

ADMINISTRATIVE PLAN
FOR THE
SECTION 8 CERTIFICATE AND
VOUCHER PROGRAM

HOUSING AUTHORITY OF THE
BOROUGH OF SAYREVILLE

Approved by the HA Board of Commissioners:

Submitted to HUD:

TABLE OF CONTENTS

Chapter 1

STATEMENT OF POLICIES AND OBJECTIVES

A.	MISSION STATEMENT AND LOCAL OBJECTIVES	1-1
B.	PURPOSE OF THE PLAN	1-2
C.	FAIR HOUSING POLICY	1-3
D.	TERMINOLOGY	1-3
E.	TRANSLATION OF DOCUMENTS	1-3
F.	FAMILY OUTREACH	1-4
G.	OWNER OUTREACH	1-4
H.	PRIVACY RIGHTS	1-5
I.	ADMINISTRATIVE FEE RESERVE	1-5
J.	RULES AND REGULATIONS	1-6
K.	ACCOMMODATIONS POLICY	1-6
L.	MANAGEMENT ASSESSMENT OBJECTIVES	1-9
M.	RECORDS FOR MONITORING HA PERFORMANCE	1-9

Chapter 2

ELIGIBILITY FOR ADMISSION

A.	FAMILY COMPOSITION	2-2
B.	INCOME LIMITATIONS	2-5
C.	MANDATORY SOCIAL SECURITY NUMBERS	2-7
D.	CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS	2-7
E.	OTHER CRITERIA FOR ADMISSIONS	2-8
F.	SUITABILITY OF FAMILY	2-10
G.	CHANGES IN ELIGIBILITY PRIOR TO EFFECTIVE DATE OF THE CONTRACT	2-10
H.	INELIGIBLE FAMILIES	2-10

Chapter 3

APPLYING FOR ADMISSION

A.	HOW TO APPLY	3-1
B.	OPENING/CLOSING OF APPLICATION TAKING	3-1
C.	"INITIAL" APPLICATION PROCEDURES	3-3
D.	NOTIFICATION OF APPLICANT STATUS	3-4
E.	TIME OF SELECTION	3-5
F.	COMPLETION OF A FULL APPLICATION	3-5
G.	VERIFICATION	3-7
H.	FINAL DETERMINATION AND NOTIFICATION OF ELIGIBILITY	3-7

Chapter 4

ESTABLISHING PREFERENCES AND MAINTAINING THE WAITING LIST [24 CFR Part 5, Subpart D; 982.54(d)(1)]

A.	WAITING LIST	4-1
B.	WAITING LIST PREFERENCES	4-2
C.	LOCAL PREFERENCES	4-2
D.	INITIAL DETERMINATION OF LOCAL PREFERENCE QUALIFICATION	4-5
E.	INCOME TARGETING	4-6
F.	EXCEPTIONS FOR SPECIAL ADMISSIONS	4-6
G.	TARGETED FUNDING	4-7
H.	PREFERENCE ELIGIBILITY	4-7
I.	ORDER OF SELECTION	4-8
J.	FINAL VERIFICATION OF PREFERENCES	4-8
K.	PREFERENCE DENIAL	4-9
L.	REMOVAL FROM WAITING LIST AND PURGING	4-9

Chapter 5

SUBSIDY STANDARDS

A.	DETERMINING FAMILY UNIT (CERTIFICATE/VOUCHER) SIZE	5-1
B.	CHANGES IN CERTIFICATE/VOUCHER SIZE	5-2
C.	UNIT SIZE SELECTED	5-4

Chapter 6

FACTORS RELATED TO TOTAL TENANT PAYMENT DETERMINATION

A.	INCOME AND ALLOWANCES	6-1
B.	MINIMUM RENT	6-2
C.	DEFINITION OF TEMPORARILY/PERMANENTLY ABSENT	6-5
D.	AVERGING INCOME	6-10
E.	MINIMUM INCOME	6-10
F.	INCOME OR PERSON PERMANENTLY CONFINED TO NURSING HOME	6-10
G.	REGULAR CONTRIBUTIONS AND GIFTS	6-11
H.	ALIMONY AND CHILD SUPPORT	6-11
I.	LUMP-SUM RECEIPTS	6-11
J.	CONTRIBUTIONS TO RETIREMENT FUNDS-ASSETS	6-13
K.	ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE	6-13
L.	CHILD CARE EXPENSES	6-14
M.	MEDICAL EXPENSES	6-14
N.	PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES	6-15
O.	REDUCTION IN BENEFITS	6-15
P.	UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS	6-15

Chapter 7

VERIFICATION PROCEDURES

A.	METHODS OF VERIFICATION AND TIME ALLOWED	7-1
B.	RELEASE OF INFORMATION	7-3
C.	COMPUTER MATCHING	7-3
D.	ITEMS TO BE VERIFIED	7-3
E.	VERIFICATION OF INCOME	7-4
F.	INCOME FROM ASSETS	7-9
G.	VERIFICATION OF ASSETS	7-10
H.	VERIFICATION OF ALLOWABLE DEDUCTIONS FROM INCOME	7-11
I.	VERIFYING NON-FINANCIAL FACTORS	7-14
J.	VERIFICATION OF WAITING LIST PREFERENCES	7-20

Chapter 8

CERTIFICATE/VOUCHER ISSUANCE AND BRIEFINGS

A.	ISSUANCE OF CERTIFICATES/VOUCHERS	8-1
B.	BRIEFING TYPES AND REQUIRED ATTENDANCE	8-2
C.	ENCOURAGING PARTICIPATION IN AREAS WITHOUT LOW INCOME OR MINORITY CONCENTRATION	8-5
D.	ASSISTANCE TO FAMILIES WHO CLAIM DISCRIMINATION	8-5
E.	SECURITY DEPOSIT REQUIREMENTS	8-5
F.	TERM OF CERTIFICATE/VOUCHER	8-6
G.	CERTIFICATE/VOUCHER ISSUANCE DETERMINATION FOR SPLIT HOUSEHOLDS	8-7
H.	REMAINING MEMBER OF TENANT FAMILY – RETENTION OF CERTIFICATE/VOUCHER	8-8

Chapter 9

REQUEST FOR LEASE APPROVAL AND CONTRACT EXECUTION

A.	REQUEST FOR LEASE APPROVAL	9-1
B.	ELIGIBLE TYPES OF HOUSING	9-3
C.	LEASE REVIEW	9-3
D.	INITIAL INSPECTIONS	9-5
E.	RENT LIMITATIONS	9-5
F.	DISAPPROVAL OF PROPOSED RENT	9-5
G.	INFORMATION TO OWNERS	9-6
H.	OWNER DISAPPROVAL	9-6
I.	CHANGE IN TOTAL TENANT PAYMENT (TTP) PRIOR TO HAP EFFECTIVE DATE	9-7
J.	CONTRACT EXECUTION PROCESS	9-7
K.	CHANGE IN OWNERSHIP	9-8

Chapter 10

HOUSING QUALITY STANDARDS AND INSPECTIONS

A.	GUIDELINES/TYPES OF INSPECTIONS	10-1
B.	ACCEPTABILITY CRITERIA AND EXCEPTIONS TO HQS	10-2
C.	INSPECTIONS	10-4
D.	EMERGENCY REPAIR ITEMS	10-5
E.	CONSEQUENCES IF OWNER IS RESPONSIBLE (NON-EMERGENCY ITEMS)	10-7
F.	DETERMINATION OF RESPONSIBILITY	10-8
G.	CONSEQUENCES IF FAMILY IS RESPONSIBLE	10-9
H.	INITIAL HQS INSPECTION	10-9
I.	ANNUAL HQS INSPECTION	10-10
J.	SPECIAL/COMPLIANT INSPECTIONS	10-10
K.	QUALITY CONTROL INSPECTIONS	10-10

Chapter 11

OWNER RENTS, RENT REASONABLENESS, AND PAYMENT STANDARDS

A.	OWNER PAYMENT IN THE CERTIFICATE PROGRAM	11-1
B.	OWNER PAYMENT IN THE VOUCHER PROGRAM	11-1
C.	MAKING PAYMENTS TO OWNERS	11-1
D.	RENT REASONABLENESS DETERMINATIONS	11-2
E.	PAYMENT STANDARDS FOR THE VOUCHER PROGRAM	11-3
F.	ADJUSTMENTS TO PAYMENT STANDARDS	11-3
G.	RENT ADJUSTMENTS	11-5
H.	PAYMENT STANDARDS FOR OFTO TENANCIES	11-7
I.	PAYMENT STANDARDS FOR A FAMILY	11-7

Chapter 12

RECERTIFICATIONS

A.	ANNUAL ACTIVITIES	12-1
B.	ANNUAL RECERTIFICATION/REEXAMINATION	12-2
C.	REPORTING INTERIM CHANGES	12-4
D.	OTHER INTERIM REPORTING ISSUES	12-5
E.	INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS	12-5
F.	NOTIFICATION OF RESULTS OF RECERTIFICATIONS	12-6
G.	TIMELY REPORTING OF CHANGES IN INCOME (AND ASSETS)	12-7
H.	REPORTING OF CHANGES IN FAMILY COMPOSITION	12-8
I.	CONTINUANCE OF ASSISTANCE FOR "MIXED" FAMILIES	12-9

Chapter 13

MOVES WITH CONTINUED ASSISTANCE/PORTABILITY

A.	ALLOWABLE MOVES	13-1
B.	RESTRICTIONS ON MOVES	13-1
C.	PROCEDURE FOR MOVES	13-2
D.	PORTABILITY	13-3
E.	OUTGOING PORTABILITY	13-3
F.	INCOMING PORTABILITY	13-5

Chapter 14

CONTRACT TERMINATIONS

A.	CONTRACT TERMINATION	14-1
B.	TERMINATION BY THE FAMILY: MOVES	14-1
C.	TERMINATION OF TENANCY BY THE OWNER: EVICTIONS	14-1
D.	TERMINATION OF THE CONTRACT BY HA	14-3
E.	TERMINATIONS DUE TO INELIGIBLE IMMIGRATION STATUS	14-4
F.	TERMINATION DUE TO OWNER DISAPPROVAL	14-5

Chapter 15

DENIAL OR TERMINATION OF ASSISTANCE

A.	GROUND FOR DENIAL/TERMINATION	15-1
B.	FAMILY OBLIGATIONS	15-3
C.	PROCEDURES FOR NON-CITIZENS	15-10
D.	ZERO DOLLAR ASSISTANCE TENANTS	15-12
E.	OPTION NOT TO TERMINATE FOR MISREPRESENTATION	15-12
F.	MISREPRESENTATION IN COLLUSION WITH OWNER	15-12
G.	MISSED APPOINTMENTS AND DEADLINES	15-13

Chapter 16

OWNER DISAPPROVAL AND RESTRICTION

A.	DISAPPROVAL OF OWNER	16-1
B.	OWNER RESTRICTIONS AND PENALTIES	16-2
C.	OTHER REMEDIES FOR OWNER VIOLATIONS	16-3

Chapter 17

CLAIMS, MOVE-OUT AND CLOSE-OUT INSPECTIONS (For Contracts Effective Before October 2, 1995)

A.	OWNER CLAIMS	17-1
B.	UNPAID RENT	17-1
C.	VACANCY LOSS IN THE CERTIFICATE PROGRAM	17-1
D.	MOVE-OUT AND CLOSE-OUT INSPECTIONS	17-3
E.	PROCESSING CLAIMS	17-4

Chapter 18

OWNER OR FAMILY DEBTS TO THE HA

A.	REPAYMENT AGREEMENT FOR FAMILIES	18-1
B.	DEBTS OWED FOR CLAIMS	18-3
C.	DEBTS DUE TO FRAUD/NON-REPORTING OF INFORMATION	18-3
D.	OWNER DEBTS TO THE HA	18-4
E.	WRITING OFF DEBTS	18-5

Chapter 19

COMPLAINTS AND APPEALS

A.	COMPLAINTS TO THE HA	19-1
B.	PREFERENCE DENIALS	19-2
C.	INFORMAL REVIEW PROCEDURES FOR APPLICANTS	19-2
D.	INFORMAL HEARING PROCEDURES	19-3
E.	HEARING AND APPEAL PROVISIONS FOR "RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS"	19-8
F.	MITIGATING CIRCUMSTANCES FOR APPLICANTS/ PARTICIPANTS WITH DISABILITIES	19-9

GLOSSARY

A.	ACRONYMS USED IN SUBSIDIZED HOUSING	GL-1
B.	GLOSSARY OF TERMS IN SUBSIDIZED HOUSING	GL-3
C.	GLOSSARY OF TERMS USED IN THE NONCITIZENS RULE	GL-16

PROGRAM INTEGRITY ADDENDUM

A.	CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD	PI-1
B.	STEPS THE HA WILL TAKE TO PREVENT PROGRAM ABUSE AND FRAUD	PI-2
C.	STEPS THE HA WILL TAKE TO DETECT PROGRAM ABUSE AND FRAUD	PI-3
D.	THE HA'S HANDLING OF ALLEGATIONS OF POSSIBLE ABUSE AND FRAUD	PI-4
E.	HOW THE HA WILL INVESTIGATE ALLEGATION OF ABUSE AND FRAUD	PI-5
F.	PLACEMENT OF DOCUMENTS, EVIDENCE AND STATEMENTS OBTAINED BY THE HA	PI-6
G.	CONCLUSIONG OF THE HA'S INVESTIGATING REVIEW	PI-6
H.	EVALUATION OF FINDINGS	PI-6
I.	ACTION PROCEDURES FOR VIOLATIONS WHICH HAVE BEEN DOCUMENTED	PI-7

"ONE STRIKE AND YOU'RE OUT" ADDENDUM

A.	"ONE STRIKE AND YOU'RE OUT" POLICY	PII-1
B.	HUD'S July 23, 1999 PROPOSED RULE AMENDING THE ONE-STRIKE SCREENING AND EVICTION PROCEDURES FOR DRUG ABUSE AND OTHER CRIMINAL ACTIVITY (24CFR Parts, et.al.)	PII-2

SECTION 8 MERGER ADDENDUM

A.	MERGER FACT SHEET AND ATTACHMENTS	PIII-1
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Chapter 1

STATEMENT OF POLICIES AND OBJECTIVES

INTRODUCTION

The Section 8 Program was enacted as part of the Housing and Community Development Act of 1974, which recodified the U.S. Housing Act of 1937. The Act has been amended from time to time, and its requirements, as they apply to the Section 8 Certificate and Voucher Programs, are described in and implemented through this Administrative Plan. The purpose of this amendment is to bring the Administrative Plan into compliance with the applicable provisions contained in the Quality Housing and Work Responsibility Act of 1998. It is to be noted that the plan materials covering the October 1, 1999 merger of the Section 8 Certificate and Voucher Programs into one program, called the Section 8 Housing Choice Voucher Program are included herein under addendum PIII-1. Upon completion of the lengthy process involved in converting Section 8 Certificates to Housing Choice Vouchers the Section 8 Administrative Plan will be amended to reflect deletion of all references to the Section 8 Certificate Program. Administration of the Section 8 Program and the functions and responsibilities of the Housing Authority (HA) staff shall be in compliance with the HA's Personnel Policy and the Department of Housing and Urban Development's (HUD) Section 8 Regulations as well as all Federal State and local Fair Housing Laws and Regulations.

A. MISSION STATEMENT AND LOCAL OBJECTIVES

MISSION STATEMENT

The Housing Authority's mission for serving the needs of low-income, very low-income, and extremely low-income families in its jurisdiction is to promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination.

LOCAL GOALS AND OBJECTIVES

The Section 8 Program is designed to achieve the following major goals and objectives:

1. Increase the availability of decent, safe and affordable housing by expanding the supply of assisted housing; improving the quality of such housing; and increasing assisted housing choices.

2. Promote self-sufficiency and asset development of families and individuals by providing or attracting support services needed to increase or improve employability and independence.
3. Ensure equal opportunity in housing for all persons by affirmatively furthering fair housing objectives.

B. PURPOSE OF THE PLAN

The purpose of the Administrative Plan is to establish policies for carrying out the programs in a manner consistent with HUD requirements and local objectives. The Plan covers both admission and continued participation in these programs. Policies are the same for both programs unless otherwise noted.

The HA is responsible for complying with all changes in HUD regulations pertaining to these programs. If such changes conflict with this Plan, HUD regulations will have precedence. The original Plan and any changes must be approved by the Board of Commissioners of the agency and a copy provided to HUD.

C. 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 HA 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 HA will provide Federal/State/local information to Certificate and 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 Certificate and 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 HA's facilities are inaccessible to or unusable by persons with disabilities.

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

The Housing Authority of the Borough of Sayreville is accessible to persons with disabilities. Accessibility for the hearing impaired is provided by the TTD/TDY telephone number.

D. TERMINOLOGY

The Housing Authority of the Borough of Sayreville is referred to as "HA" or "PHA" or "Housing Authority" throughout this document.

"Administrative Offices of the Housing Authority" refers to the HA office(s) located at 650 Washington Avenue, Sayreville, New Jersey 08872.

"Jurisdiction of the Housing Authority" refers to the Borough of Sayreville.

"Local Resident(s)" is used to refer to a resident(s) of the Borough of Sayreville.

"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.

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

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

The Section 8 programs are also known as the Regular Tenancy Certificate, Over-FMR Tenancy (OFTO) and Voucher Programs.

"HQS" means the Housing Quality Standards required by regulations as enhanced by the PHA.

"Failure to Provide" refers to all requirements in the first Family Obligation. See Chapter 15, "Denial or Termination of Assistance".

See Glossary for other terminology.

E. TRANSLATIONS OF DOCUMENTS

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

Number of applicants and participants who do not speak English and speak another language.

Cost of translation into the other language per/client who speaks the language.

Evaluation of the need for translation by the bi-lingual staff and by agencies that work with non-English speaking clients.

The availability of organizations to translate documents, letters and forms for non English speaking families.

F. FAMILY OUTREACH

The HA 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 HA's waiting list is open, the HA 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.

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

The HA 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.

G. OWNER OUTREACH [24 CFR 982.54(d)(5)]

The HA encourages owners of decent, safe and sanitary housing units to lease to Section 8 families. The HA maintains a list of interested landlords/list of units available for the Section 8 Program and updates this list as needed. When listings from owners are received, they will be compiled by the HA staff by bedroom size.

Printed material is offered to acquaint owners and managers with the opportunities available under the program.

The PHA makes a concerted effort to keep private owners informed of legislative changes in the tenant-based program, which are designed to make the program more attractive to owners. This includes informing participant owners of applicable legislative changes in program requirements.

H. PRIVACY RIGHTS

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

The HA'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. All requests for access and granting of accommodations based on this information must be approved by the Executive Director.

In accordance with HUD requirements, the HA will furnish prospective owners with the family's current address as shown in the HA's records and, if known to the HA, the name and address of the landlord at the family's current and prior address.

The HA will furnish prospective owners with information about the family's rental history, or any history of drug trafficking.

A statement of the HA's policy on release of information to prospective landlords will be included in the briefing packet which is provided to the family.

The HA'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.

HA staff will not discuss family information contained in files unless there is a business reason to do so. Inappropriate discussing of family information, or improper disclosure of family information by staff will result in disciplinary action.

