in the management by emphasizing education as the primary means to obtain compliance by participant families.

- Things You Should Know (HUD-1140-OIG): This program integrity bulletin (created by HUD's Inspector General) will be furnished and explained to all participant families / applicants to promote understanding of program rules, and to clarify the HAFC's expectations for cooperation and compliance.

- Program Orientation Session: Mandatory orientation sessions will be conducted by HAFC staff for all prospective participant families either prior to or upon execution of the lease**.** At the conclusion of all Program Orientation Sessions, the family representative will be required to sign a "Things You Should Know" (HUD-1140-OIG) form to confirm that all rules and pertinent regulations were explained to him/her regarding fraud and abuse.

- Participant Family Counseling: HAFC staff will routinely provide participant family counseling as a part of the recertification interview in order to clarify any confusion pertaining to program rules and requirements**.**

- Use of Instructive Sign and Warnings: Instructive signs will be conspicuously posted in common areas and interview areas to reinforce compliance with program rules and to warn about penalties for fraud and abuse.

- Review and Explanation of Forms: During interviews, when such are conducted, staff will explain all required forms and review the contents of all (re)certification documents prior to signature.

23.4 STEPS TO DETECT PROGRAM ABUSE AND FRAUD

HAFC staff will be trained to maintain a high level of alertness to indicators of possible abuse and fraud by assisted families.

Quality Control File Reviews. Prior to initial certification, and at the completion of all subsequent recertifications, each family file will be reviewed. Such reviews may include, but are not limited to:

- Changes in reported Social Security Numbers or dates of birth.
- Authenticity of file documents.
- Ratio between reported income and expenditures.
- Review of signatures for consistency with previously signed file documents.
- Assurance that verification of all income and deduction is present.

Observation. Management and program staff will maintain high awareness of circumstances which may indicate program abuse or fraud, such as unauthorized persons residing in the household and unreported income and assets..

Public Record Bulletins. Reviewed by management and staff.

State Wage Data Record Keepers. Inquiries to State Wage and Employment record keeping agencies as authorized under Public Law 100-628, the Stewart B. McKinley

Homeless Assistance Amendments Act of 1988, may be made annually in order to detect unreported wages or unemployment compensation benefits.

Credit Bureau Inquiries. Credit Bureau inquiries may be made in the following circumstances:

- Application Process.
- Annual Re-certification/Interim
- When an allegation is received by the HAFC wherein unreported income sources are disclosed.
- When a family's expenditures exceed his/her reported income, and no plausible explanation is given.

Enterprise Income Verification (EIV) Inquiries. Enterprise Income Verification is a system that enables PHAs to verify participant reported income and identify households that may have under reported the households' annual income. EIV inquires may be made in the following circumstances:

- Annual Re-certification.
- Interim Recertification
- When an allegation is received by the HAFC wherein unreported income sources are disclosed.
- When a family's expenditures exceed his/her reported income, and no plausible explanation is given.

23.5 THE HAFC'S HANDLING OF ALLEGATIONS OF POSSIBLE ABUSE AND FRAUD

HAFC staff will encourage all families to report suspected abuse to the HAFC. All allegations, complaints and tips will be carefully evaluated in order to determine if they warrant follow-up. The HAFC will not follow up on allegations which are vague or otherwise nonspecific. They will only review allegations, which contain one or more independently verifiable facts.

Preliminary File Review

An internal file review will be conducted to determine if the subject of the allegation is a participant family of a Housing Programs Department assisted program and, if so, to determine whether or not the information reported has been previously disclosed by the family.

It will then be determined if the HAFC is the most appropriate authority to do a follow-up (more so than police or social services). Any file documentation of past behavior as well as corroborating complaints will be evaluated.

Conclusion of Preliminary Review

If, at the conclusion of the preliminary file review, there is/are fact(s) contained in the allegation which conflict with file data, and the fact(s) are independently verifiable, HAFC staff will initiate an investigation to determine if the allegation is true or false

Interviews with Head of Household and/or Family Members

The HAFC staff person will discuss the allegation (or details thereof) with the head of household and/or family members by scheduling an appointment at the HAFC's Central Office. If necessary, an additional staff person may attend such interviews. If appropriate, current consent for release of information forms will be obtained to assist in the HAFC review.

Enterprise Income Verification (EIV) Inquiries

The HAFC will conduct Enterprise Income Verification inquires to identify households that may have under reported their households annual income.

23.6 HOW THE HAFC REVIEWS ALLEGATIONS OF ABUSE AND FRAUD

If the HAFC determines that an allegation or referral warrants follow-up, HAFC staff will conduct the review. The steps taken will depend upon the nature of the allegation and may include, but are not limited to, the items listed below. In all cases, the HAFC will ensure, where required, that a written authorization from the program participant for the release of information has been obtained.

Credit Bureau Inquiries (CBIs) In cases involving previously unreported income sources, a CBI inquiry may be made to determine if there is financial activity which conflicts with the reported income of the family.

IRS Request for IRS Returns or W-2's may be required.

Verification of Credit In cases where the financial activity conflicts with file data, a Verification of Credit form may be mailed to the creditor in order to determine the unreported income source.

Employers and Ex-Employers Employers or ex-employers may be contacted to verify wages, which may have been previously undisclosed or misreported.

Neighbors/Witnesses Neighbors and/or other witnesses may be interviewed who are believed to have direct or indirect knowledge of facts pertaining to the HAFC's review.

Other Agencies Investigators, caseworkers or representatives of other benefit agencies may be contacted.

Public Records If relevant, the HAFC will review public records kept in any jurisdictional courthouse or county recorder's office. Examples of public records which may be checked are: real estate, marriage, and divorce, uniform commercial code financing statements, voter registration, judgments, court or police records, state wage records, utility records and postal records.

23.7 PLACEMENT OF DOCUMENTS, EVIDENCE AND STATEMENTS OBTAINED BY THE HAFC

Documents and other evidence obtained by the HAFC during the course of an investigation. Will be considered "work product" and will be kept in a separate "work file." The work file will be kept locked. Such cases under review will not be discussed among the HAFC staff unless they are involved in the process, or have information, which may assist in the investigation.

The HAFC will maintain a Fraud Data Base System (FDBS), which will document the status of the cases and additional information in order to provide a tracking devise for all fraud cases. Access of the FDBS will be limited to the Executive Director, Director of Housing Programs, the Assistant Director of Housing Programs, and/or their designees.

In addition, the HAFC will track all repayment agreements resulting from an investigation to ensure families are staying current on their repayment agreements**.**

23.8 EVAULATION OF THE FINDINGS

If it is determined that a program violation has occurred, the HAFC staff will review the facts to determine:

- The type of violation (non-compliance, fraud).
- Whether the violation was intentional or unintentional.
- What amount of money (if any) is owed by the tenant?
- If the family is eligible for continued assistance.

Intentional Misrepresentations

When a family falsifies, misstates, omits or otherwise misrepresents a material fact , an evaluation will determine whether or not:

- The family had knowledge that his/her actions were wrong, and

- That the family willfully violated a program requirement, a Family Obligation, or committed a serious violation of the lease.

Knowledge that the Action or Inaction Was Wrong

This will be evaluated by determining if the family was made aware of program requirements and prohibitions. The family's signature on various certifications, briefing certificate, Personal Declaration and *Things You Should Know* are adequate to establish knowledge of wrongdoing.

The Family Willfully Violated the Law

Any of the following circumstances will be considered adequate to demonstrate willful intent:

- An admission by the family of the misrepresentation.
- That the act was done repeatedly.
- If a false name or Social Security Number was used.
- If there were admissions to others of the illegal action or omission.
- That the family omitted material facts, which were known to them (e.g., employment of self or other household member).
- That the family falsified, forged or altered documents.
- That the family conveyed and certified to statements during a rent (re)determination which were later independently verified to be false.

23.9 NOTIFICATION OF INVESTIGATION RESULTS

The family will be notified by mail of the proposed action no later than ten (10) business days after the conclusion of the Family Conference advising the family that:

- No fraud or misrepresentation was found
- Fraud or misrepresentation was found, and intent to terminate assistance will begin
- Fraud or misrepresentation was found, and restitution is due to the HAFC

Where due process is required, the notice to the family will comply with the policy in the Appeals/Grievance chapter of this Plan giving the family 10 business days by which to request an appeal. If the family does not reply in this timeframe, the HAFC will proceed to issue the Final Termination Notice.

23.10 DISPOSITIONS OF CASES INVOLVING MISREPRESENTATIONS

In all cases of misrepresentations involving efforts to recover monies owed, the HAFC may pursue, depending upon its evaluation of the criteria stated above, one or more of the following actions:

Civil Remedies: The HAFC may:

- Terminate tenancy and demand payment of restitution in full.
- Terminate assistance and execute an administrative repayment agreement in accordance with the HAFC's Repayment Policy.
- Terminate assistance and/or pursue restitution through civil litigation.
- Terminate assistance and seek recovery through garnishment of wages or other forms of collection.
- Permit continued assistance at the correct level and execute an administrative repayment agreement in accordance with the HAFC's repayment policy.