I. ADMINISTRATIVE FEE RESERVE

All expenditures from the administrative fee reserve will be approved by the HA Board of Commissioners (or other authorized officials) and made in accordance with the approved budget.

J. RULES AND REGULATIONS

This Administrative Plan is set forth to define the HA'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.

K. ACCOMMODATIONS POLICY [24 CFR 700.245(c)(3)]

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

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

Persons with Disabilities [24 CFR 982.153(b)(6)]

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

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;
- A record of such impairment; or
- Being regarded as having such an impairment

Those "regarded as having such an impairment" may include those with conditions such as obesity or cosmetic disfigurement, and individuals perceived to be at high risk of incurring a work-related injury.

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.

An individual who has an infectious or communicable disease that is transmitted to others through the handling of food, the risk of which cannot be eliminated by reasonable accommodation, may be refused an assignment or a continued assignment to a job involving food handling. The Secretary of Health and Human Services annually will publish a list of those diseases that are transmitted through food handling.

Rehabilitated alcohol and drug users are considered to be persons with disabilities for purposes of the Act. However, current alcohol and drug users can be held to the same qualification standards for job performance as other employees.

Undue Hardship

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

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.

Verification of a Request for Accommodation

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

*The Housing Authority utilizes organizations, which provide assistance for hearing-and sight-impaired persons when needed.

*A list of known accessible units will be provided.

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

Section 504

No otherwise qualified individual with handicaps in the United States shall, solely by reason of her or his handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

Section 504 requires Section 8 agencies to affirmatively ensure that people with disabilities are given an equal opportunity to participate in the Section 8 program. HUD's Section 504 regulations, which are contained in 24 CFR 8 (Subpart A-E) provide a more detailed explanation of Section 8 responsibilities.

A qualified person with a handicap:

Must be afforded an opportunity equal to that afforded to others, and/or

Must be provided housing or benefits as effective as those afforded to others, and/or

May not be provided different or separate housing or benefits unless necessary to provide the person with a handicap with housing or benefits that are as effective as those provided to others

The law is designed to afford people with handicaps an "equal opportunity to obtain the same result, to gain the same benefit, or to reach the same level of achievement" as those who do not have disabilities.

The PHA is obligated to administer the tenant-based assistance program in the most integrated setting possible that is appropriate to the needs of qualified individuals rather than to separate the individual from the general population.

In any case, a participant with a disability must ask for an accommodation of their disability before the housing agency treats them differently.

L. MANAGEMENT ASSESSMENT OBJECTIVES

The HA operates its housing assistance program with efficiency and can demonstrate to HUD auditors that the HA is using its resources in a manner that reflects its commitment to quality and service. The HA policies and practices are consistent with the goals and objectives of the following HUD SEMAP indicators.

1. Selection from the Waiting List
2. Reasonable Rent
3. Determination of Adjusted Income
4. Utility Allowance Schedule
5. HQS Quality Control Inspections
6. HQS Enforcement
7. Expanding Housing Opportunities
8. FMR/exception rent & Payment Standards
9. Annual Re-examinations
10. Correct Tenant Rent Calculations
11. Pre-Contract HQS Inspections
12. Annual HQS Inspections
13. Lease-up
14. Bonus Indicator (Deconcentration)

M. RECORDS FOR MONITORING PHA PERFORMANCE

In order to demonstrate compliance with HUD and other pertinent regulations, the HA will maintain records, reports and other documentation for a time that is in accordance with HUD requirements and in a manner that will allow an auditor, housing professional or other interested party to follow, monitor and or assess the HA's operational procedures objectively and with accuracy.

Records and reports will be maintained for the purpose of:

*Demonstrating that at least 98% of families were selected from the waiting list in accordance with the Admin Plan policies and met the correct selection criteria.

*Determining that at least 98% of randomly selected tenant files indicate that the PHA approved reasonable rents to owner at the time of initial lease-up and before any increase in rent.

*Monitoring PHA practices for obtaining income information, proper calculation of allowances and deductions, and utility allowances used to determine adjusted income for families.

*Demonstrating that the PHA has analyzed utility rates locally to determine if there has been a change of 10% or more since the last time the utility schedule was revised.

*Determining that during the fiscal year the PHA performs supervisory HQS quality control inspections for at least 5% of all units under contract.

*Determining that a review of selected files indicate that for at least 98% of failed inspections, the HA ensures timely correction of HQS deficiencies or abates HAPs or takes vigorous action to enforce family obligations.

*Demonstrating that the HA provides families and owners information which actively promotes the deconcentration of assisted families in low-income neighborhoods.

*Demonstrating that at least 90% of units newly leased have an initial gross rent which does not exceed the FMR, aside from OFTO tenancies, and Voucher payment standards are not less than 80% of the current FMR/exception rent limit unless otherwise approved by HUD.

*Demonstrating that 90-95% of reexams are processed on time.

*Demonstrating that less than 2% of all tenant files have rent calculation discrepancies.

*Demonstrating that 100% of newly leased units passed HQS inspections before HAP contract date.

*Demonstrating that the PHA performs annual HQS inspections on time for 100% of all units under contract.

*Demonstrating that the PHA leases 100% of budgeted units during the fiscal year.

In order to ensure quality control, supervisory staff audit the following functions:

- 10 percent of reexaminations
- 10 percent of new applications
- 5 percent of the HQS inspections completed by each inspector
- 100 percent of claims processed

Chapter 2

ELIGIBILITY FOR ADMISSION

[24 CFR Part 5, Subparts B, D & E; Part 982, Subpart E]

INSTRUCTION

PHAs may no longer elect not to comply with ("opt-out" of) 24 CFR 5, Subpart E, which describes the requirements for restriction of assistance to noncitizens. (See 24 CFR 5,501.)

The Quality Housing and Work Responsibility Act of 1998 reversed the option and PHAs must now comply with the Non-citizen Rule. In addition, on May 12, 1999, the Federal Register, pages 25726 – 25733 published the Final Rule on Restriction on Assistance to noncitizens. The final rule updates HUD's noncitizens regulations to incorporate the QHWRA. Specifically, PHAs may elect not to affirmatively establish and verify eligibility before providing financial assistance to an individual or family.

However, PHAs must verify and establish eligibility no later than the date of the family's annual reexamination following October 21, 1998.

Introduction

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

Eligibility Factors

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

The HUD eligibility criteria are:

An applicant must be a "family"

An applicant must be within the appropriate Income Limits

An applicant must furnish Social Security Numbers

An applicant must furnish evidence of Citizenship/Eligible Immigrant Status

At least one member of the applicant family must be either a U.S. citizen or have eligible immigration status before the PHA may provide any financial assistance.

For the HA's additional criteria for eligibility, see Section E, "Other Criteria for Admission."

The Family's initial eligibility for placement on the waiting list will be made in accordance with the eligibility factors.

Evidence of Citizenship/Eligible Immigrant Status will not be verified until the family is selected from the waiting list for issuance of a Certificate or Voucher, unless the HA determines that such eligibility is in question, whether or not the family is at or near the top of the waiting list.

A. 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. (Discrimination on the basis of familial status is prohibited, and a group of persons may not be denied solely on the basis that they are not related by blood, marriage or operation of law.)

A group of persons may be:

Two or more persons who intend to share residency whose income and resources are available to meet the family's needs.

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 is a family.

A child who is temporarily away from home because of placement in foster care is 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

A family may also include:

- A family with or without children
- The remaining member of a tenant family
- A displaced family
- A disabled family
- Any single person that is:
 - An elderly person
 - A displaced person
 - A person with a disability
 - Any "other single" person

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.

A family may designate an elderly or disabled family member as head of household solely to qualify the family as an Elderly Household, provided that the person is at least partially responsible for paying the rent.

Spouse of Head

Spouse means the husband or wife of the head.

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.

Live-In Attendants

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

Is determined by the HA to be essential to the care and well being of an elderly person, a near-elderly person, or a person with disabilities,

Is not obligated for the support of the person(s), and

Would not be living in the unit except to provide care for the person(s).

A live-in aide is treated differently than family members:

1. Income of the live-in aide will not be counted for purposes of determining eligibility or level of benefits.
2. Live-in aides are not subject to Non-Citizen Rule requirements.
3. Live-in aides may not be considered as a remaining member of the tenant family.

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

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

A Live in Aide may only reside in the unit with the approval of the HA. 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 disabled.

Verification must include the hours the care will be provided.

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

Split Households Prior to Certificate/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 HA will make the decision taking into consideration the following factors:

1. Which family member applied as head of household.
2. Which family unit retains the children or any disabled or elderly members.
3. Restrictions that were in place at the time the family applied.
4. Role of domestic violence in the split.
5. 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 HA.

In cases where domestic violence played a role, the standard used for verification will be the same as that required for the "displaced due to domestic violence" preference.

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.

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. "51% of the time" is defined as 183 days of the year, which do not have to run consecutively.

B. INCOME LIMITATIONS {24 CFR 982.201,982.353}

In order to be eligible for assistance, an applicant must:

Have an Annual Income at the time of admission that does not exceed the low income limits for occupancy established by HUD.

The Quality Housing and Work Responsibility Act of 1998 authorizes PHAs to admit families whose income does not exceed the low-income limit (80% of median area income) provided the PHA has included this part of the admissions policy in the PHA's Annual Plan

Or be either:

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 certificate/voucher issuance. Programs include public housing, all Section 8 programs, all Section 23 programs.

A low-income family physically displaced by rental rehabilitation activity under 24 CFR part 511.

A low-income non-purchasing family residing in a HOPE 1 or HOPE 2 project.

A low-income non-purchasing family residing in a project subject to a homeownership program under 24 CFR 248.173.

A low-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.

A low-income family residing in a HUD-owned multifamily rental housing project when the project is sold, foreclosed or demolished by HUD. (Certificate program only.)

To determine if the family is income-eligible, the HA compares the Annual Income of the family to the applicable income limit for the family's size.

Families whose Annual Income exceeds the income limit will be denied admission and offered an informal review.

Single jurisdiction HAs: The applicable income limit to be used at initial issuance of a certificate or voucher is the income limit of the HA.

Multijurisdictional HAs: The applicable income limit used for initial issuance of a certificate or voucher is the highest income limit with the HA's jurisdiction.

For admission to the program (initial lease-up), the family must be within the very low income limit of the jurisdiction where they want to live.

Portability: For initial lease-up, families who exercise portability must be within the very low income limit for the jurisdiction of the receiving HA in which they want to live.

Participant families who exercise portability, and request or require a change in their form of assistance, must be within the low income limit of the receiving HA if they are to receive the alternate form of assistance.

C. MANDATORY SOCIAL SECURITY NUMBERS [24 CFR 5.216, 5.218]

Families are required to provide verification of Social Security Numbers for all family members age 6 and older prior to admission, if they have been issued a number by the Social Security Administration. This requirement also applies to persons joining the family after admission to the program.

Failure to furnish verification of social security numbers is grounds for denial or termination of assistance.

D. 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 six immigrant categories as specified by HUD.

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

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

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

Non-citizen students defined by HUD in the noncitizen regulations are not eligible for assistance.

Appeals. For this eligibility requirement only, the applicant is entitled to a hearing exactly like those provided for participants.

Verification of Status Before Admission

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

E. OTHER CRITERIA FOR ADMISSIONS [24 CFR 982.552(b)]

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

The family must have not violated any family obligation during a previous participation in the Section 8 program for five years prior to final eligibility determination.

The PHA will make an exception, if the family member who violated the family obligation is not a current member of the household on the application.

When the PHA denies assistance to a person with a disability due to a violation of family obligation, and the violation was a result of the disability, the applicant may request a review of the decision to deny assistance.

The family must pay any outstanding debt owed the PHA or another PHA as a result of prior participation in any federal housing program within sixty days of PHA notice to repay.

The family must be in good standing regarding any current payment agreement made with another PHA for a previous debt incurred, before this PHA will allow participation in its Section 8 program.

No family member may have been evicted from public housing for any reason during the last five years prior to final eligibility determination.

The PHA will check criminal history for all adults in the household to determine whether any member of the family has violated any of the prohibited behaviors as referenced in Chapter 15, Section B., "One Strike."

The PHA will perform the following types of tenant screening activities:

- Criminal background check
- Drug related activity

F. SUITABILITY OF FAMILY [24 CFR 982.202 (b)(1)]

The HA may take into consideration any of the additional criteria for admission in Section E above, but may not otherwise screen for factors which relate to the suitability of the applicant family as tenants. It is the responsibility of the owner to screen the applicants as to their suitability for tenancy.

The HA will advise families how to file a complaint if they have been discriminated against by an owner. The HA will advise the family to make a Fair Housing complaint. The HA could also report the owner to HUD (Fair Housing/Equal Opportunity) or the local Fair Housing Organization.

G. CHANGES IN ELIGIBILITY PRIOR TO EFFECTIVE DATE OF THE CONTRACT

Changes that occur during the period between placement on the waiting list and issuance of a certificate or voucher may affect the family's eligibility or Total Tenant Payment. For example, if a family goes over the income limit prior to lease up, the applicant will not continue to be eligible for the program. They will be notified in writing of their ineligible status and their right to an informal review.

H. INELIGIBLE FAMILIES

Families who are determined to be ineligible will be notified in writing of the reason for denial and given an opportunity to request an informal review, or an informal hearing if they were denied due to noncitizen status. See Chapter 19, "Complaints and Appeals" for additional information about reviews and hearings.

Chapter 3

APPLYING FOR ADMISSION

INTRODUCTION

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

A. HOW TO APPLY

Families who wish to apply for any of the HA's programs must complete a written application form when application taking is open. Applications will be made available in an accessible format upon request from a person with a disability.

The application process will involve two phases. The first is the "initial" application for assistance (referred to as a preapplication). This first phase results in the family's placement on the waiting list.

The preapplication will be dated, time-stamped, and referred to the HA's eligibility office where it will be maintained until such time as it is needed for processing.

The second phase is the "final determination of eligibility" (referred as the full application). The full application takes place when the family reaches the top of the waiting list. At this time the HA ensures that verification of all HUD and HA eligibility factors is current in order to determine the family's eligibility for the issuance of a certificate or voucher.

B. OPENING/CLOSING OF APPLICATION TAKING [CFR 982.206,982.54(d)(1)]

The HA will utilize the following procedures for opening the waiting list.

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

The notice will contain:

The dates, times, and the locations where families may apply.

The programs for which applications will be taken.

A brief description of the program.

A statement that public housing residents must submit a separate application if they want to apply for Section 8

Limitations, if any, on who may apply.

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

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

When Application Taking Is Suspended

The HA may suspend the acceptance of applications if there are enough preference holders to fill anticipated openings for the next 24 months. The waiting list may not be closed if it would have a discriminatory effect inconsistent with applicable civil rights laws.

Any time that there are not enough applicants who claim a preference, the HA may reopen the list only to applicants who claim a preference.

The HA will not announce suspension of application-taking.

The open period shall be long enough to achieve a waiting list adequate to cover projected turnover and new allocations over the next 24 months. The HA will give at least 10 business day's notice prior to closing the list. When the period for accepting applications is over, the HA will add the new applications to the list by:

Separating the new applicants into groups based on preferences and within such groups, by date and time of application.

Limits on Who May Apply

When the waiting list is open,

Depending upon the composition of the waiting list with regard to family types and preferences and to better serve the needs of the community, at times the HA may only accept applications from:

Any family claiming a preference.

Any family claiming specific preference (s).

If there are sufficient applications from elderly families, disabled families, and displaced singles, applications will not be accepted from Other Singles.

When the application is submitted to the HA:

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

C. "INITIAL" APPLICATION PROCEDURES [24 CFR 982.204(b)]

The HA will utilize a preliminary-application form (pre-application). The information is to be filled out by the applicant whenever possible. To provide specific accommodation to persons with disabilities, the information may be completed by a staff person over the telephone. It may also be mailed to the applicant and, if requested, it will be mailed in an accessible format.

The purpose of the preapplication is to permit the HA to preliminarily assess family eligibility or ineligibility and to determine placement on the waiting list. The preapplication will contain questions designed to obtain the following information:

Names of adult members and age of all members

Sex and relationship of all members

Street Address and phone numbers

Mailing Address (If PO Box or other permanent address)

Amount(s) and source(s) of income received by household members

Information regarding Disabilities relating to program requirements (i.e., deductions)

Information related to qualification for preferences

Social Security Numbers

Race/ethnicity

Citizenship/eligible immigration status

Arrests/Convictions for Drug Related or Violent Criminal Activity

Request for Specific Accommodation needed to fully utilize program and services

Previous address

Current and previous landlords names and addresses

Emergency contact person and address

Program integrity questions regarding previous participation in HUD programs

Duplicate applications, including applications from a segment of an applicant household, will not be accepted. Ineligible families will not be placed on the waiting list.

Preapplications will not require an interview. The information on the application will not be verified until the applicant has been selected for final eligibility determination. Final eligibility will be determined when the full application process is completed and all information is verified.

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

Failure to provide information or to respond to mailings will result in the applicant being removed from the waiting list. See Chapter 19, "Complaints and Appeals"

D. NOTIFICATION OF APPLICANT STATUS

If after a review of the preapplication the family is determined to be preliminarily eligible, they will be notified in writing, in an accessible format upon request, as a reasonable accommodation. The notice will contain the approximate date that assistance may be offered, and will further explain that the estimated date is subject to factors such as turnover and available funding.

This written notification of preliminary eligibility will be:

Mailed to the applicant by first class mail.

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

E. TIME OF SELECTION

When funding is available, families will be selected from the waiting list in their determined sequence, regardless of family size.

When there is insufficient funding available for the family at the top of the list, the HA will not admit any other applicant until funding is available for the first applicant. Applicants will not be passed over on the waiting list.

F. COMPLETION OF FULL APPLICATION

All Local Preferences claimed on the preapplication or while the family is on the waiting list will be verified:

After the family is selected from the waiting list, and prior to completing the full application.

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

After the preference is verified, when the HA is ready to select applicants, applicants will be required to:

Complete a Personal Declaration Form prior to the full application interview.

Complete a full application in their own handwriting, unless assistance is needed, or a request for accommodation is made by a person with a disability. Applicant will then be interviewed by HA staff to review the information on the full application form.

The full application will be communicated as requested as an accommodation to a person with a disability/completed when the applicant attends the interview.

Requirement to Attend Interview

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

If the head of household cannot attend the interview, the spouse may attend to complete the application and certify for the family.

It is the applicant's responsibility to reschedule the interview if s/he misses the appointment. If the applicant does not reschedule or misses two scheduled meetings, the HA will reject the application.

Applicants who fail to appear and want to reschedule a missed appointment must make the request to reschedule no later than three business days from the original appointment date. The request must be made to the staff person who scheduled the appointment.

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

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

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

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

Information provided by the applicant will be verified including information related to family composition, income, allowances and deductions, asset, eligible immigration status, full time student status and other factors related to preferences, eligibility and rent calculation. Verifications may not be more than 60 days old at the time of certificate/voucher issuance.

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

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

G. VERIFICATION [24 CFR 982.201(e)]

Information provided by the applicant will be verified, using the verification procedures in Chapter seven. Family composition, income, allowances and deductions, assets, full-time student status, eligibility and rent calculation factors, and other pertinent information will be verified. Verifications may not be more than 60 days old at the time of issuance of Certificate/Voucher.

H. FINAL DETERMINATION AND NOTIFICATION OF ELIGIBILITY

After the verification process is completed, the HA will make a final determination of eligibility. This decision is based upon information provided by the family, the verification completed by the HA, and the current eligibility criteria in effect. If the family is determined to be eligible, the HA will mail a notification of eligibility. A briefing will be scheduled for the issuance of a certificate or voucher and the family's orientation to the housing program.

Chapter 4

ESTABLISHING PREFERENCES AND MAINTAINING THE WAITING LIST

[24 CFR Part 5, Subpart D; 982.54(d)(1); 982.204,982.205,982.206]

INTRODUCTION

It is the HA's objective to ensure that families are placed in the proper order on the waiting list and selected from the waiting list for admissions in accordance with the policies in this Administrative Plan.

This chapter explains the local preferences which the HA has adopted to meet local housing needs, defines the eligibility criteria for the preferences and explains the HA's system of applying them.

By maintaining an accurate waiting list, the HA will be able to perform the activities which ensure that an adequate pool of qualified applicants will be available so that program funds are used in a timely manner.

A. WAITING LIST [24 CFR 982.204]

Except for Special Admissions, applicants will be selected from the HA waiting list in accordance with policies and preferences defined in this Administrative Plan.

The HA will maintain information that permits proper selection from the waiting list.

The waiting list contains the following information for each applicant listed:

- Applicant Name
- Family Unit Size (number of bedrooms family qualifies for under PHA subsidy standards)
- Date and time of application
- Qualification for any local preference (s)
- Racial or ethnic designation of the head of household

Single applicants will be treated as any other eligible family on the waiting list.

The waiting list will be maintained in accordance with the following guidelines:

- The application will be a permanent file.

Preference No. 1 – Non-Local Residents Displaced as a Result of a Federally Declared Disaster: Individuals or families who are non-local residents of the Housing Authority's jurisdiction involuntarily displaced by a federally declared natural disaster whose dwelling has been extensively damaged or destroyed and is uninhabitable as a result of fire, flood or natural disaster, and for which such action was not the result of neglect or intentional act of the applicant or member of the applicant's household.

In order to receive the displacement preference, applicants who have been displaced must not be living in "standard, permanent replacement housing".

4-2

Preference No. 7 – Involuntary Displaced Non-Local Residents: Individuals or families residing outside of the jurisdiction of the HA and involuntarily displaced by governmental action, or whose dwelling has been extensively damaged or destroyed and is uninhabitable as a result of a fire; and for which such action was not the result of neglect or intentional act of the applicant or member of the applicant's household.

HOUSING AUTHORITY OF THE BOROUGH OF SAYREVILLE

RESOLUTION NO. 2005--16

**RESOLUTION BY THE COMMISSIONERS OF THE HOUSING AUTHORITY OF
THE BOROUGH OF SAYREVEILLE TO AMEND THE ADMINISTRATIVE PLAN
WAITING LIST PREFERENCES**

WHEREAS, the United States Department of Housing and Urban Development, under directive dated September 7, 2005, issued to all Public Housing Agencies guidelines on assisting families affected by federally declared disaster, particularly those affected by Hurricane Katrina-2005; and

WHEREAS, in accordance with the aforesaid guidelines this Housing Authority is desirous of amending its Section 8 Administrative Plan to specify that families of federally declared disasters will receive preference over other waiting list place holders, except for those local residents involuntarily displaced.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing Authority of the Borough of Sayreville that the Section 8 Administrative Plan be, and hereby is, amended to reflect the Admission Preferences set forth on the attachment hereto and made a part of hereof by reference.

BE IT FURTHER RESOLVED by the Board of Commissioners of the Housing Authority of the Borough of Sayreville this resolution shall take effective immediately.

Kenneth Olchaskey, Chairman

I, Sandra L. Niemiec, Secretary of the Housing Authority of the Borough of Sayreville, hereby certify that the foregoing is a true copy of a resolution of the Authority adopted at a regular meeting held on the 13th day of September, 2005.

Sandra L. Niemiec
Executive Director/Secretary

See next page

All applicants in the pool will be maintained in the order of preference. Applications equal in preference will be maintained by date and time sequence.

All applicants must meet "Low Income" eligibility requirements as established by HUD. Any exceptions to these requirements, other than those outlined in the chapter on "Eligibility for Admission," must have been approved previously by the HUD Field Office.

SPECIAL ADMISSIONS [24 CFR 982.54(d)(e), 982.203]

Applicants who are admitted under Special Admissions, rather than from the waiting list, are not maintained on separate lists.

B. WAITING LIST PREFERENCES [24 CFR 982.207]

An applicant will not be granted any Local preference if any member of the family has been evicted from housing assisted under a 1937 Housing Act program during the past three years because of drug-related criminal activity.

The PHA will grant an exception to such a family if:

The responsible member has successfully completed a rehabilitation program.

The evicted person clearly did not participate in or know about the drug related activity.

If an applicant makes a false statement in order to qualify for a Local preference, the PHA will deny admission to the program for the family.

C. LOCAL PREFERENCES [24 CFR 5.410]

The HA will select families based on the following preferences:

Preference No. 1 - Involuntarily Displaced Local Residents: Individuals or families residing within the jurisdiction of the Housing Authority involuntarily displaced by governmental action or whose dwelling has been extensively damaged or destroyed and is uninhabitable as a result of a fire, flood or natural disaster, and for which such action was not the result of neglect or intentional act of the applicant or member of the applicant's household.

In order to receive the displacement preference, applicants who have been displaced must not be living in "standard, permanent replacement housing."

Standard replacement housing is defined as housing that is decent, safe and sanitary according to Housing Quality Standards/local housing code/other code, such as State or BOCA code that is adequate for the family size according to Housing Quality Standards/local/state/BOCA code, and that the family is occupying pursuant to a written or oral lease or occupancy agreement.

Standard replacement housing does not include transient facilities, hotels, motels, temporary shelters, and in the case of Victims of Domestic Violence housing occupied by the individual who engages in such violence. It does not include any individual imprisoned or detained pursuant to State Law or an Act of Congress. Shared housing with family or friends is not considered temporary and is considered standard replacement housing.

Preference No. 2 – Displaced Local Residents Who Are Victims Of Domestic Violence:

Individual or families residing within the jurisdiction of the Housing Authority that have been/are involuntarily displaced as a result of their having been subjected to or victimized by violent acts of a member of their household within the past 6 months. The HA will require evidence that the family has been displaced as a result of fleeing violence in the home. Families are also eligible for this preference if there is proof that the family is currently living in a situation where they are being subjected to or victimized by violence in the home. The following criteria are used to establish a family's eligibility for this preference:

Actual or threatened physical violence directed against the applicant or the applicant's family by a spouse or other household member who lives in the unit with the family.

The actual or threatened violence must have occurred within the past 6 months or be of a continuing nature.

An applicant who lives in a violent neighborhood or is fearful of other violence outside the household is not considered involuntarily displaced.

To qualify for this preference, the abuser must still reside in the unit from which the victim was displaced.

The applicant must certify that the abuser will not reside with the applicant.

If the abuser returns to the family household the HA will terminate the Section 8 housing assistance for breach of this certification.

Preference No. 3 – Local Residents Who Are High Rent Burdened: This preference is extended to individuals or families who can prove that they are paying over 50% of their income for rent.

Preference No. 4 - Residents Who Live And Work In The Housing Authority's Jurisdiction: This preference is extended to individuals or families who can prove that they live and work in the HA's jurisdiction at the time of offer of Section 8 housing assistance.

Preference No. 5 - Residents Who Live In the Jurisdiction of the Housing Authority: This preference is extended to individuals or families who can prove that they live/reside in the HA's jurisdiction at the time of offer of Section 8 housing assistance.

Preference No. 6 – Non-Residents Who Work In The Housing Authority's Jurisdiction: This preference is extended to applicants who can prove that they work in the HA's jurisdiction at the time of offer of Section 8 assistance.

Preference No. 7 – Involuntary Displaced Non-Local Residents: Individuals or families residing outside of the jurisdiction of the HA and involuntarily displaced by governmental action, or whose dwelling has been extensively damaged or destroyed and is uninhabitable as a result of a fire, flood or natural disaster, and for which such action was not the result of neglect or intentional act of the applicant or member of the applicant's household.

In order to receive this displacement preference, applicants who have been displaced must not be living in "standard, permanent replacement housing."

Standard replacement housing is defined as housing that is decent, safe and sanitary according to Housing Quality Standards/local housing code/other, code, such as State or BOCA code that is adequate for the family size according to Housing Quality Standards/local/state/BOCA code, and that the family is occupying pursuant to a written or oral lease or occupancy agreement.

Standard replacement housing does not include transient facilities, hotels, motels, temporary shelters, and in the case of Victims of Domestic Violence housing occupied by the individual who engages in such violence. It does not include any individual imprisoned or detained pursuant to State Law or an Act of Congress. Shared housing with family or friends is not considered temporary and is considered standard replacement housing.

Preference No. 8 – Displaced Non-Residents (Not Residing Within The HA's Jurisdiction) Who Are Victims of Domestic Violence: Non-resident individuals or families that have been/are involuntarily displaced as a result of their being subjected to or victimized by violent acts of a member of their household within the past 6 months.

The HA will require evidence that the family has been displaced as a result of fleeing violence in the home. Families are also eligible for this preference if there is proof that the family is currently living in a situation where they are being subjected to or victimized by violence in the home. The following criteria are used to establish a family's eligibility for this preference:

Actual or threatened physical violence directed against the applicant or the applicant's family by a spouse or other household member who lives in the unit with the family.

The actual or threatened violence must have occurred within the past 6 months or be of a continuing nature.

An applicant who lives in a violent neighborhood or is fearful of other violence outside the household is not considered involuntarily displaced.

To qualify for this preference, the abuser must still reside in the unit from which the victim was displaced. The applicant must certify that the abuser will not reside with the applicant. If the abuser returns to the family household the HA will terminate the Section 8 housing assistance for breach of this certification.

All families in Preference No. 1 will be offered housing before any families in Preference Nos. 2 thru 8, all Preference No. 2 families will be offered housing before any families in Preference Nos. 3 thru 8, all Preference No. 3 families will be offered housing before any families in Preference Nos. 4 thru 8, all Preference No. 4 families will be offered housing, before and families in Preference Nos. 5 thru 8, all Preference No. 5 families will be offered housing before any family in Preference Nos. 6 thru 8, all Preference No. 6 families will be offered housing before any families in Preference Nos. 7 and 8, all Preference No. 7 families will be offered housing before any families in Preference No. 8, and all Preference No. 8 families will be offered housing before any Non-Preference families.

The date and time of application will be noted and utilized to determine the sequence within the above prescribed preferences.

D. INITIAL DETERMINATION OF LOCAL PREFERENCE QUALIFICATION
[24 CFR 5.415]

At the time of application, an applicant's entitlement to a Local Preference(s) may be made on the following basis.

An applicant's certification that they qualify for a preference(s) will be accepted without verification. When the family is selected from the waiting list for the final determination of eligibility, the preference(s) will be verified.

If the preference verification indicates that an applicant does not qualify for the preference(s), the applicant will be returned to the waiting list without the Local Preference(s) and given an opportunity for a meeting.

E. INCOME TARGETING

In accordance with the Quality Housing and Work Responsibility Act of 1998, each fiscal year the PHA will reserve a minimum of seventy-five percent of its Section 8 new admissions for families whose income does not exceed 30 percent of the area median income. HUD refers to these families as "extremely low-income families."

The PHA's income targeting requirement does not apply to low income families continuously assisted as provided for under the 1937 Housing Act.

A PHA is exempted from this requirement if the PHA is providing assistance to low income or moderate income families entitled to preservation assistance under the tenant-based program as a result of a mortgage prepayment or opt-out.

NOTE: The following paragraph applies only to PHAs with both a public housing and Section 8 tenant-based program, who wish to exercise the fungibility option for the public housing program:

The PHA shall have the discretion, at least annually, to exercise the "fungibility" provision of the QHWRA. This provision allows the PHA to admit less than the minimum 40% of its extremely low-income families in a fiscal year to its public housing program to the extent that the PHA's admission of extremely low income families in the certificate and voucher program exceeds 75% of all admissions during the fiscal year. If exercising this option the PHA will follow the fungibility threshold limitations as set forth in the QHWRA legislation.

F. EXCEPTIONS FOR SPECIAL ADMISSIONS [24 CFR 982.203,982.54(d)(3)]

If HUD awards the HA program funding that is targeted for specifically named families, the HA will admit these families under a Special Admission procedure.

Special admissions families will be admitted outside of the regular waiting list process. They do not have to qualify for any preferences, nor are they required to be on the program waiting list. The HA shall maintain separate records of these admissions.

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

A family displaced because of demolition or disposition of a public or Indian housing project;

A family residing in a multifamily rental housing project when HUD sells, forecloses or demolishes the project;

For housing covered by the Low Income Housing Preservation and Resident Home-ownership Act of 1990;

A family residing in a project covered by a project-based Section 8 HAP contract at or near the end of the HAP contract term; and

A non-purchasing family residing in a HOPE 1 or HOPE 2 project.

G. TARGETED FUNDING [24 CFR 982.203]

When HUD awards special funding for certain family types, families who qualify are placed on the regular waiting list. When a specific type of funding becomes available, the waiting list is searched for the first available family meeting the targeted funding criteria.

Applicants who are admitted under targeted funding which are not identified as a Special Admission are not maintained on separate waiting lists.

H. PREFERENCE ELIGIBILITY [24 CFR 5.410]

Changes in an applicant's circumstances while on the waiting list may affect the family's entitlement to a preference. Applicants are required to notify the PHA in writing when their circumstances change.

When an applicant claims an additional preference(s), s/he will be placed on the waiting list in the appropriate order determined by the newly-claimed preference(s).

The exception to this is, if at the time the family applied, the waiting list was only open to families who claimed that preference(s). In such case, the applicant must verify that they were eligible for the first preference(s) before they are returned to the waiting list with the new preference(s).

CROSS-LISTING OF PUBLIC HOUSING AND SECTION 8 [24 CFR 982.205(b)]

NOTE: This provision applies only if the HA has a Public Housing program.

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

I. ORDER OF SELECTION [24 CFR 5.415, 982,207(e)]

In addition to HUD required income targeting, the PHA will use the following system for selecting eligible applicants from the waiting list:

The date and time of application will be utilized to determine the sequence of selection within prescribed preferences. Among applicants with equal preference status, the waiting list will be organized by date and time.

As previously stated, the HA has selected the following system to apply local preferences:

Local preferences will be numerically ranked, with number 1 being the highest preference, in the order listed under C above.

J. FINAL VERIFICATION OF PREFERENCES [24 CFR 5.415]

Preference information on applications will be updated as applicants are selected from the waiting list. At that time, the PHA will:

Mail a Preference Verification letter to the applicant's last known address, requesting verification of the family's preference claim and mail third party verifications as applicable; or obtain necessary verifications of preference(s) at the interview and by third party verification.

K. PREFERENCE DENIAL [24 CFR 5.415]

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

If the applicant falsifies documents or makes false statements in order to qualify for any preference, they will be removed from the Waiting List.

L. REMOVAL FROM WAITING LIST AND PURGING [24 CFR 982.204(c)]

The Waiting List will be purged annually by a mailing to all applicants to ensure that the waiting list is current and accurate. The mailing will ask for confirmation of continued interest.

Any mailings to the applicant which require a response will state that failure to respond within ten days will result in the applicant's name being dropped from the waiting list.

An extension of ten days to respond will be granted, if requested and needed as a reasonable accommodation for a person with a disability.

If the applicant did not respond to the PHA request for information or updates because of a family member's disability, the PHA will reinstate the applicant in the family's former position on the waiting list.

If a letter is returned by the Post Office without a forwarding address, the applicant will be removed without further notice, and the envelope and letter will be maintained in the file.

If a letter is returned with a forwarding address, it will be re-mailed to the address indicated.

If an applicant is removed from the waiting list for failure to respond, they will not be entitled to reinstatement unless the HA determines there were circumstances beyond the person's control.

SUBSIDY STANDARDS

[24 CFR 982.54(d)(9)]

INTRODUCTION

HUD guidelines require that HA's establish subsidy standards for the determination of Regular Certificate Tenancy, OFTO Tenancy, and Voucher bedroom size, and that such standards provide for a minimum commitment of subsidy while avoiding overcrowding. The standards used for the Regular Certificate Tenancy, OFTO Tenancy, or Voucher size also must be within the minimum unit size requirements of HUD's Housing Quality Standards. This Chapter explains the subsidy standards which will be used to determine the certificate/voucher size for various sized families when they are selected from the waiting list, as well as the HA's procedures when a family's size changes, or a family selects a unit size that is different from the Certificate or Voucher.

A. DETERMINING FAMILY UNIT (CERTIFICATE/VOUCHER) SIZE [24 CFR 982.402]

The HA does not determine who shares a bedroom/sleeping room, but there must be at least one person per bedroom on the Certificate or Voucher. The HA's subsidy standards for determining certificate/voucher size shall be applied in a manner consistent with Fair Housing guidelines.

All standards in this section relate to the number of bedrooms on the Certificate or Voucher, not the family's actual living arrangements.

The unit size on the Certificate or Voucher remains the same as long as the family composition remains the same, regardless of the actual unit size rented.

One bedroom will generally be assigned for each two family members. The HA will consider factors such as family characteristics including sex, age, or relationship. Consideration will also be given for medical reasons and the presence of a live-in aide.

Generally, the HA assigns one bedroom to two people within the following guidelines:

Persons of different generations, persons of the opposite sex (other than spouses), and unrelated adults should be allocated a separate bedroom.

Separate bedrooms should be allocated for persons of the opposite sex (other than adults who have a spousal relationship and children under 5).

Foster children will be included in determining unit size only if they will be in the unit for more than 12 months.

Space may be provided for a child who is away at school but who lives with the family during school recesses.

Space will not be provided for a family member who will be absent most of the time, such as a member who is away in the military.

GUIDELINES FOR DETERMINING CERTIFICATE/VOUCHER SIZE

Certificate/Voucher Size	Persons in Household (Minimum #)	Persons in Household (Maximum #)
0 Bedroom	1	1
1 Bedroom	1	4
2 Bedrooms	2	6
3 Bedrooms	3	8
4 Bedrooms	4	10
5 Bedrooms	6	12
6 Bedrooms	8	14

B. CHANGES IN CERTIFICATE/VOUCHER SIZE [24 CFR 982.403(a)(b)]

CHANGES FOR APPLICANTS

The certificate/voucher size is determined prior to the briefing by comparing the family composition to the HA subsidy standards. If an applicant requires a change in the certificate/voucher size, the following guidelines will apply:

Requests for Exception to Subsidy Standards for Applicants

The HA will not issue a larger certificate or voucher due to additions of family members other than by birth, adoption, marriage, or court-awarded custody.

HA shall grant exceptions from the standards if the family requests and the HA determines the exceptions are justified by the relationship, age, sex, health or disability of family members, or other individual circumstances.

Circumstances may dictate a larger size than the Subsidy Standards permit when persons cannot share a bedroom because of an accommodation which has been requested, such as elderly persons or Persons with disabilities who may require a live-in attendant.

Requests based on health reasons must be verified by a doctor/medical professional.