Criminal Referral: If the HAFC believes that the case meets the criteria established by the HAFC for prosecution, the HAFC may refer the case to other enforcement agencies.

Termination by the HAFC

In any event, and at the sole discretion of the HAFC, the HAFC may terminate rental assistance for a material breach of the application for discovery of material false statements or fraud, including but not limited to misrepresentation of facts, omitted pertinent information, or failure to inform Management of information it requires for an annual re-certification or interim adjustments, by the family or family member in connection with an application for assistance, with re-certification, or reexamination of income.

23.11 FRAUD AND PROGRAM ABUSE RECOVERIES

[24 CFR 982.163; 24 CFR 792.202; 24 CFR 982.555]

The HAFC may retain a portion of program fraud losses that the HAFC recovers from a family or owner through litigation, court order, or a repayment agreement.

The HAFC must be the principal party initiating or sustaining the action to recover amounts due from tenants that are due as a result of fraud and abuse. Regulations at 24 CFR 792.202 permit the HAFC to retain the greater of:

- 50 percent of the amount it actually collects from a judgment, litigation (including settlement of a lawsuit) or an administrative repayment agreement, or
- Reasonable and necessary costs that the HAFC incurs related to the collection including costs of investigation, legal fees, and agency collection fees.

The family must be afforded the opportunity for an informal hearing.

If HUD incurs costs on behalf of the HAFC related to the collection, these costs must be deducted from the amount retained by the HAFC.

23.12 OWNER-CAUSED ERROR OR PROGAM ABUSE

Owner requirements that are part of the regular process of offering, leasing, and maintaining a unit (e.g., HQS compliance, fair housing) are addressed in the appropriate chapters of this plan. This section focuses on errors and program abuse by owners.

An incorrect subsidy determination caused by an owner generally would be the result of an incorrect owner statement about the characteristics of the assisted unit (e.g., the number of bedrooms, which utilities are paid by the family). It also includes accepting duplicate housing assistance payments for the same unit in the same month, or after a family no longer resides in the unit.

23.13 OWNER REIMBURSEMENT TO THE HAFC

In all cases of overpayment of subsidy caused by the owner, the owner must repay to the HAFC any excess subsidy received. The HAFC may recover overpaid amounts by withholding housing assistance payments due for subsequent months, or if the debt is large, the HAFC may allow the owner to pay in installments over a period of time.

In cases where the owner has received excess subsidy, the HAFC will require the owner to repay the amount owed in accordance with the policies in Chapter 18.

23.14 PROHIBITED OWNER ACTIONS

An owner participating in the HCV program must not:

- Make any false statement to the HAFC [Title 18 U.S.C. Section 1001].
- Commit fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program [24 CFR 982.453(a)(3)] including:

Any of the following will be considered evidence of owner program abuse:

- Charging the family rent above or below the amount specified by the HAFC
- Charging a security deposit other than that specified in the family's lease
- Charging the family for services that are provided to unassisted tenants at no extra charge
- Knowingly accepting housing assistance payments for any month(s) after the family has vacated the unit
- Knowingly accepting incorrect or excess housing assistance payments
- Offering bribes or illegal gratuities to the HAFC Board of Commissioners, employees, contractors, or other HAFC representatives
- Offering payments or other incentives to an HCV family as an inducement for the family to make false or misleading statements to the HAFC
- Residing in the unit with an assisted family

23.15 REMEDIES AND PENALTIES PERTAINING TO OWNER PROGRAM ABUSE

When the HAFC determines that the owner has committed program abuse, the HAFC may take any of the following actions:

- Require the owner to repay excess housing assistance payments, as discussed earlier in this section and in accordance with the policies in Chapter 18.
- Terminate the HAP contract (See Chapter 14).
- Bar the owner from future participation in any HAFC programs.
- Refer the case to state or federal officials for criminal prosecution as described in this chapter.

CHAPTER 24: EIV SECURITY POLICIES AND PROCEDURES

24.1 PRIVACY PROTECTION POLICY

The HAFC accesses upfront income verification data through HUD's Enterprise Income Verification (EIV) System. The HAFC is required to adopt and follow specific security procedures to ensure that all EIV data is protected in accordance with Federal laws, regardless of the media on which the data is recorded (e.g., electronic, paper). These requirements are contained in the HUD-issued document, *Enterprise Income Verification (EIV) System, Security Procedures for Upfront Income Verification Data*. The HAFC has adopted and implemented EIV security procedures required by HUD as described in this chapter.

EIV tenant data will be used only to verify a resident's eligibility for participation in the Housing Choice Voucher Program and Low Income Public Housing to determine the level of assistance for which tenant is eligible.

24.2 PRIVACY ACT

Data provided via the EIV System will be protected to ensure that information is used only for official purposes and not disclosed in any way that would violate the privacy of the individuals represented in the system data. Privacy of data and data security for computer systems are covered by a verity of Federal laws and regulations. The Privacy Act of 1974 as amended, 5 U.S.C. 552(a) is one such regulation.

Appendix 1 of the Housing Authorities of the City and County of Fresno EIV Security Policies and Procedures manual is a summary of the safeguards of the Privacy Act.

In compliance with HUD requirements, the HAFC will implement three types of safeguards, technical safeguards, administrative safeguards, and physical safeguards.

24.3 TECHNICAL SAFEGUARDS

The purpose of the Technical Safeguards is to:

- Reduce the risk of a security violation related to the EIV system's software, network, or applications
- Identify and authenticate all users seeking access to the UIV data
- Monitor the user activity on the EIV system

Description of the Technical Safeguards includes two types of controls built into the EIV system:

- User Identification and Authentication
- Each user is required to have their own User ID and Password
- The User ID identifies the program administrators and tenant information that the user is authorized to access

- Passwords are encrypted and the password file is protected from unauthorized access
- The system forces all users to change their password every 21 days and limits the reuse of previous passwords
- After three unsuccessful attempts to log in, the User ID is locked and the user has to contact the PIH Security Administrator or the PIH User Administrator for further instructions.
- Online User Alerts
- Online Warning messages that inform user of the civil and criminal penalties associated with unauthorized use of the UIV data

24.4 PHYSICAL SAFEGUARDS

The purpose of Physical Safeguards is to:

- Provide barriers between unauthorized persons and documents containing private data and computer media containing files that contain private data
- Provide immediate notification, noticeable under normal operating conditions, if the barrier is penetrated by unauthorized persons
- Prevent viewing or sensing of private information by any person by any means from outside the area confined by the barrier

Physical Safeguards

- Locked and monitored buildings, offices, or storage rooms
- Locked and monitored metal file cabinets
- Designated secure areas and equipment
  - Security rooms or locked office space with limited (minimum required) points of entry (e.g., doors)
  - Security rooms or locked office space with limited (minimum required) means of entry (e.g., keys)
  - Restricted areas with prominently posted signs or other indicators identifying them and limited points of entry
  - Physical and administrative means for monitoring access to the secure areas and access and use of the protected data
  - Restricted use printers, copiers, facsimile machines, etc.

- Secure computer systems and output
  - Retrieve all computer printouts as soon as they are generated so that UIV data is not left lying unattended in printers
  - Avoid leaving a computer unattended with UIV data displayed on the screen
  - Staff is prohibited from downloading UIV data information into computer or a CD.

- Secure disposal of UIV information
  - It is the PHA's policy and procedures to shred all UIV information upon purging tenant file.

24.5 ADMINISTRATIVE SAFEGUARDS

Purposes of the administrative safeguards:

- Ensure all users who have access to EIV data have an Access Authorization form signed by the Executive Director of the Housing Authority on File
- Ensure all users who access the EIV system have a current signed Rules of Behavior and User Agreement on file
- Conduct quarterly reviews of all User IDs to determine if the user still has a valid need to access the EIV data, and
- Ensure the access rights are modified or revoked as appropriate.