If the HA errs in the bedroom size designation, the family will be issued a Certificate or Voucher of the appropriate size so that the family is not penalized.

CHANGES FOR PARTICIPANTS

The members of the family residing in the unit must be approved by the HA. 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 PHA within 30 days. The above referenced guidelines will apply.

UNDERHOUSED AND OVERHOUSED FAMILIES

If a unit does not meet HQS space standards due to an increase in family size, (unit too small), the HA will issue a new certificate or voucher and assist the family in locating a suitable unit.

Certificate Families Only:

If a certificate family is occupying a unit which has more bedrooms than allocated under the HA's subsidy standards, and the gross rent exceeds the FMR/Exception rent for the family size under the HA's subsidy standards, the HA will issue the family a new certificate and assist the family in finding a suitable unit.

Certificate families who are under-occupying a unit as defined above will be given a minimum of sixty days before assistance is terminated.

The HA will also notify the family of the circumstances under which an exception will be granted, such as:

If a family with a disability is underhoused in an accessible unit.

If a family requires the additional bedroom because of a health problem which has been verified by the HA.

The PHA and family have been unable to locate a unit within 60 days.

C. UNIT SIZE SELECTED

The family may select a different size dwelling other than that listed on the Certificate or Voucher. There are three criteria to consider:

1. Rent Limitation: For the Certificate Program, the HA must always apply the FMR for the Certificate size or the unit size selected by the family, whichever is less.

For the Voucher Program, the HA uses the Payment Standard for the Voucher size or the unit size selected by the family, whichever is less.

2. Utility Allowance: The utility allowance used to calculate the gross rent is based on the actual size of the unit the family selects, regardless of the size authorized on the family's Certificate or Voucher.
3. Housing Quality Standards: 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.

HQS GUIDELINES FOR UNIT SIZE SELECTED

	Maximum # of Persons in Household
0 Bedroom	1
1 Bedroom	4
2 Bedrooms	6
3 Bedrooms	8
4 Bedrooms	10
5 Bedrooms	12
6 Bedrooms	14

TRANSFER WAITING LIST

When a change in family composition requires the issuance of another size Certificate of Voucher, and funds are not available for the type of assistance the family has, the family will be transferred to the other form of assistance, if interchangeability allows the family the necessary relief.

Families will be selected from the Transfer List before families are selected from the applicant waiting list. This assures that families who are already on the program are in the appropriate sized units.

Families will be selected from this list when there is available funding, in the following sequence:

A participant family (whose family composition has been approved by the PHA) who requires a change in Certificate or Voucher size because they are living in a unit which is overcrowded according to Housing Quality Standards.

A participant family (whose family composition has been approved by the PHA) who requires a change in Certificate or Voucher size under the Subsidy Standards, but not under Housing Quality Standards.

All others who require a transfer as determined by the PHA.

FACTORS RELATED TO TOTAL TENANT PAYMENT DETERMINATION

[24 CFR Part 5, Subparts E and F; 982.153, 982.317, 982.551]

INTRODUCTION

The HA will use the methods as set forth in this Administrative Plan to verify and determine that family income at admission and reexamination is correct. The accurate calculation of Annual Income and Adjusted Income will ensure that families are not paying more or less money for rent than their obligation under the Regulations.

This Chapter defines the allowable expenses and deductions to be subtracted from Annual Income and how the presence or absence of household members may affect the Total Tenant Payment (TTP). Income and TTP are calculated in accordance with 24 CFR Part 5, Subparts E and F, and further instructions set forth in HUD Notices and Memoranda. The formula for the calculation of TTP is specific and not subject to interpretation. The PHA's policies in this Chapter address those areas which allow the PHA discretion to define terms and to develop standards in order to assure consistent application of the various factors that relate to the determination of TTP.

A. INCOME AND ALLOWANCES [24 CFR 5.609]

Income: Includes all monetary amounts which are received on behalf of the family. For purposes of calculating the Total Tenant Payment HUD defines what is to be calculated and what is to be excluded in the federal regulations. In accordance with this definition, all income 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, and does not include income which has been excluded by HUD. Annual income is used to determine whether or not applicants are within the applicable income limits.

Adjusted Income is defined as the Annual income minus any HUD allowable expenses and deductions.

HUD has five allowable deductions from Annual Income:

Dependent Allowance: \$480. each for family members (other than the head or spouse) who are minors, and for family members who are 18 and older who are full-time students or who are disabled.

Elderly/Disabled Allowance: \$400. per family for families whose head or spouse is 62 or over or disabled.

Allowable Medical Expenses: Deducted for all family members of an eligible elderly/disabled family.

Child Care Expenses: 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.

Allowable Disability Assistance Expenses: Deducted for attendant care or auxiliary apparatus for persons with disabilities if needed to enable the individual or an **adult** family member to work.

B. MINIMUM RENT

MINIMUM RENT

"Minimum rent" in the Regular Certificate is \$50. Minimum rent refers to the Total Tenant Payment and includes the combined amount a family pays towards rent and/or utilities.

MINIMUM FAMILY CONTRIBUTION

Minimum family contribution in the voucher program is the greater of 10 percent of the family's monthly income or the HA's minimum rent.

EXCEPTIONS TO MINIMUM RENT AND MINIMUM FAMILY CONTRIBUTION

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

PHA NOTIFICATION TO FAMILIES OF RIGHT TO HARDSHIP EXCEPTION

The HA will notify all families subject to minimum rents of their right to request a minimum rent hardship exception.

PHA staff will document in the family's file that they have been notified of their right, if applicable, to request a minimum rent hardship exception.

The HA notification will advise families that hardship exception determinations are subject to HA grievance procedures.

The PHA will review all tenant requests for exception from the minimum rent due to financial hardships.

All requests for minimum rent hardship exceptions are required to be in writing.

The PHA will request documentation as proof of financial hardship.

The HA will not allow a minimum rent hardship exception if the hardship is determined by the HA to be temporary. The HA defines temporary as less than 90 days.

SUSPENSION OF MINIMUM RENT

The HA will immediately grant the minimum rent exception to all families who request it.

The Minimum Rent will be suspended until the HA determines whether the hardship is:

Covered by statute
Temporary or long term

Suspension means that the HA must not charge the family a minimum rent or, if applicable, discontinue charging the family a minimum rent.

During the minimum rent suspension period, the family will not be required to pay a minimum rent and the housing assistance payment will be increased accordingly.

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

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

HUD CRITERIA FOR HARDSHIP EXCEPTION

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

The family has lost eligibility or is awaiting an eligibility determination for Federal, State or local assistance;

The family would be evicted as a result of the imposition of the minimum rent requirement;

The income of the family has decreased because of changed circumstances, including;

- Loss of employment
- Death in the family
- Other circumstances as determined by the HA or HUD

The family must demonstrate that the hardship is of long-term duration. If the family demonstrates that the hardship is of long term duration, the HA or HUD must retroactively exempt the family from the minimum rent requirement for the 90 day period.

TEMPORARY HARDSHIP

If the HA determines that the hardship is temporary, a 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 suspension period a minimum rent will be imposed retroactively to the time of suspension.

The HA will offer a repayment agreement to the family for any such rent not paid during the temporary hardship period.

The HA defines temporary as less than 90 days.

REPAYMENT AGREEMENTS FOR TEMPORARY HARDSHIP

If the family owes the HA money for rent arrears incurred during the minimum rent period, the HA will calculate the total amount owed and divide it by 6 to arrive at a reasonable payment increment that will be added to the family's regular monthly rent payment. The family will be required to pay the increased amount until the arrears are paid in full.

The HA will not enter into a repayment agreement that will take more than 6 months to pay off.

If the family goes into default on the repayment agreement for back rent incurred during a minimum rent period, the HA will reevaluate the family's financial situation and determine whether the family has the ability to pay the increased rent amount and if not, restructure the existing repayment agreement.

The HA's policies regarding repayment agreements are further discussed in Chapter Eighteen.

RETROACTIVE DETERMINATION

The HA will reimburse the family for minimum rent charges which took effect after October 21, 1998 that qualified for one of the mandatory exceptions.

If the family is owed a retroactive payment, the HA will offer the family a choice of either a cash refund or a credit towards their rent contribution.

The PHA's definition of a cash refund is a check made out to the family.

C. DEFINITION OF TEMPORARILY/PERMANENTLY ABSENT

[24 CFR 982.54(d)(10), 982.317, 982.551]

The HA must compute all applicable income of every family member who is on the lease, including those who are temporarily absent. In addition, the HA must count the income of the spouse or the head of the household if that person is temporarily absent, even if that person is not on the lease.

Income of persons permanently absent will not be counted. If the spouse is temporarily absent and in the military, all military pay and allowances (except hazardous duty pay when exposed to hostile fire and any other exceptions to military pay HUD may define) is counted as income.

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

ABSENCE OF ANY MEMBER

Any member of the household will be considered permanently absent if s/he is away from the unit for 3 consecutive months except as otherwise provided in this Chapter.

ABSENCE DUE TO MEDICAL REASONS

If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, the 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 90 consecutive days, the family member will not be considered permanently absent.

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

Chapter 12

RECERTIFICATIONS

INTRODUCTION

HUD requires that the HA recertify the income and household composition of all families at least annually. In addition, the HA is required to inspect the assisted unit at least annually, and to process requests for rent adjustments in the Certificate program. These activities must be coordinated to ensure that they are completed in accordance with the regulation. It is a HUD requirement that families report all changes in household composition, but the HA decides what other changes must be reported, and the procedures for reporting them. This Chapter defines the HA's policy for conducting annual recertifications and coordinating the three annual activities. It also explains the interim reporting requirements for families, and the standards for timely reporting.

A. ANNUAL ACTIVITIES [24 CFR 882.212(a), 887.355]

There are three activities the HA must conduct on an annual basis. These activities will be coordinated whenever possible:

1. Recertification of Income and Family Composition
2. HQS Inspection
3. Contract Rent Adjustment when requested by Owner
(Certificate only)

The HA produces a monthly listing of units under contract to ensure that timely reviews of contract rent, housing quality, and factors related to Total Tenant Payment can be made. Requests for rent adjustments and other monetary changes will be transmitted to the Section 8 Coordinator.

Annual activities for contracts that did not commence on the first of the month must be conducted no later than the first of the month in which the lease was effective.

Annual inspections: See Chapter 10, "Housing Quality Standards and Inspections".

Rent Adjustments: See Chapter 11, "Owner Rents, Rent Reasonableness and Payment Standards".

B. ANNUAL RECERTIFICATION/REEXAMINATION [24 CFR 882.212(a), 887.355]

Families are required to be recertified at least annually. At the first interim or annual certification on or after June 19, 1995, family members must report and verify their U.S. citizenship/eligible immigrant status.

When families move to another dwelling unit:

An annual recertification will be scheduled and the anniversary date will be changed.

Income limits are not used as a test for continued eligibility at recertification unless the family is moving under portability and changing their form of assistance.

REEXAMINATION NOTICE TO THE FAMILY

The HA will maintain a reexamination tracking system and the household will be notified by mail of the date and time for their interview at least 30 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 HA 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.

PROCEDURE

The HA's procedure for conducting annual recertifications will be:

Schedule the date and time of appointments and mail a notification to the family.

PERSONS WITH DISABILITIES

Persons with disabilities, who are unable to come to the HA's office will be granted an accommodation of conducting the interview at the person's home/by mail, upon verification that the accommodation requested meets the need presented by the disability.

COLLECTION OF INFORMATION

The HA will allow the family to complete the recertification form.

The HA will require the family to complete a Personal Declaration Form prior to all recertification interviews.

REQUIREMENTS TO ATTEND

The following family members will be required to attend the recertification interview.

The head of household only

If the head of household is unable to attend the interview:

The appointment will be rescheduled

The spouse may recertify for the family.

FAILURE TO RESPOND TO NOTIFICATION TO RECERTIFY

The written notification must state which family members are required to attend the interview. The family may call to request another appointment date up to three (3) 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 HA, the HA will reschedule a second appointment.

If the family fails to appear for the second appointment, and has not rescheduled or made prior arrangements, the HA will

Terminate assistance to the family, and offer them an informal hearing

Exceptions to these policies may be made by Section 8 Coordinator if the family is able to document an emergency situation that prevented them from canceling or attending the appointment.

DOCUMENTS REQUIRED FROM THE FAMILY

In the notification letter to the family, the HA will include instructions for the family to bring the following:

- Documents to support any preference claims
- Documentation of income for all family members
- Documentation of liquid and non-liquid assets
- Documentation of any deductions/allowances
- Personal Declaration Form completed by head of household

VERIFICATION OF INFORMATION

The HA will follow the verification procedures and guidelines described in this Plan. Verifications for reexaminations must be less than 120 days old.

TENANT RENT INCREASES

If tenant rent increases, a thirty day notice is mailed to the family prior to the anniversary date.

If less than thirty days are remaining before the anniversary date, the tenant rent increase will be effective on the first of the month following the thirty day notice.

If there has been a misrepresentation or a material omission by the family, or if the family causes a delay in the reexamination processing, there will be a retroactive increase in rent to the anniversary date.

TENANT RENT DECREASES

If tenant rent decreases, it will be effective on the anniversary date.

If the family causes a delay so that the processing of the reexamination is not complete by the anniversary date, rent change will be effective on the first day of the month following completion of the reexamination processing by the HA.

C. REPORTING INTERIM CHANGES [24 CFR 882.212(b), 887.357]

HUD requires program participants to report all changes in household composition to the HA between annual reexaminations. This includes additions due to birth, adoption and court-awarded custody. The family must obtain HA 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 as required at the first interim or regular recertification after moving into the unit.

INCREASES IN INCOME

INTERIM REEXAMINATION POLICY

The HA will conduct interim reexaminations when families have an increase in income.

Families will be required to report all increases in income/assets of all household members to the HA in writing within fifteen (15) days of the increase.

DECREASES IN INCOME

Participants may report a decrease in income and other changes which would reduce the amount of tenant rent, such as an increase in allowances or deductions. The HA must calculate the change if a decrease in income is reported.

PHA ERRORS

If the PHA makes a calculation error at admission to the program or at an annual reexamination, an interim reexamination will be conducted, if necessary, to correct the error, but the family will not be charged retroactively. Families will be given decreases, when applicable, retroactive to when the decrease for the change would have been effective if calculated correctly.

D. OTHER INTERIM REPORTING ISSUES

An interim reexamination does not affect the date of the annual recertification.

An interim reexamination will be scheduled for families with zero/unstable income every 60 days.

If there is a change from benefit income to employment income, the PHA will defer the family's rent increase for six months in order to encourage families to move to self-sufficiency.

This incentive will only be provided once to any family member.

In the following circumstances, the PHA may conduct the interim recertification by mail:

As a reasonable accommodation when requested. (See Chapter 1, "Statement of Policies and Objectives").

Any changes reported by participants other than those listed in this section will be notated in the file by the staff person but will not be processed between regularly-scheduled annual recertifications.

E. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS

NOTE: The QHWRA established new requirements for the treatment of income changes resulting from welfare program requirements. These requirements are effective immediately. However, before implementation of the new requirements, the PHA must revise operating procedure to effectuate these provisions.

The HA will not reduce the family share of rent for families whose welfare assistance is reduced specifically because of:

- fraud; or
- failure to participate in an economic self-sufficiency program; or
- noncompliance with a work activities requirement

However, the HA will reduce the rent if the welfare assistance reduction is a result of:

The expiration of a lifetime time limit on receiving benefits; or

A situation where 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 welfare benefits for a period of no more than two years in a five year period), causes the family to lose their welfare benefits.

The HA will notify affected families that they have the right to an informal hearing regarding these requirements.

VERIFICATION BEFORE DENYING A REQUEST TO REDUCE RENT

The HA 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.

COOPERATION AGREEMENTS

The HA will execute a Cooperation Agreement or Memorandum of Understanding with the local welfare agency to ensure timely and accurate verification of noncompliance.

The PHA and the local welfare agency have mutually agreed to exchange information regarding any economic self-sufficiency and/or other appropriate programs or services that would benefit Section 8 tenant-based assistance families.

F. NOTIFICATION OF RESULT OF RECERTIFICATIONS [HUD Notice PIH 98-6)

The HUD form 50058 will be completed and transmitted as required by HUD.

The Notice of Rent Change is mailed to the owner and the tenant. Signatures are required by the PHA. If the family disagrees with the rent adjustment, they may request an informal hearing.

G. TIMELY REPORTING OF CHANGES IN INCOME (AND ASSETS)
[24 CFR 982.516(c)]

STANDARD FOR TIMELY REPORTING OF CHANGES

The HA requires that families report interim changes to the HA within 15 days of when the change occurs. Any information, document or signature needed from the family which is needed to verify the change must be provided within 15 days of the change.

An exception will be made for TANF recipients who obtain employment. In such cases, families will have to report within 15 days of receipt of the Notice of Action from TANF that shows the full adjustment for employment income.

If the change is not reported within the required time period, or if the family fails to provide documentation or signatures, it will be considered untimely reporting.

PROCEDURES WHEN THE CHANGE IS REPORTED IN A TIMELY MANNER

The HA will notify the family and the owner of any change in the Housing Assistance Payment to be effective according to the following guidelines:

Increases in the Tenant Rent are effective on the first of the month following at least thirty days' notice.

Decreases in the Tenant Rent are effective the first of the month following that in which the change is reported. However, no rent reductions will be processed until all the facts have been verified, even if a retroactive adjustment results.

The change may be implemented based on documentation provided by the family, pending third-party written verification.

The change will not be made until the third party verification is received.

PROCEDURES WHEN THE CHANGE IS NOT REPORTED BY THE TENANT IN A TIMELY MANNER

If the family does not report the change as described under Timely Reporting, the family will have caused an unreasonable delay in the interim reexamination processing and the following guidelines will apply:

Increase in Tenant Rent will be effective retroactive to the date it would have been effective had it been reported on a timely basis. The family will be liable for any overpaid housing assistance and may be required to sign a Repayment Agreement or make a lump sum payment.

Decrease in Tenant Rent will be effective on the first of the month following the month that the change was reported.

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 in a timely manner. If the change cannot be made effective on that date, the change is not processed by the HA in a timely manner.

In this case, an increase will be effective after the required thirty days’ notice prior to the first of the month after completion of processing by the HA.

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.

H. REPORTING OF CHANGES IN FAMILY COMPOSITION [24 CFR 982.516(c)]

All changes in family composition must be reported within 30 days of the occurrence.

INCREASES IN FAMILY SIZE

Increases other than by birth, adoption or court-awarded custody must have the prior approval of the owner and the HA.

If the addition would result in overcrowding according to HQS maximum occupancy standards:

The HA will not approve the addition other than birth, adoption or court-awarded custody.

The HA will issue a larger Certificate or Voucher or put the family on the Transfer List.

The HA will issue a larger Certificate or Voucher (if needed under the Subsidy Standards) for additions to the family in the following cases:

Addition by marriage/or marital-type relation.

Addition of a minor who is a member of the nuclear family who had been living elsewhere.

Addition of a PHA-approved live-in attendant.

Addition of any relation of the Head or Spouse.

Addition due to birth, adoption or court-awarded custody.

Families who need a larger Certificate or Voucher because of voluntary additions will have lower priority on the Transfer List than other families who are required to change unit size.

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 Certificate/Voucher shall be made effective immediately. The PHA may determine whether to issue a Certificate or Voucher in this instance based on funding availability. If there is no funding availability in either program, the family will be placed on the Transfer list.

I. CONTINUANCE OF ASSISTANCE FOR "MIXED" FAMILIES [24 CFR 5.518]

Under the Noncitizens Rules, "Mixed" families are families that include at least one citizen or eligible immigrant and any number of ineligible members.

"Mixed" families who were participants as of June 19, 1995, shall continue receiving full assistance if they meet all of the following criteria:

The PHA implemented the Non-Citizen Rule prior to November 29, 1996
AND

The head of household or spouse is a U.S. citizen or has eligible immigrant status; AND

All members of the family other than the head, the spouse, parents of the head or the spouse, and children of the head or spouse are citizens or eligible immigrants. The family may change the head of household to qualify under this provision.

If the PHA implemented the Non-Citizen Rule on or after November 29, 1996, mixed families may receive prorated assistance only.

Chapter 13

MOVES WITH CONTINUED ASSISTANCE/PORTABILITY

INTRODUCTION

HUD regulations permit families to move with continued assistance to another unit within the HA's jurisdiction, or to a unit outside of the HA's jurisdiction under Portability procedures. The regulations also allow the HA the discretion to develop policies which define any limitations or restrictions on moves. This Chapter defines the procedures for moves, both within and outside of, the HA's jurisdiction, and the policies for restriction and limitations on moves.

A. ALLOWABLE MOVES

A family may move to a new unit if:

1. The assisted lease for the old unit has terminated because the HA has terminated the HAP contract for owner breach, or the lease was terminated by mutual agreement of the owner and the family.
2. 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).
3. The family has given proper notice of lease termination (if the family has a right to terminate the lease on notice to owner).

B. RESTRICTIONS ON MOVES

Families will not be permitted to move within the HA's jurisdiction during the initial year of assisted occupancy.

Families will not be permitted to move outside the HA's jurisdiction under portability procedures during the initial year of assisted occupancy.

Families will not be permitted to move more than once in a 12-month period.

The HA will deny permission to move if there is insufficient funding for continued assistance. The HA may deny permission to move if:

The family has violated a Family Obligation.

The family owes the HA money.

The family has moved or been issued a Certificate of Voucher within the last twelve (12) months.

The Section 8 Coordinator may make exceptions to these restrictions if there is an emergency reason for the move over which the participant has no control.

C. PROCEDURE FOR MOVES

ISSUANCE OF VOUCHER

If the family has not been recertified within the last 120 days, the HA will issue the voucher to move after conducting the recertification.

If the family does not locate a new unit, they may remain in the current unit so long as the owner permits.

The annual recertification date will be changed to coincide with the new lease-up date.

NOTICE REQUIREMENTS

Briefing sessions emphasize the family's responsibility to give the owner and the HA proper written notice of any intent to move.

The family must give the owner the required number of days written notice of intent to vacate specified in the lease and must give a copy to the HA simultaneously.

TIME OF CONTRACT CHANGE

A move within the same building or project, or between buildings owned by the same owner, will be processed like any other move except that there will be no overlapping assistance.

In a move, assistance stops at the old unit at the end of the month in which the tenant ceased to occupy, unless proper notice was given to end a lease midmonth. Assistance will start on the new unit on the effective date of the lease and contract. Assistance payments may overlap for the month in which the family moves.

D. PORTABILITY

Portability applies to families moving out of or into the HA'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 HA's jurisdiction. The unit may be located:

1. In the same state as the initial HA;
2. In the same metropolitan statistical area (MSA) as the initial HA, but in a different state;
3. In an MSA adjacent to the MSA of the initial HA, but in a different state.
4. In the jurisdiction of an HA anywhere within the United States that administers a tenant based program.

E. OUTGOING PORTABILITY

When a family requests to move to outside of the HA's jurisdiction, the request must specify the area to which the family wants to move.

If the family is moving to a unit located in the same state as the initial HA, in the same MSA, but in a different state, or in an adjacent MSA in a different state, and there is not a HA in the area where the unit is located, the initial HA will be responsible for the administration of the family's assistance.

The HA will choose a management company, another HA or a private contractor to administer the assistance.

If there is more than one HA in the area in which the family has selected a unit, the HA will choose the receiving HA.

RESTRICTIONS ON PORTABILITY

1. Families will not be permitted to exercise portability during the initial 12 month period after admission to the program, if neither the head or spouse had a domicile (legal residence) in the HA's jurisdiction at the date of their initial application for assistance.
2. If the family is in violation of a family obligation.
3. If the family owes money to the HA.

OUTGOING PORTABILITY PROCEDURES

The HA will provide pre-portability counseling for those families who express an interest in portability. If the family is utilizing portability for their initial lease-up, the HA will determine if the family is within the very low income limit of the receiving HA. If the receiving HA will absorb and the family will be changing its form of assistance, the HA will determine if the family is within the low income limit of the receiving HA, and advise the family accordingly.

The HA will notify the Receiving HA that the family wishes to relocate into its jurisdiction.

The HA will advise the family how to contact and request assistance from the receiving HA.

The HA will notify the receiving HA that the family will be moving into its jurisdiction.

OUTGOING PORTABILITY PROCEDURES

The HA will provide the following documents and information to the Receiving HA:

1. A copy of the family's Voucher, with issue and expiration dates, formally acknowledging the family's ability to move under portability.
2. The most recent HUD 50058 form and verifications.
3. Declarations and verifications of U.S. citizenship/eligible immigrant status.

Current information related to eligibility and rent payments.

Persons designated for inquiries on eligibility and billing.

The Administrative Fee Schedule for billing purposes.

The Receiving HA must notify the HA within thirty (30) days of the following:

The Receiving HA decides to absorb the family into their own program.

The family leases up or fails to submit a Request for Lease Approval by the required date.

Assistance to a portable family is terminated by the Receiving HA.

The family requests to move to an area outside the Receiving HA's jurisdiction.

PAYMENT TO THE RECEIVING HA

The HA will requisition funds from HUD based on the anticipated lease-ups of portable Vouchers in other HA's jurisdictions. Payments for families in other jurisdictions will be made to other HAs when billed or in accordance with other HUD approved procedures for payment.

When billed, the HA will reimburse the Receiving HA for 100% of the Housing Assistance Payment, 100% of the Special Claims paid on HAP contract effective prior to 10/2/95, and 80% of the Administrative Fee (at the initial HA's rate), and any other HUD-approved fees.

CLAIMS

The HA will be responsible for collecting amounts owed by the family for claims paid and for monitoring the repayment. The HA will notify the Receiving HA if the family is in arrears or if the family has refused to sign a Repayment Agreement, and the Receiving HA will be asked to terminate assistance to the family as allowed by this Administrative Plan.

Receiving HA's will be required to submit hearing determinations to the HA within thirty (30) days.

F. INCOME PORTABILITY

ABSORPTION OR ADMINISTRATION

The HA will accept a family with a valid Voucher from another jurisdiction and administer or absorb the Voucher. If administering, the family will be issued a "Portability" Voucher by the HA with the same start date. The HA may grant extensions in accordance with this Administrative Plan.

Income portable families who have not yet been absorbed will not be absorbed before the HA selects new applicants from the Waiting List.

The HA may absorb Vouchers if such absorption does not exceed 10 percent of households assisted.

When the receiving HA does not absorb the incoming Voucher, it will administer the Initial HA's Voucher and the receiving HA's policies will prevail.

For initial lease-up, the family must be within the HA's Very-Low Income limits.

The HA will issue a "Portability Voucher" according to its own Subsidy Standards. If the Family has a change in family composition which would change the Voucher size, the HA will change to the proper size based on its own Subsidy Standards.

The HA will decide whether to extend the "Portability Voucher" and for what period of time. The HA's policy on suspensions will apply. However, if the Family decides not to lease-up in the HA's jurisdiction, the Family must request an extension from the Initial HA.

For Old Rule contracts, the HA's unpaid rent, damage and vacancy loss claim policies prevail.

INCOME AND TTP OF INCOMING PORTABLES

As Receiving HA, the HA will conduct a recertification interview but only verify the information provided if the documents are missing or are over 120 days old, whichever is applicable, or there has been a change in the family's circumstances.

If the family's income exceeds the income limit of the HA, 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 HA's jurisdiction, the HA will refuse to enter into a contract on behalf of the family at \$0 assistance.

REQUESTS FOR LEASE APPROVAL

A briefing will be mandatory for all portability families.

When the Family submits a Request for Lease Approval, it will be processed using the HA's policies. If the Family does not submit a Request for Lease Approval or does not execute a lease, the Initial HA will be notified within (90) days by the HA.

If the Family leases up successfully, the HA will notify the Initial HA within thirty (30) days, and the billing process will commence.

If the HA denies assistance to the family, the HA will notify the Initial HA within fifteen (15) days and the family will be offered a review or hearing.

The HA will notify the Family of its responsibility to contact the Initial HA if the Family wishes to move outside the HA's jurisdiction under continued portability.

TERMINATIONS

The HA will notify the Initial HA in writing of any termination of assistance within fifteen (15) days of the termination. If an Informal Hearing is required and requested by the Family, the hearing will be conducted by the HA, using the regular hearing procedures included in this Plan. A copy of the hearing decision will be furnished to the Initial HA.

The Initial HA will be responsible for collecting amounts owed by the Family for claims paid and for monitoring repayment. If the Initial HA notifies the HA that the Family is in arrears or the Family has refused to sign a Repayment Agreement, the HA will terminate assistance to the family.

REQUIRED DOCUMENTS

As Receiving HA, the HA will require the following documents from the Initial HA:

1. A copy of the family's Voucher, with issue and expiration dates, formally acknowledging the family's ability to move under portability.
2. The most recent HUD 50058 form and verifications.
3. Declarations and verifications of U.S. citizenship/eligible immigrant status.
4. Current information related to eligibility and rent payments.
5. Persons designated for inquiries on eligibility and billing.
6. The Administrative Fee Schedule for billing purposes.

BILLING PROCEDURES

As Receiving HA, the HA will bill the Initial HA initially and then as needed for Housing Assistance Payments. The billing cycle for other amounts, including Administrative Fees and Special Claims will be initially and then as needed unless requested otherwise by the Initial HA.

The HA will bill 100% of the Housing Assistance Payment, 100% of Special Claims and 80% of the Administrative Fee (at the Initial HA's rate) and any other HUD-approved fees, for each "Portability" Voucher leased as of the first day of the month.

The HA will notify the Initial HA of changes in subsidy amounts and will expect the Initial HA to notify the HA of changes in the Administrative Fee amount to be billed.

Chapter 14

CONTRACT TERMINATIONS

INTRODUCTION

The Housing Assistance Payments (HAP) Contract is the contract between the owner and the HA which defines the responsibilities of both parties. This Chapter describes the circumstances under which the contract can be terminated by the HA and the owner, and the policies and procedures for such terminations.

A. CONTRACT TERMINATION

The term of the HAP Contract is the same as the term of the lease. The Contract between the owner and the HA may be terminated by the HA, or by the owner or tenant terminating the lease.

No future subsidy payments on behalf of the family will be made by the HA to the owner after the month in which the Contract is terminated. The owner must reimburse the HA for any subsidies paid by the HA for any period after the contract termination date.

If the family continues to occupy the unit after the Section 8 contract is terminated, the family is responsible for the total amount of rent due to the owner. The owner will have no right to claim compensation from the HA for vacancy loss under the provisions of Certificate contracts effective before October 2, 1995.

After a contract termination, if the family meets the criteria for a move with continued assistance, the family may lease-up in another unit. The contract for the new unit may begin during the month in which the family moved from the old unit.

B. TERMINATION BY THE FAMILY: MOVES [24 CFR 982.314(c)(2)]

The lease stipulates that the family cannot move from the unit until after the first year of the lease. The notice period to the landlord is determined by the lease, but may not exceed 60 days.

C. TERMINATION BY THE OWNER: EVICTIONS [24 CFR 982.310, 982.455]

If the owner wishes to terminate the lease, the owner is required to evict, using the notice procedures in the HUD regulations and State/local law. The owner must provide the HA with a copy of the eviction notice.

The owner must provide the tenant a written notice specifying the grounds for termination of tenancy, at or before the commencement of the eviction action. The notice may be included in, or may be combined with, any owner eviction notice to the tenant.

The owner eviction notice means a notice to vacate, or a complaint, or other initial pleading used under State or local law to commence an eviction action.

The contract and lease require that the owner may only evict for:

1. Serious or repeated violations of the lease;
2. Violations of federal, state or local law related to occupancy of the unit;
3. Other good cause, 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.

Any drug-related criminal activity on or near the premises.

Tenant history of disturbance of neighbors, destruction of property, or behavior resulting in damage to the premises.

4. Other good cause, after the first year of the lease, includes:

Business or economic reason for regaining possession;

Owner's desire to repossess unit for personal use; or

Tenant's refusal to accept offer of a new lease.

The eviction notice must specify the cause for the eviction.

The HA requires that the owner specify in writing the section of the lease that has been violated and cite some or all of the ways in which the tenant has violated that section as documentation for the HA termination of assistance.

Housing assistance payments are paid to the owner under the terms of the HAP Contract. If the owner has begun eviction and the family continues to reside in the unit, the HA must continue to make housing assistance payments to the owner until the owner has obtained a court judgment or other process allowing the owner to evict the tenant.

The HA will continue housing assistance payments until the family moves or is evicted from the unit.

If the action is finalized in court, the owner must provide the HA with the documentation, including notice of the lock-out date.

If the owner opts out for business or economic reasons, the tenant must be given 90 days notice, with a copy to the HA and the local HUD office. Such reasons include desire to sell the property, renovation of the unit, or desire to obtain a higher rent than the HA will approve.

The HA must continue making housing assistance payments to the owner in accordance with the Contract as long as the tenant continues to occupy the unit and the Contract is not violated. By endorsing the monthly check from the HA, the owner certifies that the tenant is still in the unit and s/he is in compliance with the contract.

If the eviction is not due to a serious or repeated violation of the lease, and if the HA has no other grounds for termination of assistance, the HA may issue a new certificate or voucher so that the family can move with continued assistance.

D. TERMINATION OF THE CONTRACT BY HA
[24 CFR 982.404(a), 982.453, 982.454, 982.552(a)(3)]

The term of the HAP contract terminates when the lease terminates, when the HA terminates program assistance for the family, and when the owner has breached the HAP contract.

Any of the following actions will be considered a breach of contract by the owner:

1. The owner has violated any obligation under the HAP contract for the dwelling unit, including the owner's obligation to maintain the unit to HQS standards, including any standards the HA has adopted in this policy.
2. The owner has violated any obligation under any other housing assistance payments contract under Section 8 of the 1937 Act (42 U.S.C. 1437f).

3. The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.
4. The owner has failed to comply with regulations, the mortgage or note, or the regulatory agreement for projects with mortgages insured by HUD or loans made by HUD.
5. The owner has engaged in drug trafficking.

The HA may also terminate the contract if:

The HA terminates assistance to the family.

The family is required to move from a unit which is under-occupied (Certificate Program) or overcrowded (Certificate and Voucher Programs).

Funding is no longer available under the ACC.

The contract will terminate automatically if 180 days have passed since the last housing assistance payment to the owner.

NOTICE OF TERMINATION

The HA will provide the owner and family with at least thirty days written notice of termination of the contract.

E. TERMINATIONS DUE TO INELIGIBLE IMMIGRANT STATUS [24 CFR 5.514]

Families who were participants on June 19, 1995, but are ineligible for continued assistance due to the ineligible immigration status of all members of the family, or because a "mixed" family chooses not to accept proration of assistance, are eligible for temporary deferral of termination of assistance if necessary to permit the family additional time for transition to affordable housing.

Deferrals may be granted for intervals not to exceed six months, up to an aggregate maximum of:

- 3 years for deferral granted prior to 11/29/96, or
- 18 months for deferrals granted after 11/29/96

The family will be notified in writing at least 60 days in advance of the expiration of the deferral period that termination of assistance will not be deferred because:

- a) granting another deferral will result in an aggregate deferral period of longer than the statutory maximum (three years for deferrals granted before 11/29/96; 18 months for deferrals granted after 11/29/96), or
- b) a determination has been made that other affordable housing is available.

F. TERMINATION DUE TO OWNER DISAPPROVAL [24 CFR 982.453]

If the HA terminates the contract due to owner disapproval (See Chapter 9, "Request for Lease Approval and Contract Execution"), the HA will provide the owner and family with at least thirty days written notice of termination of the contract.

Chapter 15

DENIAL OR TERMINATION OF ASSISTANCE

INTRODUCTION

The HA may deny or terminate assistance for a family because of the family's action or failure to act. The HA will provide families with a written description of the Family Obligations under the program, the grounds under which the HA can deny or terminate assistance, and the HA's informal hearing procedures. This Chapter describes when the HA is required to deny or terminate assistance, and the HA's policies for the denial of a new commitment of assistance and the grounds for termination of assistance under an outstanding HAP contract.

A. GROUNDS FOR DENIAL/TERMINATION [24 CFR 982.552, 982.553]

If denial or termination is based upon behavior resulting from a disability, the HA will delay the denial or termination in order to determine if there is an accommodation which would negate the behavior resulting from the disability.

FORM OF DENIAL/TERMINATION

Denial of assistance of an applicant may include any or all of the following:

- Denial for placement on the HA waiting list
- Denying or withdrawing a certificate or voucher
- Refusing to enter into a HAP contract or approve a lease
- Refusing to process or provide assistance under portability procedures

Termination of assistance for a participant may include any or all of the following:

- Refusing to enter into a HAP contract or approve a lease
- Terminating housing assistance payments under an outstanding HAP contract
- Refusing to process or provide assistance under portability procedures

The HA must deny assistance to applicants, and terminate assistance for participants:

- If any member of the family fails to sign and submit HUD or HA required consent forms for obtaining information.

If no member of the family is a U.S. citizen or eligible immigrant. (See Section D)

If the family is under contract and 180 days (or 12 months, depending on the HAP contract used) have elapsed since the PHA's last housing assistance payment was made. (See Chapter on "Contract Terminations", Section D)

The HA must permanently deny assistance to applicants, and terminate the assistance of persons convicted of manufacturing or producing methamphetamine in violation of any Federal or State law.

GROUND FOR DENIAL OR TERMINATION OF ASSISTANCE [24 CFR 982.522(b)]

The HA will deny program assistance for an applicant, or terminate program assistance for a participant, for any of the following reasons:

The family violates any family obligation under the program as listed in 24 CFR 982.551.

Any member of the family has ever been evicted from public housing.

If any PHA has ever terminated assistance under the Certificate or Voucher program for any member of the family.

If any member of the family commits drug-related criminal activity, or violent criminal activity. (See Section B. "One Strike" Policy)

If any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.

The family currently owes rent or other amounts to the PHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.

The family has not reimbursed any HA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.

The family breaches an agreement with a HA to pay amounts owed to a PHA, or amounts paid to an owner by a HA.

If a family participating in the FSS program fails to comply, without good cause, with the family's FSS contract of participation.

The family has engaged in or threatened abusive or violent behavior toward HA personnel.

"Abusive or violent behavior towards HA 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 or denial.

"Threatening" 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.