The PIH Security Administrator and the PIH User Administrator will maintain the following security records and forms:

- EIV Rules of Behavior and User Agreement forms
- EIV Access Authorization Forms
- EIV Disposal records list
- EIV Security violation information
- Key control logs for secure areas or filing cabinets
- EIV Security Awareness Training records
- Records of internal audits to ensure that the Form HUD-9886 has been signed by each adult member of the household and is kept in the Confidential Tenant File.
- A record of all users who have approved access to EIV data including the date the access was granted and the date access was terminated
- Monitor User Session and Activity Report
- Monitor the Tenant Data Access Audit Report

24.6 CONDUCTING SECURITY AWARENESS TRAINING

Conducting security awareness training will:

- Ensure that all users of UIV data receive training in UIV security policies and procedures at the time of employment and at least annually afterwards
- Maintain a record of all personnel who have attended training sessions
- Communicate security information and requirements to appropriate personnel using various methods including discussions at group and managerial meetings and security bulletins posted throughout the work areas
- Distribute all User Guides and Security Procedures to personnel using UIV data

24.7 REPORTING OF IMPROPER DISCLOSURES

These security violations may include the disclosure of private data as well as attempts to access unauthorized data and the sharing of User IDs and passwords. Upon the discovery of a possible improper disclosure of UIV information or another security violation by a program administrator employee or any other person, the individual making the observation or receiving the information should contact the PIH Security Administrator or the PIH User Administrator. The Security Administrator or the User Administrator or designated staff should document all improper disclosures in writing providing details including who was involved, what was disclosed, how the disclosure

occurred, and where and when it occurred regardless if the security violation was intentional or unintentional.

The following contacts should be made:

- The program administrator security officer should contact and provide the HAFC Executive Director or the designee with the written documentation; and
- The HAFC Executive Director or the designee should provide the HUD Field Office Public Housing Director with the written documentation

24.8 ENFORCEMENT

Any employee found to have violated this policy may be subject to disciplinary action, up to and including termination of employment.

24.9 APPENDIX 1: SAFEGUARDS PROVIDED BY THE PRIVACY ACT

The Privacy Act provides safeguards for individuals against invasion of privacy by requiring Federal agencies, except as otherwise provided by the law or regulation to:

1. Permit individuals to know what records pertaining to them are collected, maintained, used or disseminated;
2. Allow individuals to prevent records pertaining to them, obtained for a particular purpose from being used or made available for another purpose without their consent;
3. Permit individuals to gain access to information pertaining to them, obtain a copy of all or any portions thereof, and correct or amend such records;
4. Collect, maintain, use or disseminate personally identifiable information in a manner that ensure the information is current and accurate, and that adequate safeguards are provided to prevent misuses of such information;
5. Permit exemption from the requirements of the Act only where an important public policy need exists as determined by specific statutory authority; and
6. Be subject to a civil suit for any damages that occur as a result of action that violates any individual's rights under this Act.

CHAPTER 25:
HOMELESSNESS PREVENTION & RAPID RE-HOUSING (HPRP)

25.1 INTRODUCTION

In March 2009, the U.S. Department of Housing and Urban Development (HUD) awarded entitlement jurisdictions around the County allocations of Homelessness Prevention and Rapid Re-Housing Program (HPRP) funds. Funds are intended to assist persons in obtaining or maintaining housing during these tough economic times and the agencies will provide assistance related to housing of persons at risk of becoming homeless and persons that are currently homeless, as well as provide housing relocation and stabilization services such as case management.

25.2 TERM OF THE PROGRAM

Services will be provided over a three year term (or until funds are expended). Each eligible participant will be assessed for their length of service and be re-evaluated and re-certified every 90 days for continued eligibility. The terms of service can range from one-time, short-term (up to 3 months), or medium-term (4-12 months).

25.3 OUTREACH

Active outreach efforts within the City & County, including but not limited to, homeless encampments, McKinney Vento school liaisons, political figures, newsletters, etc., will ensure that we increase awareness of the services available to the hard to reach populations. Non-traditional outreach practices such as traveling to locations to provide information, referrals, and conduct eligibility assessments will expand and facilitate accessibility. All interested applicants are encouraged to contact the United Way of Fresno County (UWFC) 2-1-1 information line for a referral.

25.4 HOMELESS MANAGEMENT INFORMATION SYSTEM (HMIS)

All HPRP activity and services are required to be entered into the HMIS. It is required to track all participant universal data elements and services in this system for purposes of monthly and quarterly report submission to the City & County of Fresno. Since HACCF is the hub for the HMIS, it is our responsibility to maintain and provide the City & County of Fresno with all data entered by each HPRP sub-grantee as required for Federal reporting.

25.5 DEFINITIONS

<u>Homelessness Prevention & Rapid Re-Housing</u>

Individuals and families who are currently in housing (i.e. doubled up) but are at risk of becoming homeless and in need of temporary rent or utility assistance to prevent them from becoming homeless or assistance to move to another unit may qualify for Homelessness Prevention. Individuals and families who are experiencing homelessness (i.e. residing in emergency or transitional shelters or on the street) and are in need of

temporary assistance in order to obtain and retain housing may qualify for Rapid Re-Housing.

25.6 REFERRAL PROCESS

The preferred method of receiving a referral for HPRP services is through United Way of Fresno County 2-1-1. UWFC is the central hub for receiving all inquiries for resource and referral as their primary role is to bring resources together to address the most urgent issues the community faces. Once the individual or family is referred to the HACCF, an eligibility appointment will be scheduled with a Housing Program Coordinator if the program is taking new applicants.

25.7 INCOME LIMITS

To qualify for HPRP assistance persons and/or households must earn 50 percent or below of the Area Median Income (AMI), as set annually by HUD, by household size.

25.8 ELIGIBILITY

Rapid Re-Housing assistance is available for persons who are homeless according to HUD's definition. Those who meet one of the following criteria, along with the minimum requirements established in Client Eligibility Verification may be eligible to receive assistance under the rapid re-housing portion of HPRP:

Sleeping in an emergency shelter;

Sleeping in a place not meant for human habitation; such as cars, parks, abandoned buildings, streets/sidewalks;

Staying in a hospital or other institution for up to 180 days but was sleeping in an emergency shelter or other place not meant for human habitation immediately prior to entry into the hospital or institution;

Graduating from, or timing out of a transitional housing program; and

Victims of domestic violence.

In addition, documentation of homelessness should include the minimum requirements as established by HUD.

Homelessness Prevention assistance is available for those households that would require emergency shelter or would otherwise become literally homeless but for the HPRP assistance. Various risk factors may be considered in determining households at greater risk of becoming homeless.

Any household receiving medium-term assistance should meet one of the following criteria:

Eviction within 2 weeks (or 10 business days) from a private dwelling (including housing provided by family or friends);

Discharge within 2 weeks (or 10 business days) from an institution in which the person has been a resident for more than 180 days (including prisons, mental health institutions, hospitals) and were homeless prior to entering the institution;

Residency in housing that has been condemned by housing officials and is no longer meant for human habitation.

25.9 VERIFICATION PROCEDURES

Income Verification is determined by identifying an applicant's (and their household, if applicable) annual income and following the income verification guidelines as published by HUD. Annual income consists of all amounts, monetary or not, that go to or are on behalf of, the family head or spouse (even if temporarily absent) or to any other family member, or all amounts anticipated to be received from a source outside the family during the 12-month period following admission or annual re-evaluation effective date. In determining income, HACCF must also determine the household size as directed in the section below "Determining Household Size." All applicants will be required to spend down their assets to an amount of $5,000 before they become eligible to receive financial assistance. The assets to draw down will be limited only to balances in a personal checking or savings account held by any household member.

When determining household size for establishing income eligibility, all persons living in the unit will be included except: live-in aide, foster children or foster adults, or guests. Included in the determination of family size are: family members temporarily absent or absent children due to placement in a foster home, children in joint custody arrangements, children away at school, unborn children of pregnant women, children in the process of being adopted, or persons confined to a hospital or nursing home. If such persons are included, they must not be listed as the head, co-head, or spouse on the lease and must include income received by these persons in calculating family income.

HUD expects a reasonable effort to use the highest documentation standard possible. The documentation standards in order of preference are: Written Third Party, Oral Third Party, or Applicant Self-Declaration. All participants will resubmit any necessary documentation every 90 days as required by the re-certification process.

25.10 DENIAL OF PARTICIPATION

A person will be denied if they do not meet the program baseline requirements of homelessness and income. In addition, in accordance with Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, an alien (a person who is not a U.S. citizen or national) may be eligible for assistance under HPRP only if he or she is a "qualified alien" (defined in 8 U.S.C. 1641). This means that no entity that receives funds under HPRP may knowingly provide HPRP assistance to an alien who is not a qualified alien.

The law requires all state and local governments that directly administer HPRP assistance to first verify that an alien is a qualified alien before using HPRP funds to assist him or her.

25.11 CRIMINAL BACKGROUND CHECKS

HPRP regulations do not require grantees or sub-grantees to disqualify individuals or families based on criminal history. Grantees are allowed flexibility in designing their own programs which means they have the discretion to establish their own policies regarding ex-offenders.

25.12 BRIEFING SESSIONS

Any household being considered for the HPRP will begin with an intake/assessment to determine their eligibility. Follow up appointments will be scheduled on an as needed basis to collect all necessary verifications and documentation. Households provided with assistance will be required, at minimum, to participate in one case management contact per month, submit to re-certification every 90 days for their length of participation, and demonstrate compliance with the established plan to achieve self-sufficiency.