B. FAMILY OBLIGATIONS [24 CFR 982.551]

1. The family must supply any information that the HA or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status (as provided by 24 CFR part 812). "Information" includes any requested certification, release or other documentation.
2. The family must supply any information requested by the HA or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.
3. The family must disclose and verify Social Security Numbers (as provided by 24 CFR part 750) and must sign and submit consent forms for obtaining information in accordance with 24 CFR part 760 and 24 CFR part 813.
4. All information supplies by the family must be true and complete.
5. The family is responsible for an HQS breach caused by the family as described in 982.404(b).
6. The family must allow the HA to inspect the unit at reasonable times and after reasonable notice.
7. The family may not commit any serious or repeated violation of the lease.

8. The family must notify the owner and, at the same time, notify the HA before the family moves out of the unit or terminates the lease on notice to the owner.
9. The family must promptly give the HA a copy of any owner eviction notice.
10. The family must use the assisted unit for residence by the family. The unit must be the family's only residence.
11. The composition of the assisted family residing in the unit must be approved by the HA. The family must promptly inform the HA of the birth, adoption or court-awarded custody of a child. The family must request HA approval to add any other family member as an occupant of the unit.
12. The family must promptly notify the HA if any family member no longer resides in the unit.
13. If the HA has given approval, a foster child or a live-in aide may reside in the unit. If the family does not request approval or HA approval is denied, the family may not allow a foster child or live-in aide to reside with the assisted family.
14. Members of the household may engage in legal profit-making activities in the unit, but only if such activities are incidental to primary use of the unit as a residence by members of the family.
15. The family must not sublease or let the unit.
16. The family must not assign the lease or transfer the unit.
17. The family must supply any information or certification requested by the HA to verify that the family is living in the unit, or relating to family absence from the unit, including any HA-requested information or certification on the purposes of family absences. The family must cooperate with the HA for this purpose. The family must promptly notify the HA of absence from the unit.
18. The family must not own or have any interest in the unit.

19. The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with the programs.
20. The members of the family may not engage in drug-related criminal activity or violent criminal activity.
21. An assisted family, or members of the family, may not receive Section 8 tenant-based assistance while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative (as determined by HUD or in accordance with HUD requirement) federal, State or local housing assistance program.

HOUSING AUTHORITY DISCRETION

In deciding whether to deny or terminate assistance because of action or failure to act by members of the family, the HA has discretion to consider all of the circumstances in each case, including the seriousness of the case, the extent of participation or culpability of individual family members, the length of time since the violation occurred and more recent record of compliance, and the effects of denial or termination of assistance on other family members who were not involved in the action or failure to act.

The HA 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 HA may permit the other members of a family to continue in the program.

ENFORCING FAMILY OBLIGATIONS

EXPLANATIONS AND TERMS

The term "Promptly" when used with the Family Obligations always means "within number of days determined by the HA." Denial or termination of assistance is always optional except where this Plan or the regulations state otherwise.

HQS Breach: The Inspector/Supervisor will determine if an HQS breach as identified in 24 CFR 982.404(b) is the responsibility of the family. Families may be given extensions to cure HQS breaches by Section 8 Coordinator or Executive Director.

Lease Violations: The following criteria will be used to decide if a serious or repeated violation of the lease will cause a termination of assistance:

If the owner terminates tenancy through court action for serious or repeated violation of the lease.

If the owner notifies the family of termination of assistance for serious or repeated lease violations, and the family moves from the unit prior to the completion of court action, and the HA determines that the cause is a serious or repeated violation of the lease based on available evidence.

If the owner notifies the family of termination of assistance for serious or repeated lease violations, and the family moves from the unit prior to the completion of court action, and

If there are Police reports, neighborhood complaints or other third party information, and the HA has verified the information.

Notification of Eviction: If the family requests assistance to move and they did not notify the HA of an eviction within ten (10) days of receiving the Notice of Lease Termination, the move will be denied.

Proposed additions to the family will be denied to:

Persons who have been evicted from public housing.

Persons who have previously violated a family obligation listed in 24 CFR 982.51 of the HUD regulations.

Persons who commit drug-related criminal activity or violent criminal activity.

Persons who do not meet the HA's definition of family.

Persons who commit fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.

Persons who have engaged in or threatened abusive or violent behavior toward HA personnel.

Family Member moves out: Families are required to notify the HA if any family member leaves the assisted household. When the family notifies the HA, they must furnish the following information:

The date the family member moved out.

The new address, if known, of the family member.

A statement as to whether the family member is temporarily or permanently absent.

LIMITATION ON PROFIT-MAKING ACTIVITY IN UNIT:

If the business activity area results in the inability of the family to use any of the critical living areas, such as a bedroom utilized for a business which is not available for sleeping, it will be considered a violation.

If the HA determines that the use of the unit as a business is not incidental to its use as a dwelling unit, it will be considered a violation.

Interest in Unit: The owner may not reside in the assisted unit regardless of whether (s)he is a member of the assisted family, unless the family owns the mobile home and rents the pad under the Certificate Program.

Fraud: In each case, the HA will consider which family members were involved, the circumstances, and any hardship that might be caused to innocent members.

DRUG RELATED AND VIOLENT CRIMINAL ACTIVITY

Drug-related criminal activity is the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use a controlled substance.

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

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

INELIGIBILITY IF EVICTED FOR DRUG-RELATED ACTIVITY

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

The HA may waive this requirement if:

The person demonstrates successful completion of a rehabilitation program approved by the HA, or

The circumstances leading to the eviction no longer exist. For example, the individual involved in drugs is no longer in the household because the person is incarcerated.

Applicants will be denied assistance if they have been:

Arrested/convicted/evicted from a unit due to violent criminal activity within the last three (3) years prior to the date of the certification interview.

Participants may be terminated who have been:

Arrested/convicted/evicted from a unit due to drug-related or violent criminal activity within the last three (3) years prior to the date of the notice to terminate assistance, and whose activities have created a disturbance in the building or neighborhood.

If the family violates the lease for drug-related or violent criminal activity, the HA will terminate assistance.

In appropriate cases, the HA may permit the family to continue receiving assistance provided that family members determined to have engaged in the proscribed activities will not reside in the unit. If the violating member is a minor, the HA may consider individual circumstances with the advice of Juvenile Court officials.

SCREENING OUT ILLEGAL DRUG USERS AND ALCOHOL ABUSERS

The HA will deny participation in the program to applicants in cases where the HA determines there is reasonable cause to believe that the person is illegally using a controlled substance, or abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. This includes cases where the HA determines that there is a pattern of illegal use of a controlled substance, or pattern of alcohol abuse.

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

The HA may waive this policy if the person demonstrates to the HA's satisfaction that the person is no longer engaging in the illegal use of a controlled substance or abuse of alcohol, and:

Has successfully completed a supervised drug or alcohol rehabilitation program;

Has otherwise been rehabilitated successfully; or

Is participating in a supervised drug or alcohol rehabilitation program.

CONFIDENTIALITY OF CRIMINAL RECORDS

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

REQUIRED EVIDENCE

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

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

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

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

NOTICE OF TERMINATION OF ASSISTANCE

In any case where the HA decides to terminate assistance to the family, the HA must give the family written notice which states:

The reason(s) for the proposed termination,

The effective date of the proposed termination,

The family's right, if they disagree, to request an Informal Hearing to be held before termination of assistance.

The date by which a request for an informal hearing must be received by the HA.

The HA 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.

C. PROCEDURES FOR NON-CITIZENS [24 CFR 5.514, 5.516, 5.18]

TERMINATION DUE TO INELIGIBLE IMMIGRANT STATUS

Assistance may not be terminated while verification of the participant family's eligible immigration status is pending.

Participant families in which all members are neither U.S. citizens nor eligible immigrants must have their assistance terminated. They must be given an opportunity for a hearing.

TEMPORARY DEFERRAL OF TERMINATION OF ASSISTANCE

Ineligible families who were participants as of June 19, 1995, may request a temporary deferral of termination of assistance in order to allow time to locate affordable housing and thereby preserve the family.

Temporary deferral of termination of assistance is also available to mixed families who were participants on June 19, 1995, who elect not to accept prorated assistance, and are not eligible for Continued Assistance. (See Chapter 14, "Contract Terminations.") The HA must allow the mixed family time to find housing for ineligible members or for the entire family by deferring the termination.

Mixed families who choose temporary deferral of termination of assistance may change to prorated assistance at the end of any deferral period, if they have made a good-faith effort to locate housing.

CRITERIA FOR APPROVING TEMPORARY DEFERRAL OF TERMINATION OF ASSISTANCE

The HA will grant temporary deferral so long as the family makes reasonable efforts to find affordable housing.

Affordable housing is defined as housing that is standard based on HQS/other standard, of appropriate size based on HQS/some other standard, and for which the rent plus utilities is no more than 25% greater than the HA calculated Total Tenant Payment.

To determine whether a family is eligible for temporary deferral of termination of assistance, or for a renewal of temporary deferral of termination of assistance, the HA will:

Require a search record to document the family's efforts to locate housing before granting or extending temporary deferral of termination of assistance.

Conduct market studies to determine the availability of affordable housing and, if the vacancy rate in affordable housing is less than 5%, the HA may continue temporary deferral of termination of assistance.

LENGTH OF DEFERRAL

The initial temporary deferral is granted for an interval not to exceed six months. Additional deferrals can be made up to a maximum of three years, if the initial deferral was granted prior to 11/29/96. For deferrals granted after 11/29/96, additional deferrals may be made up to an aggregate total of 18 months. A notice is sent to the family at the beginning of each deferral period reminding them of their ineligibility for full assistance and their responsibility to seek other housing.

The family will be notified in writing sixty days before the end of the maximum deferral period that there cannot be another deferral, and will be offered the option of prorated assistance if they are a mixed family and have made a good-faith effort to locate affordable housing.

FALSE OR INCOMPLETE INFORMATION

When the HA 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 HA may give him/her an opportunity to provide a new declaration as an eligible immigrant or to elect not to contend their status. The HA will then verify eligible status, deny, terminate, or prorate as applicable.

The HA will deny or terminate assistance based on the submission of false information or misrepresentations.

PROCEDURE FOR DENIAL OR TERMINATION

If the family (or any member) claimed eligible immigrant status and the INS primary and secondary verifications failed to document the status, the family may make an appeal to the INS and request a hearing with the HA either after the INS appeal or in lieu of the INS appeal.

After the HA 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) or, for participants who qualify, for Temporary Deferral of Termination of Assistance.

D. ZERO DOLLAR ASSISTANCE TENANTS [24 CFR 982.455(a)]

OLD CONTRACTS

For contracts which were effective prior to 10/2/95, the HA is liable for unpaid rent and damages if the family vacates during the allowable 12 months after the last HAP payment. The HA must perform all of the functions normally required, such as reexaminations and inspections. The participant will be notified of the right to remain on the program at \$0 assistance for 12 months. If the family is still in the unit after 12 months, the assistance will be terminated.

NEW CONTRACTS

For contracts effective after 10/2/95, the HA has no liability for unpaid rent or damages, and 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 cause the family to be eligible for a housing assistance payment, the HA 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.

E. OPTION NOT TO TERMINATE FOR MISREPRESENTATION
[24 CFR 982.551, 982.552(c)]

If the family has misrepresented any facts that caused the HA to overpay assistance, the HA may choose not to terminate and may offer to continue assistance provided that the family executes a Repayment Agreement and makes payments in accordance with the agreement or reimburses the HA in full.

F. MISREPRESENTATION IN COLLUSION WITH OWNER
[24 CFR 982.551, 982.552(c)]

If the family willingly and knowingly commits fraud or is involved in any other illegal scheme with the owner, the HA will deny or terminate assistance.

In making this determination, the HA will carefully consider the possibility of overt or implied intimidation of the family by the owner and the family's understanding of the events.

G. MISSED APPOINTMENTS AND DEADLINES [24 CFR 982.551, 982.552(c)]

It is a Family Obligation to supply information, documentation, and certification as needed for the HA to fulfill its responsibilities. The HA schedules appointments and sets deadlines in order to obtain the required information. The Obligations also require that the family allow the HA to inspect the unit and appointments are made for this purpose.

An applicant or participant who fails to keep an appointment, or to supply information required by a deadline without notifying the HA may be sent a Notice of Denial or Termination of Assistance for failure to provide required information, or for failure to allow the HA to inspect the unit.

The family will be given information about the requirement to keep appointments, and the number of times appointments will be rescheduled as specified in this Plan.

Appointments will be scheduled and time requirements will be imposed for the following events and circumstances:

1. Eligibility for Admissions
2. Verification Procedures
3. Certificate/Voucher Issuance and Briefings
4. Housing Quality Standards and Inspections
5. Recertifications
6. Appeals

Acceptable reasons for missing appointments or failing to provide information by deadlines are:

- Medical emergency
- Incarceration
- Family emergency

PROCEDURE WHEN APPOINTMENTS ARE MISSED OR INFORMATION NOT PROVIDED

For most purposes in this Plan, the family will be given two (2) opportunities before being issued a notice of termination or denial for breach of a family obligation.

After issuance of the termination notice, if the family offers to correct the breach within the time allowed to request a hearing:

The notice will be rescinded if the family offers to cure and the family does not have a history of non-compliance.

OWNER DISAPPROVAL AND RESTRICTION

INTRODUCTION

It is the policy of the HA to recruit owners to participate in the program, and to provide owners with prompt and professional service in order to promote an adequate supply of available housing throughout the jurisdiction of the HA. The regulations define when the HA must disallow an owner participation in the program, and they provide the HA discretion to disapprove or otherwise restrict the participation of owners in certain categories. This Chapter describes the criteria for owner disapproval, and the various penalties for owner violations.

A. DISAPPROVAL OF OWNER

The owner does not have a right to participate in the program. For purposes of this section, "owner" includes a principal or other interested party.

The HA will disapprove the owner for the following reasons:

HUD or other agency directly related has informed the HA that the owner has been disbarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.

HUD has informed the HA 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 HA that a court or administrative agency has determined that the owner has violated the Fair Housing Act or other federal equal opportunity requirements.

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 a history or practice of non-compliance with the HQS for units leased under the tenant-based programs or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other federal housing program.

The owner has a history or practice of renting units that fail to meet State or local housing codes the owner has not paid State or local real estate taxes, fines, or assessments.

B. OWNER RESTRICTIONS AND PENALTIES

If an owner commits fraud or abuse or is guilty of frequent or serious contract violations, the HA will restrict the owner from future participation in the program for a period of time commensurate with the seriousness of the offense. The HA may also terminate some or all contracts with the owner.

Before imposing any penalty against an owner, the HA will review all relevant factors pertaining to the case, the HA will consider such factors as the owner's record of compliance and the number of violations.

The HA guidelines for restrictions are contained in the table below:

DISAPPROVAL OF OWNERS/PARTICIPATION RESTRICTIONS

BREACH

HUD notification of owner debarment/suspension
 HUD notification of violation of fair housing/federal equal opportunity
 Violation of contract obligations

Owner fraud, bribery or other corrupt act in federal housing program

Owner engaged in drug trafficking
 History of noncompliance with HQS

History of renting units below code

State/local real estate taxes, fines or assessments

PENALTY

Termination
 Termination

Written warnings
 Reduction to HAP payments
 Termination

Written warnings
 Reduction to HAP payments
 Termination

Written warnings
 Reduction to HAP payments
 Termination

Written warnings
 Reduction to HAP payments
 Termination

Written warnings
 Reduction to HAP payments
 Termination

C. OTHER REMEDIES FOR OWNER VIOLATIONS

OVERPAYMENTS

If the landlord has been overpaid as a result of fraud, misrepresentation or violation of the Contract, the HA may terminate the Contract and arrange for restitution to the HA and/or family as appropriate.

The HA will make every effort to recover any overpayments made as a result of landlord fraud or abuse. Payments otherwise due to the owner may be debited in order to repay the HA or the tenant, as applicable.

Chapter 17

CLAIMS, MOVE-OUT AND CLOSE-OUT INSPECTIONS (For Contracts Effective Before October 2, 1995)

INTRODUCTION

This Chapter describes the HA's policies, procedures and standards for servicing Contracts which were effective before October 2, 1995. Certificate and Voucher contracts in this category have provisions for the HA's liability to owners when families move out. Vouchers and Certificates have a provision for damages, and Certificates, in addition, have a provision for vacancy loss.

A. OWNER CLAIMS

Under HAP Contracts effective prior to October 2, 1995, owners may make "special claims" for damages, unpaid rent, and vacancy loss (vacancy loss cannot be claimed in the Voucher Program) after the tenant has vacated the unit.

Owner claims for payment for unpaid rent, damages, or vacancy loss will be reviewed for accuracy and completeness and compared with records in the file. The HA establishes standards by which to evaluate claims, but the burden of proof rests with the owner.

If vacancy loss is claimed, the HA will ascertain whether or not the family gave proper notice of its intent to move. The file will also be reviewed to verify owner compliance at the time the contract was terminated.

The HA will pay properly filed claims to the owner as a function of the contract, but the tenant is ultimately responsible to reimburse the HA for claims paid to the owner.

B. UNPAID RENT [24 CFR 887.215, 882.112(d)]

Unpaid rent only applies to the tenant's portion of rent while the tenant is in residence under the assisted lease. It does not include the tenant's obligation for rent beyond the termination date of the HAP Contract.

Separate agreements are not considered a tenant obligation under the lease and the HA will not reimburse the owner for any claims under these agreements.

C. VACANCY LOSS IN THE CERTIFICATE PROGRAM [24 CFR 887.105]

Vacancy Loss is applicable to the Certificate Program only. Vacancy loss is paid if the move was in violation of the notice requirements in the lease, or the result of an eviction.

In order to claim vacancy loss, the unit must be available for lease and the landlord must:

1. Notify the HA within 24 hours upon learning of the vacancy, or prospective vacancy, and
2. Pursue all possible activities to fill the vacancy, including, but not limited to:
 - a. Contacting applicants on the owner's waiting list, if any;
 - b. Seeking eligible applicants by listing the unit with the HA,
 - c. Advertising the availability of the unit, and
 - d. Not rejecting potentially eligible applicants except for good cause.

In the event that a unit becomes vacant because of death, the HA will permit the owner to keep the HAP for the month in which the tenant died.

FOR CONTRACTS ISSUED BEFORE OCTOBER 2, 1995:

To ensure valid claim processing, the HA will conduct a thorough move-in inspection noting "conditions" as well as HQS deficiencies, take pictures of questionable items, and send a report of all items to the owner and tenant.

The owner must be present during the move-out inspection and only damages claimed by the owner are reimbursable.

All claims for damages must be supported by the actual bills for materials and labor and a copy of the canceled checks or other receipts documenting payment. Estimates are not acceptable.

Bills from individuals providing labor must include their name, Social Security Number, address and phone number. The landlord may not bill himself/herself for labor since that is not considered by the HA to be an "actual cost." However, the actual cost of the owner's employees' labor, such as the resident manager, to make repairs may be included.

Persons making repairs or replacements must be licensed to do business in the HA's jurisdiction.

Reasonableness of costs will be based on Comparability. Reimbursement for replacement of items such as carpets, drapes, or appliances, are based on depreciation schedules in general use by this HAs.

The HA may require verification of purchase date, quality, and price of replaced items in order to calculate depreciation.

Damages which were caused during tenancy, were repaired and billed, but remain unpaid at move-out, can be considered "other items due under the lease" and included in the claim.

Eligible items to be included on the damage claim must have been a tenant responsibility under the lease or State law.

Claims for unpaid utility bills cannot be approved as part of a claim.

Claims for normal wear and tear, previously existing conditions, routine turnover preparation, cleaning and cyclical interior painting are not paid.

The HA will inspect the unit to verify that repairs were made.

D. MOVE-OUT AND CLOSE-OUT INSPECTIONS
(For Contracts Issued Before October 2, 1995)

Move-out inspections are performed after the tenant has vacated the unit. These inspections are performed to assess the condition of the unit, not to evaluate the HQS. Vacate inspections will be conducted by HA Inspector.

There will be no move-out inspections of units with contracts effective on or after October 2, 1995.

The HA's initial inspection of the unit will include a "conditions" report which will be compared to the conditions found during the move-out inspection.

The owner must notify the HA of the move-out and request an inspection within 24 hours of learning of the move-out in order to submit a claim for damages.

If the contract was terminated due to owner breach, or the owner was in violation of the contract at the time that it was terminated, there will be no entitlement to claims and therefore no inspection.

The owner and tenant will be notified of the date and time of the inspection. If the owner is not present, the move-out inspection will not be rescheduled.

The HA will conduct a move-out inspection on tenant's request if the owner does not also request an inspection.

A damage claim will not be approved unless the move-out inspection is requested and completed prior to any work being done.

In the event that the HA is unable to inspect within three (3) days, the owner will be permitted to use date-stamped photographs to substantiate the claim.

E. PROCESSING CLAIMS (For Contracts issued before October 2, 1995)

Any amount owed by the tenant to the owner for unpaid rent or damages will first be deducted from the maximum security deposit which the owner could have collected under the program rules. If the maximum allowable security deposit is insufficient to reimburse the owner for the unpaid tenant rent or other amounts which the family owes under the lease, the owner may request reimbursement from the HA up to the limits for each program.

If the owner claims vacancy loss, the security deposit that s/he collected or could have collected will be deducted from the vacancy loss claim.

The HA reviews claims for unpaid rent, damages, or vacancy loss and makes a preliminary determination of amount payable. The family is informed that a claim is pending (notice sent to last known address). The notification will state the preliminarily determined amount, the type of claim, and describe the procedure for contesting the claim.

1. The HA will offer the family ten (10) days to contest the claim. If the family disputes the claim, the HA will schedule an informal meeting with the owner and tenant in order to resolve the differences.

If the owner fails to attend the meeting, the HA will consider this prima facie evidence of validity of the tenant's position.

If the tenant fails to attend the meeting, the HA will proceed with its original determination.

Meetings will not be rescheduled if neither party attends.

Meetings will not be rescheduled if either party fails to attend.

2. The HA will schedule a Claim Review. If the family misses the Claim Review, another will not be scheduled unless there are extenuating circumstances.

At the Claim Review, the amount and type of claim will be discussed with the family. If the family agrees with the amount and type of claim, the family will be offered a Repayment Agreement. If the family does not agree to sign a Payment Agreement, the HA will process the account for collection.

If the family demonstrates that the claim, or parts of it, is invalid, the HA will adjust the amount. The HA may offer the tenant an opportunity for an Informal Hearing regarding the claim if disputes cannot be resolved.

After a determination has been made, the HA will notify the family in writing of the decision. If it has been determined that the family owes money, the HA will pursue collection to repay either in a lump sum or through a payment agreement. The notice will warn the family that their assistance may be terminated and they may be denied future participation in the program if they do not reimburse the HA as required.

OTHER REQUIREMENTS FOR CLAIMS PROCESSING

The HA will require proof that the owner has complied with State and local laws applicable to security deposits before making payment on any claim.

All notices to tenants during the processing of a claim must include proof of mailing or of personal delivery.

No claims will be paid for a unit which is vacant as the result of the landlord voluntarily moving a family to another unit owned by the same landlord.

All unpaid rent, damage, and vacancy loss claim forms must be fully complete when they are submitted, and they must be submitted within ten (10) days of the date the owner learned of the move-out.

Chapter 18

OWNER OR FAMILY DEBTS TO THE HA

INTRODUCTION

The Chapter describes the HA'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 HA'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 of owner, the file must contain documentation to support the HA's claim that the debt is owed. The file must further contain written documentation of the method of calculation, in a clear format for review by the owner, the family or other interested parties.

When families or owners owe money to the HA, the HA will make every effort to collect it. The HA will use a variety of collection tools to recover debts including, but not limited to:

- Requests for lump sum payments
- Civil suits
- Repayment agreements
- Abatements
- Reductions
- Collection agencies
- Credit bureaus
- Income tax set-off programs

A. REPAYMENT AGREEMENT FOR FAMILIES [24 CFR 792.103, 982.552(b)(6-8)]

A Repayment Agreement as used in this Plan is a document entered entered into between the HA and a person who owes a debt to the HA. It is similar to a promissory note, but contains more details regarding the nature of the debt, the terms of repayment, any special provisions of the agreement, and the remedies available to the HA upon default of the agreement.

The maximum length of time the HA will enter into a repayment with a family is 5 years.

The minimum monthly amount of monthly payment for any repayment agreement is \$20.00.

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 HA will:

Require the family to pay the balance in full
Pursue civil collection of the balance due
Terminate the housing assistance
Grant an extension of thirty (30) days

If the family requests a move to another unit and has a repayment agreement in place for the payment of an owner claim, and the repayment agreement is not in arrears:

The family will be permitted to move.

If the family requests a move to another unit and is in arrears on a repayment agreement for the payment of an owner claim:

The family will be required to pay the balance in full, or be terminated from the program.

There are some circumstances in which the HA will not/may not enter into a repayment agreement. They are:

If the family already has a Repayment Agreement in place.
If the HA determines that the family committed program fraud.

GUIDELINES FOR REPAYMENT AGREEMENTS

Repayment Agreements will be executed between the HA and the head of household and/or head of household and spouse.

Monthly payments may be decreased in cases of hardship with the prior notice of the family, verification of the hardship, and the approval of the Section 8 Coordinator.

No move will be approved until the debt is paid in full unless the move is the result of the following causes, and the Repayment Agreement is current:

Family size exceeds the HQS maximum occupancy standards

The HAP contract is terminated due to owner non-compliance or opt-out

A natural disaster

Additional Monies Owed: If the family has a Repayment Agreement in place and incurs an additional debt to the HA:

The HA may enter into more than one Repayment Agreement at a time with the same family

Additional amounts owed by the family may be added to the existing repayment agreement

If a Payment Agreement is in arrears more than sixty (60) days, any new debts must be paid in full

B. DEBTS OWED FOR CLAIMS [24 CFR 792.103, 982.552(b)(6-8)]

If a family owes money to the HA for claims paid to an owner:

The HA may require the family to repay the amount in full.

The HA may enter into a Repayment Agreement.

C. DEBTS DUE TO FRAUD/NON-REPORTING OF INFORMATION
[24 CFR 982.163]

HUD's definition of program fraud and abuse is a single act or pattern of actions that:

Constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead, and that results in payment of Section 8 program funds in violation of Section 8 program requirements.

FAMILY ERROR/LATE REPORTING

Families who owe money to the HA due to the family's failure to report increases in income will be required to repay in accordance with the guidelines in the Repayment Section of this Chapter.

Families who owe money to the HA due to the family's failure to report increases in income will be required to repay in accordance with the repayment procedures for program fraud, below.

PROGRAM FRAUD

Families who owe money to the HA due to program fraud will be required to repay in accordance with the guidelines in the Repayment Section of this Chapter.

Families who owe money to the HA due to program fraud will be required to repay it in accordance with the repayment procedures for program fraud, below.

If a family owes an amount which equals or exceeds \$3,000. as a result of program fraud, the case will be referred to Inspector General. Where appropriate, the HA will refer the case for criminal prosecution.

REPAYMENT PROCEDURES FOR PROGRAM FRAUD

Families who commit program fraud (or untimely reporting of increases in income) will be subject to the following procedures:

The maximum time period for a Repayment Agreement will be sixty (60) months.

The family will be required to pre-pay an amount determined by the HA of the amount owed prior to or upon execution of the Repayment Agreement.

The minimum monthly payment will be \$20.00.

The amount of the monthly payment will be determined in accordance with the family's current income.

D. OWNER DEBTS TO THE HA

If the HA determines that the owner has retained Housing Assistance or Claim Payments the owner is not entitled to, the HA may reclaim the amounts from future Housing Assistance or Claim Payments owed the owner for any units under contract.

If future Housing Assistance or Claim Payments are insufficient to reclaim the amounts owed, the HA will:

Require the owner to pay the amount in full within sixty (60) days

Pursue collections through the local court system

Restrict the owner from future participation

E. WRITING OFF DEBTS

Debts will be written off if:

The debtor's whereabouts are unknown and the debt is more than one (1) years old.

A determination is made that the debtor is judgment proof.

The debtor is deceased.

The debtor is confined to an institution indefinitely or for more than one year.

The amount is less than \$100.00 and the debtor cannot be located.

Chapter 19

COMPLIANTS AND APPEALS

INTRODUCTION

The informal hearing requirements defined in HUD regulation are applicable to participating families who disagree with an action, decision, or inaction of the HA. This Chapter describes the policies, procedures and standards to be used when families disagree with an HA decision. The procedures and requirements are explained for preference denial meetings, informal reviews and hearings. It is the policy of the HA to ensure that all families have the benefit of all protections due to them under the law.

A. COMPLAINTS TO THE HA

The HA will respond promptly to complaints from families, owners, employees, and members of the public. All complaints will be documented. The HA may require that complaints other than HQS violations be put in writing. HQS complaints may be reported by telephone.

CATEGORIES OF COMPLAINTS

1. Complaints from families: If a family disagrees with an action or inaction of the HA or owner.

Complaints from families will be referred to Section 8 Coordinator.

2. Complaints from Owners: If an owner disagrees with an action or inaction of the HA or a family.

Complaints from families will be referred to Section 8 Coordinator.

3. Complaints from staff: If a staff person reports an owner or family either violating or not complying with program rules.

Complaints from families will be referred to Section 8 Coordinator.

4. Complaints from the general public: Complaints or referrals from persons in the community in regard to the HA, a family or an owner.

Complaints from families will be referred to Section 8 Coordinator.

The HA hearing procedures will be provided to families in the briefing packet.

B. PREFERENCE DENIALS [24 CFR 5.415]

When the HA denies a preference to an applicant, the family will be notified in writing of the specific reason for the denial and offered the opportunity for a meeting with HA staff to discuss the reasons for the denial and to dispute the HA's decision.

The person who conducts the meeting must be:

Any officer or employee of the HA including the person who made the decision.

C. INFORMAL REVIEW PROCEDURES FOR APPLICANTS
[24 CFR 982.54(d)(12), 982.554]

Reviews are provided for applicants who are denied assistance before the effective date of the HAP Contract. The exception is that when an applicant is denied assistance for citizen or eligible immigrant status, the applicant is entitled to an informal hearing.

When the HA determines that an applicant is ineligible for the program, the family must be notified of their ineligibility in writing. The notice must contain:

The reason(s) they are ineligible,

The procedure for requesting a review if the applicant does not agree with the decision and

The time limit for requesting a review.

The HA must provide applicants with the opportunity for an Informal Review of decisions denying:

Qualification for preference
Listing on the HA's waiting list
Issuance of a Certificate or Voucher
Participation in the program

Informal Reviews are not required for established policies and procedures and HA determinations such as:

1. Discretionary administrative determinations by the HA

2. General policy issues or class grievances
3. A determination of the family unit size under the HA subsidy standards
4. Refusal to extend or suspend a Certificate or Voucher
5. Disapproval of lease
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

PROCEDURE FOR REVIEW

A request for an Informal Review must be received in writing by the close of the business day, no later than ten (10) days from the date of the HA's notification of denial of assistance. The informal review will be scheduled within fifteen (15) days from the date the request is received.

The Informal Review may not be conducted by the person who made or approved the decision under review, nor a subordinate of such person.

The Review may be conducted by:

- A staff person who is designated by Executive Director
- An individual from outside the HA

The applicant will be given the option of presenting oral or written objections to the decision. Both the HA and the family may present evidence and witnesses. The family may use an attorney or other representative to assist them at their own expense.

A Notice of the Review findings will be provided in writing to the applicant within ten (10) 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.

D. INFORMAL HEARING PROCEDURES [24 CFR 982.555(a-f), 982.54(d)(13)]

When the HA makes a decision regarding the eligibility and/or the amount of assistance, applicants and participants must be notified in writing. The HA will give the family prompt notice of such determinations which will include:

The proposed action or decision of the HA
The date the proposed action or decision will take place;
The family's right to an explanation of the basis for the HA's decision.
The procedures for requesting a hearing if the family disputes the action or decision;
The time limit for requesting the hearing.

The HA must provide participants with the opportunity for an Informal Hearing for decisions related to any of the following HA determinations:

1. Determination of the family's annual or adjusted income and the computation of the housing assistance payment
2. Appropriate utility allowance used from schedule
3. Family unit size determination under HA subsidy standards
4. Determination that Certificate program family is under occupied in their current unit and a request for exception is denied
5. Determination to terminate assistance for any reason
6. Determination to terminate a family's FSS Contract, withhold supportive services, or propose forfeiture of the family's escrow account.
7. Determination to pay an owner claim for damages, unpaid rent or vacancy loss.

The HA must always provide the opportunity for an informal hearing before termination of assistance.

Informal Hearings are not required for established policies and procedures and HA determinations such as:

1. Discretionary administrative determinations by the HA
2. General policy issues or class grievances
3. Establishment of the HA schedule of utility allowances for families in the program
4. An HA determination not to approve an extension or suspension of a certificate or voucher term

5. An HA determination not to approve a unit or lease
6. An HA determination that an assisted unit is not in compliance with HQS (HA must provide hearing for family breach of HQS because that is a family obligation determination)
7. A HA determination that the unit is not in accordance with HQS because of the family size
8. A HA determination to exercise or not exercise any right or remedy against the owner under a HAP contract

NOTIFICATION OF HEARING

It is the HA'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 HA will ensure that applicants and participants will receive all of the protections and rights afforded by the law and the regulations.

When the HA receives a request for an informal hearing, a hearing shall be scheduled within fifteen (15) days. The notification of hearing will contain:

1. The date and time of the hearing
2. The location where the hearing will be held
3. The family's right to bring evidence, witnesses, legal or other representation at the family's expense
4. The right to view any documents or evidence in the possession of the HA upon which the HA based the proposed action and, at the family's expense, to obtain a copy of such documents prior to the hearing. such documents or evidence must be received no later than five (5) days before the hearing date.
5. A notice to the family that the HA will request a copy of any documents or evidence the family will use at the hearing. Such documents or evidence must be received no later than five (5) days before the hearing date.

THE HA's HEARING PROCEDURES

After a hearing date is agreed to, the family may request to reschedule only upon showing "good cause," which is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family.

If a family does not appear at a scheduled hearing and has not rescheduled the hearing in advance, the family must contact the HA within 48 hours, excluding weekends and holidays. The HA will reschedule the hearing only if the family can show good cause for the failure to appear.

Families have the right to:

- Present written or oral objections to the HA's determination.

- Examine the documents in the file which are the basis for the HA's action, and all documents submitted to the Hearing Officer;

- Copy any relevant documents at their expense;

- Present any information or witnesses pertinent to the issue of the hearing;

- Request that HA staff be available or present at the hearing to answer questions pertinent to the case; and

- Be represented by legal counsel, advocate, or other designated representative at their own expense.

If the family requests copies of documents relevant to the hearing, the HA will make the copies for the family and assess a charge of 25 cents per copy. In no case will the family be allowed to remove the file from the HA's office.

In addition to other rights contained in this Chapter, the HA has a right to:

- Present evidence and any information pertinent to the issue of the hearing;

- Be notified if the family intends to be represented by legal counsel, advocate, or another party;

- Examine and copy any documents to be used by the family prior to the hearing;

Have its attorney present; and

Have staff persons and other witnesses familiar with the case present.

The Informal Hearing shall be conducted by the Hearing Officer appointed by the HA who is neither the person who made or approved the decision, nor a subordinate of that person. The HA appoints hearing officers who:

Are HA management

Are managers from other departments in the government of the jurisdiction

Are managers from other HAs

Members of professional housing organizations.

The hearing shall concern only the issues for which the family has received the opportunity for hearing. Evidence presented at the hearing may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

No documents may be presented which have not been provided to the other party before the hearing if requested by the other party. "Documents" includes records and regulations.

The Hearing Officer may ask the family for additional information and/or might adjourn the Hearing in order to reconvene at a later date, before reaching a decision.

If the family misses an appointment or deadline ordered by the Hearing Officer, the action of the HA shall take effect and another hearing will not be granted.

The Hearing Officer will determine whether the action, inaction or decision of the HA is legal in accordance with HUD regulations and this Administrative Plan based upon the evidence and testimony provided at the hearing. Factual determinations relating to the individual circumstances of the family will be based on a preponderance of the evidence presented at the hearing.

A notice of the Hearing Findings shall be provided in writing to the HA and the family within ten (10) days and shall include:

A clear summary of the decision and reasons for the decision;

If the decision involves money owed, the amount owed; and

The date the decision goes into effect.

The HA is not bound by hearing decisions:

Which concern matters in which the HA is not required to provide an opportunity for a hearing

Which conflict with or contradict HUD regulations or requirements;

Which conflict with or contradict Federal, State or local laws; or

Which exceed the authority of the person conducting the hearing.

The HA shall send a letter to the participant if it determines the HA is not bound by the Hearing Officer's determination within ten (10) days. The letter shall include the HA's reasons for the decision.

All requests for a hearing, supporting documentation, and a copy of the final decision will be retained in the family's file.

E. HEARING AND APPEAL PROVISIONS FOR "RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS" [24 CFR Part 5, Subpart E]

Assistance to the family may not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of the decision on the INS appeal.

Assistance to a family may not be terminated or denied while the HA hearing is pending but assistance to an applicant may be delayed pending the HA hearing.

INS DETERMINATION OF INELIGIBILITY

If a family member claims to be an eligible immigrant and the INS SAVE system and manual search do not verify the claim, the HA notifies the applicant or participant within ten (10) days of their right to appeal to the INS within thirty days or to request an informal hearing with the HA either in lieu of or subsequent to the INS appeal.

If the family appeals to the INS, they must give the HA a copy of the appeal and proof of mailing or the HA may proceed to deny or terminate. The time period to request an appeal may be extended by the HA for good cause.

The request for an HA hearing must be made within fourteen (14) days of receipt of the notice offering the hearing or, if an appeal was made to the INS, within fourteen (14) days of receipt of that notice.

After receipt of a request for an informal hearing, the hearing is conducted as described in section D of this chapter for both applicants and participants. If the hearing officer decides that the individual is not eligible, and there are no other eligible family members the HA will:

Deny the applicant family

Defer termination if the family is a participant and qualifies for deferral

Terminate the participant if the family does not qualify for deferral

If there are eligible members in the family, the HA will offer to prorate assistance or give the family the option to remove the ineligible members.

All other complaints related to eligible citizen/immigrant status:

If any family member fails to provide documentation or certification as required by the regulation, that member is treated as ineligible. If all family members fail to provide, the family will be denied or terminated for failure to provide.