25.13 ISSUANCE OF HOUSING PERMIT

A housing permit will be issued to a household once eligibility is determined and a participation agreement is signed. This participation agreement explains that services may be terminated if a violation of program terms occurs. The housing permit will indicate the subsidy standard and/or minimum/maximum unit size. The eligible household must locate a unit within fourteen (14) days as indicated by date on housing permit. If an extension is needed, one may be requested prior to the expiration of originating permit. The request will be evaluated based on reasonable accommodation. Issuance of a housing permit is not a guarantee that the unit will be deemed acceptable and reasonable.

After eligibility has been determined and the HACCF expects funding to be available if the family finds an approvable unit, the household will be issued a housing permit that will be valid for fifteen (15) days from issuance. Extensions will be evaluated upon request, based on reasonable accommodations. The housing permit will indicate the qualifying subsidy standard; describe the rules of the program; the expectations of the permit holder; and the grounds for termination of assistance.

The HACCF is under no obligation to the family or to an owner, to approve a tenancy. The housing permit does not give the family any right to participate in the HACCF's HPRP program. The family becomes a participant in the HACCF's HPRP program when the Rental Assistance contract between the HACCF and the owner takes effect.

25.14 HOUSING ASSISTANCE PAYMENTS (HAP) STANDARDS

Housing assistance and utility assistance payments are paid directly to the owner and/or utility company, not the participant. A lease must be in place and all participant names must be listed on the lease in order to receive rental assistance or security deposit. Utility assistance may only be made available once participant has exhausted all other resources or no resources are available (i.e. LIHEAP).

25.15 TENANT RENT PORTION UNDER HPRP

The tenant portion is calculated using a statutory formula and individual income information and is the greater of:

- 30% of Monthly Adjusted Income
- 10% of Monthly Gross Income
- HACCF Minimum Rent ($50)

To prevent a family from leasing a unit that will not be affordable, the tenant portion cannot exceed 40% of the monthly adjusted income.

25.16 HPRP SUBSIDY/UNIT SIZE STANDARDS

Bedroom Count	Payment Standard
0	$646.00
1	$711.00
2	$840.00
3	$1,222.00
4	$1,316.00
5	$1,513.00
6	$1,710.00
Effective September 10, 2009	

ACCEPTABILITY OF UNIT SIZE DETERMINATION	
Unit	Maximum Occupancy Assuming a Living Room is Used As a Living/Sleeping Room
0 Bedroom	1
1 Bedroom	4
2 Bedroom	6
3 Bedroom	8
4 Bedroom	10
5 Bedroom	12
6 Bedroom	14

The HACCF portion of rent is determined by adding together the approved contract rent and the appropriate utility allowance, resulting in the gross rent. The tenant portion is then subtracted from the gross rent or the payment standard, whichever is lower.

25.17 RE-CERTFIICATIONS

The HACCF is required to re-certify each household requiring medium-term assistance over ninety (90) days. In cases where a household experiences a change in composition and/or income between re-certification, the HACCF will process an interim re-certification. The household is required to report all changes in household composition and/or income within ten (10) calendar days.

The HACCF may terminate program assistance for any household member that is not making progress towards self-sufficiency as a result of non-compliance.

25.18 HABITABILITY STANDARDS

HACCF is required to conduct initial and any appropriate follow-up inspections of housing units into which a program participant will be moving. Units should be inspected on an annual basis and upon change of tenancy. Inspection of each unit must include the filling out and filing of the HPRP Habitability Checklist

25.19 RENT REASONABLENESS

Rental assistance paid cannot exceed the actual rental cost, which must be in compliance with HUD's standard of rent reasonableness. The location, quality, size, type, age of unit, amenities, housing services, maintenance, and utilities to be provided by the owner are considered. HACCF will use any resources available to make such determination (i.e. Go Section8).

25.20 LIMITATIONS

- Section 8 Homeownership Program: The Section 8 homeownership program outlined in the Administrative Plan does not apply to the HPRP program participant.

- Family Self-Sufficiency (FSS): The HPRP participant is not eligible for the FSS program.

- Portability: Grantees are allowed flexibility in designing their own programs which means they have the discretion to establish their own policies regarding portability. The HACCF will not authorize portability of HPRP assistance. However, if a participant decides to relocate, every effort will be made to link the household to services in their new area.

- Change of Head of Household: Any change in household composition must be promptly reported to HACCF.

25.21 TRANSFERS BY THE HAFC

Transfer requests will be reviewed and considered on a case-by-case basis and be based upon the reasonableness of such request. Circumstances which place any person in the household at risk, impact the household economically, or cause undue hardship will be given priority. Some circumstances may require conflict resolution practices and/or complying with grievance procedures.

25.22 TERMINATIONS RELATED TO THE HPRP PROGRAM

A household may be terminated from the program if they are deemed ineligible due to income increase beyond 50% AMI or violates program requirements. Participants terminated from the program will:

Receive a written notice containing a clear statement of reasons for termination;

Be subject to a review of the decision, be given the opportunity to present written or oral objections before a person other than the person who made or approved the termination decision; and

Receive prompt written notice of the final decision to the program participant.

25.23 HOUSING CHOICE VOUCHER (HCV) HOMELESS SET-ASIDE PROGRAM

This program targets families (includes individuals) throughout Fresno County. All eligible families are referred to the HAFC by pre-selected service providers.

This program was designed to support local homeless assistance strategies by providing tenant-based HCV assistance to families currently participating in a transition plan administered by community based organizations, and pre-selected homeless prevention initiatives. The number of vouchers set aside for this program is identified in this Plan in Section 2.2.7, Set-Aside Vouchers for the Homeless.

Eligibility criteria for referral will be developed by the referring agency in conjunction with HAFC. Referred families will be placed on the HCV waiting list and coded as “HCVH”. When funding is available selection from the waiting list will be by code (“HCVH”) according to the date and time of the referral.

In addition to meeting the criteria for referral, families must meet income and other voucher eligibility requirements for the tenant-based Housing Choice Voucher program.

CHAPTER 26
TARGETED PROGRAMS

The Housing Authority of the City of Fresno (HAFC) periodically has the opportunity to apply for targeted funding for special populations. The programs covered in this chapter refer to the following:

- Veteran's Affairs Supportive Housing (VASH) program
- Family Unification Program (FUP)
- Mainstream1Program
- Mainstream5 Program

Specific criteria related to these programs are covered in the charts below.

Pre-Entry Factors Related to Targeted Programs				
Program Specific Criteria	**VASH**	**FUP**	**Mainstream1**	**Mainstream5**
Eligibility Criteria	VAMC • Determination of Veteran status by VAMC. They are also responsible for documenting homelessness according to McKinney Vento HAFC • Income eligibility; up to 50% AMI • Citizenship Verification • Criminal Background Check for Lifetime Sexual Offender	• Families for whom lack of adequate housing is a primary factor in the separation or threat of imminent separation of a child or children from their families • Youths (18-21 years old) who left foster care at age 16 or older and lack adequate housing • Families or youths displaced by domestic violence and lack adequate housing	Disabled non-elderly family. According to HUD definition, a disabled family is that in which the head, co-head, or spouse is disabled.	Elderly disabled or non-elderly disabled family. According to HUD definition, a disabled family is that in which the head, co-head, or spouse is disabled.
Outreach Responsibility	VAMC (primary) & HAFC (secondary)	HAFC and Department of Social Services (DSS)	HAFC	HAFC
Partnership or MOU?	MOU between HAFC &VAMC	MOU between HAFC and DSS	N/A	N/A
Requires Referral? Y/N	Yes	Yes. Referral Form DSS	No	No
Pre-Application Process	Handled by VAMC	HCV Pre-Application and Referral Form	Disabled family must complete a HCV Pre-Application Form.	Disabled family must complete a HCV Pre-Application Form.
Referral Process	Referrals are made by Healthcare for Homeless Veterans Program. Handled by VAMC	DSS refers FUP-eligible families or youth by submitting a completed FUP Referral Form and HCV Pre-application Form	N/A	N/A

Pre-Entry Factors Related to Targeted Programs				
Program Specific Criteria	**VASH**	**FUP**	**Mainstream1**	**Mainstream5**
	• VAMC Social Worker refers VASH eligible households • HAFC notifies VAMC when a voucher is vacated. • VAMC maintains the waitlist of pre-screened applicants			
Placed on HCV Waiting List?	No. VAMC maintains waitlist	• Yes. FUP eligible families and youth are placed on HCV waiting list and coded as "FUPF" and "FUPY" respectively. • HAFC will check to see if the referred family/youth is on existing HCV waiting list and code them accordingly. • If FUP-eligible families or youths are not on the existing open HCV waiting list, HAFC will add the family/youth on the HCV waiting list in date and time order of the referral and code them accordingly. • If the existing HCV waiting list is closed and there is availability of FUP voucher(s), HAFC will open the HCV waiting list to accept FUP program-specific HCV pre-applications.	• Yes, coded "MS1" • If the existing HCV waiting list is closed and there is availability of Mainstream voucher(s) for non-elderly disabled families, HAFC may open the HCV waiting list to accept Mainstream program-specific HCV pre-applications and code them accordingly.	• Yes, coded "MS5" • If the existing HCV waiting list is closed and there is availability of Mainstream voucher(s) for disabled elderly and disabled non-elderly families, HAFC may open the HCV waiting list to accept Mainstream program-specific HCV pre-applications and code them accordingly.

Pre-Entry Factors Related to Targeted Programs				
Program Specific Criteria	**VASH**	**FUP**	**Mainstream1**	**Mainstream5**
Selection from the HCV Waiting List	N/A	HAFC will select from the tenant-based waiting list according to date and time of FUP referrals. HAFC may pull only FUP program-specific applicants in date and time order of the referral.	HAFC will select from the tenant-based waiting list according to date and time of HCV pre-application. HAFC may pull MS1 program specific applicants from the waiting list in date and time order.	HAFC will select from the tenant-based waiting list according to date and time of HCV pre-application. HAFC may pull MS5 program specific applicants from the waiting list in date and time order.
Must Meet HCV Voucher Eligibility? Y/N	Yes, except will be required to undergo criminal background check only regarding registered sex offenders.	Yes. Must meet income and other voucher eligibility requirements. If requirements are not met, the FUP-eligible family or youth will not be eligible to be placed back on the HCV waiting list.	Yes. Must meet income and other voucher issuance eligibility and the non-elderly disabled family requirements for the Mainstream1 program. If the family does not meet the Mainstream1 program eligibility requirements and was allowed to submit a HCV pre-application during a program specific opening of the HCV waiting list, they will be removed from the HCV waiting list. If the family submitted a HCV pre-application during an open HCV waiting list, they will be allowed to remain on the existing HCV waiting list in date and time order with the rest of the HCV applicants.	Yes. Must meet income and other voucher issuance eligibility and the disabled elderly or the non-elderly disabled family requirements for the Mainstream5 program. If the family does not meet the Mainstream5 program eligibility requirements and was allowed to submit a HCV pre-application during a program specific opening of the HCV waiting list, they will be removed from the HCV waiting list. If the family submitted a HCV pre-application during an open HCV waiting list, they will be allowed to remain on the existing HCV waiting list in date and time order with the rest of the HCV applicants.
Program-Specific Screening Criteria Y/N	Required to prohibit admission if any member of the household is subject to a lifetime registration requirement under a state sex offender registration program. (24 CFR 982.553[2])	No. FUP-eligible family or youth must meet all HCV screening criteria	No. Mainstream program eligible family must meet all HCV screening criteria	No. Mainstream5 eligible family must meet all HCV screening criteria

Participant-Related Factors for Targeted Programs				
Program Specific Criteria	**VASH**	**FUP**	**Mainstream1**	**Mainstream5**
Voucher Expiration	120 Days	60 Days with opportunity for extension up to a maximum of 120 days	60 Days with opportunity for extension up to a maximum of 120 days	60 Days with opportunity for extension up to a maximum of 120 days
Portability Option? Y/N	Yes, there are two types of portability for HUD-VASH: (1) Type 1. Type 1 is for a Veteran or Veteran's family who wishes to live in a town within the catchment area of the VA medical center that is outside the area covered by the PHA where the voucher is allocated. The Veteran must be able to continue with case management services provided by the VA medical center to port the voucher. The PHA covering the area where the Veteran chooses to live would receive the voucher and would follow HUD rules for administering this voucher. (2) Type 2. Type 2 is for a Veteran or Veteran's family accepted into HUD-VASH who wishes to move outside of the catchment area to another jurisdiction where it is not possible for the admitting VA medical center to provide case management services. The VA medical center working with the Veteran must first determine that the Veteran's family could be served by another HUD-VASH Program in the area where the Veteran wishes to live and the receiving PHA must have a HUD-VASH voucher available for this family. The families must be absorbed by the receiving PHA either as a new admission (upon initial participation in the HUD-VASH Program), or as a portability move-in (after an initial leasing in the initial PHA's jurisdiction). Upon absorption, the first PHA's HUD-VASH voucher will be available to lease to a new HUD-VASH eligible family and the absorbed family counts toward the number of HUD-VASH slots awarded to the receiving PHA. The receiving PHA must process this move in accordance with the portability procedures.	Yes, same as HCV	Yes, same as HCV	Yes, same as HCV
Program Specific Grounds for Termination of	Families that fail to comply with case management requirements as determined by the VAMC must be terminated from the voucher program. Any violation of	No. Case management for youth must be offered	No.	No.

Participant-Related Factors for Targeted Programs				
Program Specific Criteria	**VASH**	**FUP**	**Mainstream1**	**Mainstream5**
Assistance	the Statement of Family Obligations as referenced in Ch* Terminations will result in termination from the voucher program.	but non-compliance with case management cannot be used as grounds for non-compliance.		

GLOSSARY

A. ACRONYMS USED IN SUBSIDIZED HOUSING

AAF	Annual adjustment factor (published by HUD in the Federal Register and used to compute annual rent adjustments)
ACC	Annual contributions contract
ADA	Americans with Disabilities Act of 1990
BR	Bedroom
CDBG	Community Development Block Grant (Program)
CFR	Code of Federal Regulations (published federal rules that define and implement laws; commonly referred to as "the regulations")
CPI	Consumer price index (published monthly by the Department of Labor as an inflation indicator)
FDIC	Federal Deposit Insurance Corporation
FHA	Federal Housing Administration
FICA	Federal Insurance Contributions Act (established Social Security taxes)
FMR	Fair market rent
FR	Federal Register
FSS	Family Self-Sufficiency (Program)
FY	Fiscal year
FYE	Fiscal year end
GAO	Government Accountability Office
GR	Gross rent
HAP	Housing assistance payment
HCV	Housing choice voucher
HQS	Housing quality standards.
HUD	Department of Housing and Urban Development

HUDCLIPS	HUD Client Information and Policy System
IG	(HUD Office of) Inspector General
IPA	Independent public accountant
IRA	Individual Retirement Account
IRS	Internal Revenue Service
JTPA	Job Training Partnership Act
LBP	Lead-based paint
MSA	Metropolitan statistical area (established by the U.S. Census Bureau)
MTCS	Multi-family Tenant Characteristics System (now the Form HUD-50058 submodule of the PIC system)
NOFA	Notice of funding availability
OMB	Office of Management and Budget
PASS	Plan for Achieving Self-Support
PHA	Public housing agency
PHRA	Public Housing Reform Act of 1998 (also known as the Quality Housing and Work Responsibility Act)
PIC	PIH Information Center
PIH	(HUD Office of) Public and Indian Housing
PS	Payment standard
QC	Quality control
QHWRA	Quality Housing and Work Responsibility Act of 1998 (also known as the Public Housing Reform Act)
REAC	(HUD) Real Estate Assessment Center
RFP	Request for proposals
RFTA	Request for tenancy approval
RIGI	Regional inspector general for investigation (handles fraud and program abuse matters for HUD at the regional office level)
SEMAP	Section 8 Management Assessment Program

SRO	Single room occupancy
SSA	Social Security Administration
SSI	Supplemental security income
TANF	Temporary assistance for needy families
TR	Tenant rent
TTP	Total tenant payment
UA	Utility allowance
URP	Utility reimbursement payment
VAWA	Violence Against Women Reauthorization Act of 2005

B. GLOSSARY OF SUBSIDIZED HOUSING TERMS

***Absorption*.** In portability (under subpart H of this part 982): the point at which a Receiving PHA stops billing the initial HA for assistance on behalf of a portability family. The Receiving PHA uses funds available under the Receiving PHA consolidated ACC.

***Accessible*.** The facility or portion of the facility can be approached, entered, and used by individuals with physical handicaps.

***Adjusted Income*.** Annual income, less allowable HUD deductions.

***Adjusted Annual Income*.** Same as Adjusted Income.

Administrative fee. Fee paid by HUD to the HAFC for administration of the program. See §982.152.

Administrative fee reserve (formerly "operating reserve"). Account established by HAFC from excess administrative fee income. The administrative fee reserve must be used for housing purposes. See §982.155. Administrative fee reserves from FY 2004 and 2005 funding are further restricted to activities related to the provision of tenant-based rental assistance authorized under Section 8.

Administrative plan. The plan that describes HAFC policies for administration of the tenant-based programs. The Administrative Plan and any revisions must be approved by the HAFC's board and included as a supporting document to the HAFC Plan. See §982.54.

***Admission*.** The point when the family becomes a participant in the program. The date used for this purpose is the effective date of the first HAP contract for a family (first day of initial lease term) in a tenant-based program.

Amortization payment. In a manufactured home space rental: The monthly debt service payment by the family to amortize the purchase price of the manufactured home.

Annual contributions contract (ACC). *The* written contract between HUD and a HAFC under which HUD agrees to provide funding for a program under the 1937 Act, and the HAFC agrees to comply with HUD requirements for the program.

***Annual Income*.** The anticipated total income of an eligible family from all sources for the 12-month period following the date of determination of income, computed in accordance with the regulations.

Applicant (applicant family). A family that has applied for admission to a program but is not yet a participant in the program.

Area Exception Rent. An amount that exceeds the published FMR. See §982.504(b).

"As-paid" States. States where the welfare agency adjusts the shelter and utility component of the welfare grant in accordance with actual housing costs.

***Assets*.** (See Net Family Assets.)

Auxiliary aids. Services or devices that enable persons with impaired sensory, manual, or speaking skills to have an equal opportunity to participate in, and enjoy the benefits of, programs or activities receiving Federal financial assistance.

Budget authority. An amount authorized and appropriated by the Congress for payment to HAs under the program. For each funding increment in a HAFC program, budget authority is the maximum amount that may be paid by HUD to the HAFC over the ACC term of the funding increment.

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

Child care expenses**.** Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care. In the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.

Citizen. *A* citizen or national of the United States.

Co-head. An individual in the household who is equally responsible for the lease with the head of household. A family may have a co-head or spouse but not both. A co-head never qualifies as a dependent. The co-head must have legal capacity to enter into a lease.

Common space**.** In shared housing: Space available for use by the assisted family and other occupants of the unit.

Computer match. The automated comparison of data bases containing records about individuals.

Confirmatory review. An on-site review performed by HUD to verify the management performance of a PHA.

Consent form**.** Any consent form approved by HUD to be signed by assistance applicants and participants to obtain income information from employers and SWICAs; return information from the Social Security Administration (including wages, net earnings from self-employment, and retirement income); and return information for unearned income from the IRS. Consent forms expire after a certain time and may authorize the collection of other information to determine eligibility or level of benefits.

Congregate housing. Housing for elderly persons or persons with disabilities that meets the HQS for congregate housing. A special housing type: see §982.606 to §982.609.

Contiguous MSA. In portability (under subpart H of part 982): An MSA that shares a common boundary with the MSA in which the jurisdiction of the initial HA is located.

Continuously assisted. An applicant is continuously assisted under the 1937 Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the voucher program.

Contract**.** (See Housing Assistance Payments Contract.)

Contract authority. The maximum annual payment by HUD to a PHA for a funding increment.

Cooperative (term includes mutual housing). Housing owned by a nonprofit corporation or association, and where a member of the corporation or association has the right to reside in a particular apartment, and to participate in management of the housing. A special housing type: see §982.619.

Cooperative member. A family of which one or more members owns membership shares in a cooperative.

Covered families**.** Statutory term for families who are required to participate in a welfare agency economic self-sufficiency program and who may be subject to a welfare benefit sanction for noncompliance with this obligation. Includes families who receive welfare assistance or other public assistance under a program for which Federal, State or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for the assistance.

Dating violence. Violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of such a relationship shall be determined based on a consideration of the following factors:

- The length of the relationship
- The type of relationship
- The frequency of interaction between the persons involved in the relationship

Dependent**.** A member of the family (except foster children and foster adults) other than the family head or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student.

Disability assistance expenses**.** Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and auxiliary apparatus for a disabled family member and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.

Disabled family**.** A family whose head, spouse, or sole member is a person with disabilities; or two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.

Disabled person. See Person with Disabilities.

Displaced family**.** A family in which each member, or whose sole member, is a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

Domestic violence. Felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction

receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

***Domicile*.** The legal residence of the household head or spouse as determined in accordance with State and local law.

Drug-related criminal activity. As defined in 42 U.S.C. 1437f(f)(5).

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

***Economic Self-Sufficiency Program*.** Any program designed to encourage, assist, train or facilitate the economic independence of assisted families, or to provide work for such families. Can include job training, employment counseling, work placement, basic skills training, education, English proficiency, Workfare, financial or household management, apprenticeship, or any other program necessary to ready a participant to work (such as treatment for drug abuse or mental health treatment). Includes any work activities as defined in the Social Security Act (42 U.S.C. 607(d)). Also see §5.603(c).

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

***Elderly Person*.** An individual who is at least 62 years of age.

Eligible Family (Family). A family that is income eligible and meets the other requirements of the Act and Part 5 of 24 CFR.

***Employer Identification Number (EIN)*.** The nine-digit taxpayer identifying number that is assigned to an individual, trust, estate, partnership, association, company, or corporation.

***Evidence of citizenship or eligible status*.** The documents which must be submitted to evidence citizenship or eligible immigration status. (See §5.508(b).)

Extremely Low Income Family. A family whose annual income does not exceed 30 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income ceilings higher or lower than 30 percent of median income if HUD finds such variations are necessary due to unusually high or low family incomes. *(CFR 5.603)*

Facility. All or any portion of buildings, structures, equipment, roads, walks, parking lots, rolling stock or other real or personal property or interest in the property.

Fair Housing Act means title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988

***Fair market rent (FMR)*.** The rent, including the cost of utilities (except telephone), as established by HUD for units of varying sizes (by number of bedrooms), that must be paid in the housing market area to rent privately owned, existing, decent, safe and

sanitary rental housing of modest (non-luxury) nature with suitable amenities. See periodic publications in the Federal Register in accordance with 24 CFR part 888.

***Family*.** Includes but is not limited to the following, is further defined in Chapter 4 of this Administrative Plan.

- A family with or without children (the temporary absence of a child from the home due to placement in foster care is not considered in determining family composition and family size)
- An elderly family or a near-elderly family
- A displaced family
- The remaining member of a tenant family
- A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

Family rent to owner. In the voucher program, the portion of rent to owner paid by the family.

***Family self-sufficiency program* (**FSS program). The program established by a PHA in accordance with 24 CFR part 984 to promote self-sufficiency of assisted families, including the coordination of supportive services (42 U.S.C. 1437u).

Family share. The portion of rent and utilities paid by the family. For calculation of family share, see §982.515(a).

Family unit size. The appropriate number of bedrooms for a family, as determined by the HAFC under the HAFC subsidy standards.

***Federal agency*.** A department of the executive branch of the Federal Government.

First-time homeowner. In the homeownership option: A family of which no member owned any present ownership interest in a residence of any family member during the three years before commencement of home ownership assistance for the family. The term "first-time homeowner" includes a single parent of displaced homemaker (as those terms are defined in 12 U.S.C. 12713) who, while married, owned a home with his or her spouse, or resided in a home owner by his or her spouse.

***Foster Child Care Payment*.** Payment to eligible households by state, local, or private agencies appointed by the State, to administer payments for the care of foster children.

Full-time Student. A person who is attending school or vocational training on a full-time basis (carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended). (*CFR 5.603*)

Funding increment. Each commitment of budget authority by HUD to a PHA under the consolidated annual contributions contract for the PHA program.

Gross rent. The sum of the rent to owner plus any utility allowance.

Group home. A dwelling unit that is licensed by a State as a group home for the exclusive residential use of two to twelve persons who are elderly or persons with disabilities (including any live-in aide). A special housing type: see §982.610 to §982.614.

***Handicap*.** Any condition or characteristic that renders a person an individual with handicaps. See 24CFR 8.3.

***Handicap Assistance Expense*.** See "Disability Assistance Expense."

HAP contract. Housing assistance payments contract. (Contract). A written contract between the HAFC and an owner for the purpose of providing housing assistance payments to the owner on behalf of an eligible family.

Head of household. The adult member of the family who is the head of the household for purposes of determining income eligibility and rent.

Housing assistance payment. The monthly assistance payment by HAFC , which includes: (1) A payment to the owner for rent to the owner under the family's lease; and (2) An additional payment to the family if the total assistance payment exceeds the rent to owner.

Housing agency. *A* State, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) authorized to engage in or assist in the development or operation of low-income housing.

Housing Quality Standards. The HUD minimum quality standards for housing assisted under the voucher program.

HUD. The Department of Housing and Urban Development.

Immediate family member. A spouse, parent, brother or sister, or child of that person, or an individual to whom that person stands in the position or place of a parent; or any other person living in the household of that person and related to that person by blood and marriage.

Imputed Asset. Asset disposed of for less than Fair Market Value during two years preceding examination or reexamination.

Imputed Income. HUD passbook rate multiplied by the total cash value of assets. Calculation used when net family assets exceed $5,000.

Imputed welfare income. An amount of annual income that is not actually received by a family as a result of a specified welfare benefit reduction, but is included in the family's annual income and therefore reflected in the family's rental contribution.

***Income*.** Income from all sources of each member of the household, as determined in accordance with criteria established by HUD.

Income For Eligibility. Annual Income.

Income information means information relating to an individual's income, including:

- All employment income information known to current or previous employers or other income sources

- All information about wages, as defined in the State's unemployment compensation law, including any Social Security Number; name of the employee; quarterly wages of the employee; and the name, full address, telephone number, and, when known, Employer Identification Number of an employer reporting wages under a State unemployment compensation law
- Whether an individual is receiving, has received, or has applied for unemployment compensation, and the amount and the period received
- Unearned IRS income and self-employment, wages and retirement income
- Wage, social security, and supplemental security income data obtained from the Social Security Administration.

***Individual with handicaps*.** Any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such an impairment; or is regarded as having such an impairment.

***Initial HA*.** In portability, the term refers to both: (1) A PHA that originally selected a family that later decides to move out of the jurisdiction of the selecting HA; and (2) A PHA that absorbed a family that later decides to move out of the jurisdiction of the absorbing PHA.

Initial payment standard. The payment standard at the beginning of the HAP contract term.

Initial rent to owner. The rent to owner at the beginning of the HAP contract term.

***Jurisdiction*.** The area in which the HAFC has authority under State and local law to administer the program.

***Landlord*.** Either the owner of the property or his/her representative or the managing agent or his/her representative, as shall be designated by the owner.

***Lease*.** A written agreement between an owner and a tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP contract between the owner and the HAFC.

***Live-in aide*.** A person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who:

- Is determined to be essential to the care and well-being of the persons;
- Is not obligated for the support of the persons; and
- Would not be living in the unit except to provide the necessary supportive services.

Local Preference. A preference used by the HAFC to select among applicant families.

Low Income Family. A family whose income does not exceed 80% of the median income for the area as determined by HUD with adjustments for smaller or larger families, except that HUD may establish income limits higher or lower than 80% for areas with unusually high or low incomes.

Manufactured home. A manufactured structure that is built on a permanent chassis, is designed for use as a principal place of residence, and meets the HQS. A special housing type: see §982.620 and §982.621.

Manufactured home space. In manufactured home space rental: A space leased by an owner to a family. A manufactured home owned and occupied by the family is located on the space. See §982.622 to §982.624.

***Medical expenses*.** Medical expenses, including medical insurance premiums that are anticipated during the period for which annual income is computed, and that are not covered by insurance. (A deduction for elderly or disabled families only.) These allowances are given when calculating adjusted income for medical expenses in excess of 3% of annual income.

Merger Date. October 1, 1999.

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

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

***Monthly adjusted income*.** One twelfth of adjusted income.

***Monthly income*.** One twelfth of annual income.

Mutual housing. Included in the definition of "cooperative."

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

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

***Net family assets*.** (1) Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.

- In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income under §5.609.

- In determining net family assets, HAs or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefore. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms.

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

Notice of Funding Availability (NOFA). For budget authority that HUD distributes by competitive process, the Federal Register document that invites applications for funding. This document explains how to apply for assistance and the criteria for awarding the funding.

Office of General Counsel (OGC). The General Counsel of HUD.

Owner. Any person or entity with the legal right to lease or sublease a unit to a participant.

PHA Plan. The annual plan and the 5-year plan as adopted by the HAFC and approved by HUD.

HAFC's quality control sample. An annual sample of files or records drawn in an unbiased manner and reviewed by a HAFC supervisor (or by another qualified person other than the person who performed the original work) to determine if the work documented in the files or records conforms to program requirements. For minimum sample size see CFR 985.3.

Participant *(participant family).* A family that has been admitted to the HAFC program and is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the HAFC for the family (first day of initial lease term).

Payment standard. The maximum monthly assistance payment for a family assisted in the voucher program (before deducting the total tenant payment by the family).

Person With Disabilities. A person who has a disability as defined in 42 U.S.C. 423 or a developmental disability as defined in 42 U.S.C. 6001. Also includes a person who is determined, under HUD regulations, to have a physical or mental impairment that is expected to be of long-continued and indefinite duration, substantially impedes the ability to live independently, and is of such a nature that the ability to live independently could be improved by more suitable housing conditions. For purposes of reasonable accommodation and program accessibility for persons with disabilities, means and "individual with handicaps" as defined in 24 CFR 8.3. Definition does not exclude persons who have AIDS or conditions arising from AIDS, but does not include a person whose disability is based solely on drug or alcohol dependence (for low-income housing eligibility purposes). See "Individual with handicaps"

Portability. Renting a dwelling unit with Section 8 housing choice voucher outside the jurisdiction of the Initial PHA.

***Premises*.** The building or complex in which the dwelling unit is located, including common areas and grounds.

***Private space*.** In shared housing: The portion of a contract unit that is for the exclusive use of an assisted family.

***Processing entity*.** The person or entity that, under any of the programs covered, is responsible for making eligibility and related determinations and any income reexamination. In the Section 8 program, the "processing entity" is the "responsible entity."

Project-Based Vouchers. The Project-based vouchers program is administered by a pubic housing authority that already administers the tenant-based voucher program. Under the project-based voucher (PBV) program a local housing authority will enter into a contract with an owner for specific units for a specific term in order to 1) expand the affordable housing in the community, and 2) to provide rental assistance for qualifying low-income families. The voucher assistance is attached to the structure, rather than to the tenant, as occurs in the tenant-based voucher program.

Project owner. The person or entity that owns the housing project containing the assisted dwelling unit.

***Public Assistance*.** Welfare or other payments to families or individuals, based on need, which are made under programs funded, separately or jointly, by Federal, state, or local governments.

***Public Housing Agency (PHA)*.** Any State, county, municipality, or other governmental entity or public body, or agency or instrumentality of these entities that is authorized to engage or assist in the development or operation of low-income housing under the 1937 Act.

***Reasonable rent*.** A rent to owner that is not more than rent charged: (1) For comparable units in the private unassisted market; and (2) For comparable unassisted units in the premises.

***Receiving PHA*.** In portability: A PHA that receives a family selected for participation in the tenant-based program of another PHA. The Receiving PHA issues a voucher and provides program assistance to the family.

***Recertification*.** Sometimes called reexamination. The process of securing documentation of total family income used to determine the rent the tenant will pay for the next 12 months if there are no additional changes to be reported.

***Remaining Member of Tenant Family*.** Person left in assisted housing who may or may not normally qualify for assistance on own circumstances (i.e., an elderly spouse dies, leaving widow age 47 who is not disabled).

Rent to owner. The total monthly rent payable to the owner under the lease for the unit (also known as contract rent). Rent to owner covers payment for any housing services, maintenance and utilities that the owner is required to provide and pay for.

Residency Preference. A HAFC preference for admission of families that reside anywhere in a specified area, including families with a member who works or has been hired to work in the area ("residency preference area").

Residency Preference Area. The specified area where families must reside to qualify for a residency preference.

Responsible entity. For the public housing and the Section 8 tenant-based assistance, project-based certificate assistance, and moderate rehabilitation programs, the responsible entity means the PHA administering the program under an ACC with HUD. For all other Section 8 programs, the responsible entity means the Section 8 owner.

***Secretary*.** The Secretary of Housing and Urban Development.

***Section 8*.** Section 8 of the United States Housing Act of 1937.

Section 8 covered programs. *A*ll HUD programs which assist housing under Section 8 of the 1937 Act, including Section 8 assisted housing for which loans are made under Section 202 of the Housing Act of 1959.

Section 8 Homeownership Program. ***The*** S8 Homeownership option is used to assist existing Housing Choice Voucher (HCV) program participants to purchase a home using mortgage subsidy rather than rental subsidy. Under this subsidy option, HAFC will pay a monthly homeownership assistance payment. For further information, see Chapter 21 of this Administrative Plan.

Section 214. Section 214 of the Housing and Community Development Act of 1980, as amended

Section 214 covered programs is the collective term for the HUD programs to which the restrictions imposed by Section 214 apply. These programs are set forth in §5.500.

Security Deposit. A dollar amount (maximum set according to the regulations) which can be used for unpaid rent or damages to the owner upon termination of the lease.

Set-up charges. In a manufactured home space rental: Charges payable by the family for assembling, skirting and anchoring the manufactured home.

Shared housing. A unit occupied by two or more families. The unit consists of both common space for shared use by the occupants of the unit and separate private space for each assisted family. A special housing type: see §982.615 to §982.618.

Shelter Plus Care Program. Not a Section 8 program, this program is funded by grants under the Steward B. McKinney Homeless Assistance Act. The program is designed to link rental assistance to supportive services for homeless individuals with disabilities and/or their families.

Single Person. A person living alone or intending to live alone.

Single room occupancy housing (SRO). A unit that contains no sanitary facilities or food preparation facilities, or contains either, but not both, types of facilities. A special housing type: see §982.602 to §982.605.

***Social Security Number (SSN)*.** The nine-digit number that is assigned to a person by the Social Security Administration and that identifies the record of the person's earnings reported to the Social Security Administration. The term does not include a number with a letter as a suffix that is used to identify an auxiliary beneficiary.

Special admission. Admission of an applicant that is not on the HAFC waiting list or without considering the applicant's waiting list position.

***Special housing types*.** See subpart M of part 982. Subpart M states the special regulatory requirements for: SRO housing, congregate housing, group homes, shared housing, cooperatives (including mutual housing), and manufactured homes (including manufactured home space rental).

Specified Welfare Benefit Reduction. Those reductions of welfare benefits (for a covered family) that may not result in a reduction of the family rental contribution. A reduction of welfare benefits because of fraud in connection with the welfare program, or because of welfare sanction due to noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

Spouse. The marriage partner of the head of household.

Stalking. To follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate; or to place under surveillance with the intent to kill, injure, harass, or intimidate another person; and in the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to (1) that person, (2) a member of the immediate family of that person, or (3) the spouse or intimate partner of that person.

***State Wage Information Collection Agency (SWICA)*.** The state agency, including any Indian tribal agency, receiving quarterly wage reports from employers in the state, or an alternative system that has been determined by the Secretary of Labor to be as effective and timely in providing employment-related income and eligibility information.

Subsidy standards. Standards established by HAFC to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

***Suspension*.** Stopping the clock on the term of a family's voucher after the family submits a request for approval of the tenancy. If the HAFC decides to allow extensions or suspensions of the voucher term, the HAFC administrative plan must describe how the HAFC determines whether to grant extensions or suspensions, and how the HAFC determines the length of any extension or suspension. This practice is also called “tolling”.

Tenancy Addendum. For the Housing Choice Voucher Program, the lease language required by HUD in the lease between the tenant and the owner.

***Tenant*.** The person or persons (other than a live-in aide) who executes the lease as lessee of the dwelling unit.

Tenant rent to owner. See “Family rent to owner”.

Term of Lease. The amount of time a tenant agrees in writing to live in a dwelling unit.

***Total Tenant Payment (TTP)*.** The total amount the HUD rent formula requires the tenant to pay toward rent and utilities.

***Unit*.** Residential space for the private use of a family. The size of a unit is based on the number of bedrooms contained within the unit and generally ranges from zero (0) bedrooms to six (6) bedrooms.

***Utility allowance*.** If the cost of utilities (except telephone) and other housing services for an assisted unit is not included in the tenant rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by HAFC or HUD of the monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment.

***Utility reimbursement*.** In the voucher program, the portion of the housing assistance payment which exceeds the amount of rent to owner.

Utility hook-up charge. In a manufactured home space rental: Costs payable by a family for connecting the manufactured home to utilities such as water, gas, electrical and sewer lines.

Vacancy Loss Payments. (*Applies only to pre-10/2/95 HAP Contracts in the Rental Certificate Program*). When a family vacates its unit in violation of its lease, the owner is eligible for 80% of the contract rent for a vacancy period of up to one additional month, (beyond the month in which the vacancy occurred) if s/he notifies the HAFC as soon as s/he learns of the vacancy, makes an effort to advertise the unit, and does not reject any eligible applicant except for good cause.

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

Veteran. See Chapter 3 of this Administrative Plan regarding for the definition of veteran as it relates to a local preference. See Chapte4 regarding its definition in regarding the restriction on eligibility of students.

Violent criminal activity. Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.

Voucher *(Housing Choice Voucher).* A document issued by HAFC to a family selected for admission to the housing choice voucher program. This document describes the program and the procedures for HAFC approval of a unit selected by the family. The voucher also states obligations of the family under the program.

Voucher holder. A family holding a voucher with an unexpired term (search time).

Voucher program. The housing choice voucher program.

Waiting list admission. An admission from the HAFC waiting list.

Welfare assistance. Income assistance from Federal or State welfare programs, including assistance provided under TANF and general assistance. Does not include assistance directed solely to meeting housing expenses, nor programs that provide health care, child care or other services for working families. FOR THE FSS PROGRAM (984.103(b)), "welfare assistance" includes only cash maintenance payments from Federal or State programs designed to meet a family's ongoing basic needs, but does not include food stamps, emergency rental and utilities assistance, SSI, SSDI, or Social Security.

Welfare-to-work (WTW) family. A family assisted by a PHA with Voucher funding awarded to the HA under the HUD welfare-to-work voucher program (including any renewal of such WTW funding for the same purpose).

C. GLOSSARY: TERMS SPECIFIC TO THE FAMILY UNIFICATION PROGRAM

FUP DEFINITIONS

The key definitions for the Family Unification Program are:

Lack of Adequate Housing is defined as:

1. A family or youth is living in substandard or dilapidated housing;
2. A family or youth is homeless;
3. A family or youth is in imminent danger of losing their housing;
4. A family or youth is displaced by domestic violence;
5. A family or youth is living in an overcrowded unit; or

family or youth is living in housing not accessible for the family's disabled child or children, or to the youth, due to the nature of the disability.

Dilapidated Housing A family or youth is living in a housing unit that is dilapidated if the unit where the family or youth lives does not provide safe and adequate shelter, and in its present condition endangers the health, safety, or well-being of a family or youth, or the unit has one or more critical defects, or a combination of intermediate defects in sufficient number or extent to require considerable repair or rebuilding. The defects may result from original construction, from continued neglect or lack of repair or from serious damage to the structure.

Displaced by Domestic Violence - A family or youth is displaced by domestic violence if:

a. The family or youth has vacated a housing unit because of domestic violence; or
b. The family or youth lives in a housing unit with a person who engages in domestic violence, or lives in a housing unit whose location is known to a person who has engaged in domestic violence, and moving from such housing unit is needed to protect the health or safety of the family or youth.

Domestic Violence means: felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

FUP-Eligible Family **-** A family that the public child welfare agency (PCWA) has certified as a family for whom the lack of adequate

housing is a primary factor in the imminent placement of the family's child, or children, in out-of-home care, or in the delay of discharge of a child, or children, to the family from out-of-home care, and that the Public Housing Agency (PHA) has determined is eligible for a Housing Choice Voucher (HCV).

FUP-Eligible Youth - A youth that the public child welfare agency (PCWA) has certified to be at least 18 years old and not more than 21 years old (has not reached his/her 22nd birthday) who left foster care at age 16 or older and who does not have adequate housing, and that the PHA has determined is eligible for a HCV.

Homeless - A homeless family includes any person (including a youth) or family that:

a. Lacks a fixed, regular, and adequate nighttime residence; and
b. Has a primary nighttime residence that is:
    1. A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing);
    2. An institution that provides a temporary residence for persons intended to be institutionalized; or
c. A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

Imminent Danger of Losing Housing - A family or youth is considered to be in imminent danger of losing their housing if the family or youth will be evicted within a week from a private dwelling unit, no subsequent residence has been identified, and the family or youth lacks the resources and support networks needed to obtain housing.

Living in Overcrowded Housing - A family or youth is considered to be living in an overcrowded unit if it meets the following separate criteria for a family or youth as follows:

a. The family is separated from its child (or children) and the parent(s) are living in an otherwise standard housing unit, but, after the family is re-united, the parents' housing unit would be overcrowded for the entire family and would be considered substandard; or
b. The family is living with its child (or children) in a unit that is overcrowded for the entire family and this overcrowded condition may result in the imminent placement of its child (or children) in out-of-home care; or the youth is living in a unit that is overcrowded.
c. The youth is living in a unit that is overcrowded.

For purposes of the above paragraph, the PHA may determine whether the unit is "overcrowded" in accordance with PHA subsidy standards.

Public Child Welfare Agency (PCWA**)** - Is the public agency that is responsible under applicable State law for determining that a child is at imminent risk of placement in out-of-home care or that a child in out-of-home care under the supervision of the public agency

may be returned to his or her family, or that a youth left foster care at age 16 or older and is at least 18 years old and not more than 21 years old.

Substandard Housing **–** A family or youth is living in substandard housing if the unit where the family or youth lives:

a. Is dilapidated;
b. Does not have operable indoor plumbing;
c. Does not have a usable flush toilet inside the unit for the exclusive use of a family or youth;
d. Does not have a usable bathtub or shower inside the unit for the exclusive use of a family or youth;
e. Does not have electricity, or has inadequate or unsafe electrical service;
f. Does not have a safe or adequate source of heat;
g. Should, but does not, have a kitchen; or
h. Has been declared unfit for habitation by an agency or unit of government.