Participants whose termination is carried out after temporary deferral may not request a hearing since they had an opportunity for a hearing prior to the termination.

Participants whose assistance is pro-rated (either based on their statement that some members are ineligible or due to failure to verify eligible immigration status for some members after exercising their appeal and hearing rights described above) are entitled to a hearing based on the right to a hearing regarding determinations of tenant rent and Total Tenant Payment.

Families denied or terminated for fraud in connection with the non-citizens rule are entitled to a review or hearing in the same way as terminations for any other type of fraud.

F. MITIGATING CIRCUMSTANCES FOR APPLICANTS/PARTICIPANTS WITH DISABILITIES

When applicants are denied placement on the waiting list, or the HA is terminating assistance, the family will be informed that presence of a disability may be considered as a mitigating circumstance during the informal review process.

GLOSSARY

A. ACRONYMS USED IN SUBSIDIZED HOUSING

- AAF** Annual Adjustment Factor. A factor published by HUD in the Federal Register which is used to compute annual rent adjustment.
- ACC** Annual Contributions Contract
- BR** Bedroom
- CDBG** Community Development Block Grant
- CFR** Code of Federal Regulations. Commonly referred to as "the regulations". The CFR is the compilation of Federal rules which are first published in the Federal Register and define and implement a statute.
- CPI** Consumer Price Index. CPI is published monthly by the Department of Labor as an inflation indicator.
- CR** Contract Rent
- FDIC** Federal Deposit Insurance Corporation
- FHA** Federal Housing Administration
- FICA** Federal Insurance Contributions Act – Social Security Taxes
- FMHA** Farmers Home Administration
- FMR** Fair Market Rent
- FY** Fiscal Year
- FYE** Fiscal Year End
- GAO** Government Accounting Office
- GFC** Gross Family Contribution. NOTE: Has been replaced by the term Total Tenant Payment (TTP)
- GR** Gross Rent
- HA** Housing Authority

HAP Housing Assistance Payment

HAP PLAN Housing Assistance Plan

HCDA Housing and Community Development Act

HQS Housing Quality Standards

HUD The Department of Housing and Urban Development or its designee.

HURRA Housing and Urban/Rural Recovery Act of 1983

IG Inspector General

IGR Independent Group Residence

IPA Independent Public Accountant

IRA Individual Retirement Account

MSA Metropolitan Statistical Area established by the U.S. Census Bureau

PHA Public Housing Agency

PMSA A Primary Metropolitan Statistical Area established by the U.S. Census Bureau

PS Payment Standard

QC Quality Control

RFLA Request for Lease Approval

RFP Request for Proposals

RRP Rental Rehabilitation Program

SRO Single Room Occupancy

SSMA Standard Statistical Metropolitan Area. Has been replaced by MSA, Metropolitan Statistical Area.

TR Tenant Rent

TTP Total Tenant Payment

UA Utility Allowance

URP Utility Reimburse Payment

B. GLOSSARY OF TERMS IN SUBSIDIZED HOUSING

ABSORPTION. In portability, the point at which a receiving HA stops billing the initial HA for assistance on behalf of a portability family. The receiving HA uses funds available under the receiving HA consolidated ACC.

ACC RESERVE ACCOUNT (FORMERLY "PROJECT RESERVE"). Account established by HUD from amounts by which the maximum payment to the HA under the consolidated ACC (during an HA fiscal year) exceeds the amount actually approved and paid. This account is used as the source of additional payments for the program.

ADJUSTED INCOME. Annual income, less allowable HUD deductions.

ADMINISTRATIVE FEE. Fee paid by HUD to the HA for administration of the program.

ADMINISTRATIVE FEE RESERVE (Formerly "Operating reserve"). Account established by HA from excess administrative fee income. The administrative fee reserve must be used for housing purposes.

ADMISSION. The effective date of the first HAP contract for a family (first day of initial lease term) in a tenant-based program. This is the point when the family becomes a participant in the program.

ANNUAL CONTRIBUTIONS CONTRACT (ACC). A written contract between HUD and an HA. Under the contract HUD agrees to provide funding for operation of the program, and the HA agrees to comply with HUD requirements for the program.

ANNUAL INCOME. The anticipated total Annual Income of an eligible family from all sources for the 12-month period following the date of determination of income, computed in accordance with the regulations.

ANNUAL INCOME AFTER ALLOWANCES. The Annual Income (described above) less the HUD-approved allowances.

APPLICANT. (or applicant family). A family that has applied for admission to a program, but is not yet a participant in the program.

"AS-PAID" STATES. States where the welfare agency adjusts the shelter and utility component of the welfare grant in accordance with actual housing costs.

ASSETS. (See Net Family Assets.)

ASSISTED TENANT. A tenant who pays less than the market rent as defined in the regulations. Includes tenants receiving rent supplement, Rental Assistance Payments, or Section 8 assistance and all other 236 and 221 (d)(3) BMIR tenants, except those paying the 236 market rent or 120% of the BMIR rent, respectively.

BUDGET AUTHORITY. An amount authorized and appropriated by the Congress for payment to HAs under the program. For each funding increment in an HA program, budget authority is the maximum amount that may be paid by HUD to the HA over the ACC term of the funding increment.

CERTIFICATE. A document issued by the PHA under the Section 8 Rental Assistance Program, declaring a family to be eligible for participation in this program and stating the terms and conditions for such participation.

CERTIFICATE OR VOUCHER HOLDER. A family holding a voucher or certificate with unexpired search time.

CHILD CARE EXPENSES. Amounts paid by the family for the care of minors under 13 years of age where such care is necessary to enable a family member to be employed or for a household member to further his/her education.

CONSOLIDATED ANNUAL CONTRIBUTIONS CONTRACT. (Consolidated ACC). See 24 CFR 982.151.

CONTIGUOUS MSA. In portability, an MSA that shares a common boundary with the MSA in which the jurisdiction of the initial HA is located.

CONTINUOUSLY ASSISTED. An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the certificate or voucher program.

CONTRACT. (See Housing Assistance Payments Contract.)

CONTRACT AUTHORITY. The maximum annual payment by HUD to an HA for a funding increment.

CONTRACT RENT. In the Section 8 Certificate Program, Contract Rent is the total rent paid to the owner, including the tenant payment and the HAP payment from the PHA/HA.

DEPENDENT. A member of the family household (excluding foster children) other than the family head or spouse, who is under 18 years of age or is a Disabled Person or Handicapped Person, or is a full-time student 18 years of age or over.

DISABILITY ASSISTANCE EXPENSE. Anticipated costs for care attendants and auxiliary apparatus for disabled family members which enable a family member (including the disabled family member) to work.

DISABLED PERSON. A person who is any of the following:

- (1) A person who has a disability as defined in Section 223 of the Social Security Act. (42 U.S.C. 423).
- (2) A person who has a physical, mental, or emotional impairment that:
 - (i) Is expected to be of long-continued and indefinite duration;
 - (ii) Substantially impedes his or her ability to live independently; and
 - (iii) Is of such a nature that ability to live independently could be improved by more suitable housing conditions.
- (3) A person who has a developmental disability as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7)).

DISABLED FAMILY. A family where the head or spouse meet any of the above criteria for disabled person.

DISPLACED PERSON/FAMILY. A person or family displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized under federal disaster relief laws.

DOMICILE. The legal residence of the household head or spouse as determined in accordance with State and local law.

DRUG-RELATED CRIMINAL ACTIVITY. The illegal manufacture, sale, distribution, use, or the possession with intent to manufacture, sell distribute or use, of a controlled substance (as defined in Section 102 of the Controlled Substance Act (21 U.S.C. 802)).

DRUG TRAFFICKING. The illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute or use, of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

ELDERLY HOUSEHOLD. A family whose head or spouse or whose sole member is at least 62 years of age; may include two or more elderly persons living together or one or more such persons living with another person who is determined to be essential to his/her care and well being.

ELDERLY PERSON. A person who is at least 62 years old.

ELIGIBILITY INCOME. May 10, 1984, regulations deleted Eligibility Income, per se, because Annual Income is now for eligibility determination compared to income limits.

ELIGIBLE FAMILY (Family). A family as defined by the HA in the administrative Plan, which is approved by HUD.

EXCEPTIONAL MEDICAL OR OTHER EXPENSES. Prior to the regulation change in 1982, this meant medical and/or unusual expenses as defined in Part 889 which exceeded 25% of the Annual Income. It is no longer used.

EXCEPTION RENT. In the certificate program an initial rent (contract rent plus any utility allowance) in excess of the published FMR. In the certificate program the exception rent is approved by HUD, or the HA under prescribed conditions, and is used in determining the initial contract rent. In the voucher program the HA may adopt a payment standard up to the exception rent limit approved by HUD for the HA certificate program.

EXCESS MEDICAL EXPENSES. Any medical expenses incurred by elderly or disabled families in excess of 3% of Annual Income which are not reimbursable from any other source.

EXTREMELY LOW-INCOME FAMILY. A family whose annual income does not exceed 30 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families.

FAIR MARKET RENT (FMR). The rent including the cost of utilities (except telephone) that would be required to be paid in the housing market area to obtain privately owned existing decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. Fair market rents for existing housing are established by HUD for housing units of varying sizes (number of bedrooms) and are published in the **Federal Register**.

FAMILY. "Family" includes but is not limited to:

- a. An Elderly Family or Single Person as defined in 24 CFR 5.403(b),
- b. The remaining member of a tenant family, and
- c. A Displaced Person
- d. "Family" as further defined by the HA.

FAMILY OF VETERAN OR SERVICE PERSON. A family is a "family of a veteran or service person" when:

1. The veteran or service person; (a) is either the head of household or is related to the head of the household; or (b) is deceased and was related to the head of the household, and was a family member at the time of death.
2. The veteran or service person, unless deceased, is living with the family or is only temporarily absent unless s/he was: (a) formerly the head of the household and is permanently absent because of hospitalization, separation, or desertion, or is divorced; provided, the family contains one or more persons for whose support s/he is legally responsible and the spouse has not remarried; or (b) not the head of the household but is permanently hospitalized; provided, that s/he was a family member at the time of hospitalization and there remain in the family at least two related persons.

FAMILY SELF-SUFFICIENCY PROGRAM (FSS PROGRAM). The program established by an HA to promote self-sufficiency for assisted families, including the provision of supportive services.

FAMILY SHARE. The amount calculated by subtracting the housing assistance payment from the gross rent.

FAMILY UNIT SIZE. The size of the Certificate or Voucher issued to the family based on the HA's subsidy standards.

FMR/EXCEPTION RENT LIMIT. The Section 8 existing housing fair market rent published by HUD headquarters or any exception rent. In the certificate program the initial contract rent for a dwelling unit plus any utility allowance may not exceed the FMR/exception rent limit (for the dwelling unit or for the family unit size). In the voucher program the HA may adopt a payment standard up to the FMR/exception rent limit.

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.

FUNDING INCREMENT. Each commitment of budget authority by HUD to an HA under the consolidated annual contributions contract for the HA program.

GROSS FAMILY CONTRIBUTION. Changed to Total Tenant Payment.

GROSS RENT. The sum of the Contract Rent and the utility allowance. If there is no utility allowance, Contract Rent equals Gross Rent.

GROUP HOME. A dwelling unit that is licensed by a State as a group home for the exclusive residential use of two to twelve persons who are elderly or persons with disabilities (including any live-in aide).

HAP CONTRACT. (See Housing Assistance Payments contract.)

HEAD OF HOUSEHOLD. The head of household is the person who assumes legal and financial responsibility for the household and is listed on the application as head.

HOUSING AGENCY. A state, country, municipality or other governmental entity or public body authorized to administer the program. The term "HA" includes an Indian housing authority (IHA). ("PHA" and "HA" mean the same thing).

HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974. Act in which the U.S. Housing Act of 1937 (sometimes referred to as the Act) was recodified, and which added the Section 8 Programs.

HOUSING ASSISTANCE PAYMENT. The monthly assistance payment by an HA. The total assistance payment consists of:

1. A payment to the owner for rent to owner under the family's lease.
2. An additional payment to the family if the total assistance payment exceeds the rent to owner. The additional payment is called a "utility reimbursement" payment.

HOUSING ASSISTANCE PAYMENTS CONTRACT. (HAP contract). A written contract between an HA and an owner in the form prescribed by HUD headquarters, in which the HA agrees to make housing assistance payments to the owner on behalf of an eligible family.

HOUSING ASSISTANCE PLAN. (1) A Housing Assistance Plan submitted by a local government participating in the Community Development Block Program as part of the block grant application, in accordance with the requirements of 570.303(c) submitted by a local government not participating in the Community Development Block Grant Program and approved by HUD. (2) A Housing Assistance Plan meeting the requirements of 570.303(c) submitted by a local government not participating in the Community Development Block Grant Program and approved by HUD.

HOUSING QUALITY STANDARDS (HQS). The HUD minimum quality standards for housing assisted under the tenant-based programs.

HUD 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 x total cash value of assets. Calculation used when assets exceed \$5,000.

INCOME. Income from all sources of each member of the household as determined in accordance with criteria established by HUD.

INCOME FOR ELIGIBILITY. Annual Income.

INDIAN. Any person recognized as an Indian or Alaska Native by an Indian Tribe, the federal government, or any State.

INDIAN HOUSING AUTHORITY (IHA). A housing agency established either:

1. By exercise of the power of self-government of an Indian Tribe, independent of State law, or
2. By operation of State law providing specifically for housing authorities for Indians.

INTEREST REDUCTION SUBSIDIES. The monthly payments or discounts made by HUD to reduce the debt service payments and, hence, rents required on Section 236 and 221 (d)(3) BMIR projects. Includes monthly interest reduction payments made to mortgagees of Section 236 projects and front-end loan discounts paid on BMIR projects..

LANDLORD. This term means either the owner of the property or his/her representative or the managing agent or his/her representative, as shall as designated by the owner.

LARGE VERY LOW INCOME FAMILY. Prior to the 1982 regulations, this meant a very low income family which included six or more minors. This term is no longer used.

LEASE. A written agreement between an owner and an eligible family for the leasing of a housing unit.

The Section 8 Certificate and Voucher program have an Addendum to Lease that has mandatory language which must be incorporated into any lease the HA uses. The Addenda are different for the Certificate and Voucher Programs.

LIVE-IN AIDE. A person who resides with an elderly person or disabled person and who:

1. Is determined to be essential to the care and well-being of the person.
2. Is not obligated for the support of the person.
3. Would not be living in the unit except to provide necessary supportive services.

LOCAL PREFERENCE. A preference used by the HA to select among applicant families.

LOW-INCOME FAMILY. A family whose annual income does not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. For admission to the certificate program, HUD may establish income limits higher or lower than 80 percent of the median income for the area on the basis of its finding that such variations are necessary because of the prevailing levels of construction costs or unusually high or low family incomes.

MARKET RENT. The rent HUD authorizes the owner of FHA insured/subsidized multi-family housing to collect from families ineligible for assistance. For unsubsidized units in an FHA-insured multi-family project in which a portion of the total units receive project-based rental assistance, under the Rental Supplement or Section 202/Section 8 Programs, the Market Rate Rent is that rent approved by HUD and is the Contract Rent for a Section 8 Certificate holder. For BMIR units, Market Rent varies by whether the project is a rental or cooperative.

MEDICAL EXPENSES. Those total medical expenses, 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 Households only. These allowances are given when calculating adjusted income for medical expenses in excess of 3% of Annual Income.

MINOR. A member of the family household (excluding foster children) other than the family head or spouse who is under 18 years of age.

MONTHLY ADJUSTED INCOME. 1/12 of the Annual Income after Allowances or Adjusted Income.

MONTHLY INCOME. 1/12 of the Annual Income.

NEGATIVE RENT. Now called Utility Reimbursement. A negative Tenant Rent results in a Utility Reimbursement Payment (URP).

NET FAMILY ASSETS. Value of equity in savings, checking, IRA and Keogh accounts, real property, stocks, bonds, and other forms of capital investment. The value of necessary items of personal property such as furniture and automobiles is excluded from the definition.

NET FAMILY CONTRIBUTION. Former name for Tenant Rent.

OCCUPANCY STANDARDS. (Now referred to as **Subsidy Standards**) Standards established by an HA to determine the appropriate number of bedrooms for families of different sizes and compositions.

OWNER. Any persons or entity having the legal right to lease or sublease housing.

PARTICIPANT. A family that has been admitted to the HA's certificate program or voucher program. The family becomes a participant on the effective date of the first HAP contract executed by the HA for the family (First day of initial lease term).

PAYMENT STANDARD. The amount used to calculate the housing assistance a family will receive in the HA's Housing Voucher Program.

PUBLIC ASSISTANCE. Welfare or other payments to families or individuals, based on need, which are made under programs funded, separately or jointly, by Federal, state, or local governments.

PUBLIC HOUSING AGENCY (PHA). A state, county, municipality, or other governmental entity or public body authorized to administer the programs. The term "PHA" includes an Indian housing authority (IHA). ("PHA" and "HA" mean the same thing.) In this rule, a "PHA" is referred to as a "housing agency" (HA).

RANKING PREFERENCE. A preference used by the HA to select among applicant families that qualify for preference.

RECERTIFICATION. Sometimes called reexamination. The process of securing documentation of total family income used to determine the rent the tenant will pay for the next 12 months if there are no additional changes to be reported. There are annual and interim recertifications.

REGULAR TENANCY. In the Certificate program: A tenancy other than an over-FMR tenancy.

REMAINING MEMBER OF TENANT FAMILY. Person left in assisted housing after other family members have left and become unassisted.

RENT TO OWNER. The total monthly rent payable to the owner under the lease for the unit. Rent to owner covers payment for any housing services, maintenance and utilities that the owner is required to provide and pay for.

RESIDENT ASSISTANT. A person who lives in an Independent Group Residence and provides on a daily basis some or all of the necessary services to elderly, handicapped, and disabled individuals receiving Section 8 housing assistance and who is essential to these individuals' care or wellbeing. A Resident Assistant shall not be related by blood, marriage or operation of law to individuals receiving Section 8 assistance nor contribute to a portion of his/her income or resources towards the expenses of these individuals.

RESPONSIBLE ENTITY. For the public housing and Section 8 tenant-based assistance, project-based certificate assistance and moderate rehabilitation program, the responsible entity means the PHA administering the program under an ACC with HUD. For all other Section 8 programs, the responsible entity means the Section 8 owner.

SECRETARY. The Secretary of Housing and Urban Development.

SECURITY DEPOSIT. A dollar amount which can be applied to unpaid rent, damages or other amounts to the owner under the lease.

SERVICE PERSON. A person in the active military or naval service (including the active reserve) of the United States.

SINGLE PERSON. A person living alone or intending to live alone.

SPECIAL ADMISSION. Admission of an applicant that is not on the HA waiting list or without considering the applicant's waiting list position.

SPECIAL HOUSING TYPES. See Subpart M of 24 CFR 982, which states the special regulatory requirements for SRO housing, congregate housing, group homes, shared housing, cooperatives (including mutual housing), and manufactured homes (including manufactured home space rental).

SPOUSE. The husband or wife of the head of the household.

SUBSIDIZED PROJECT. A multi-family housing project (with the exception of a project owned by a cooperative housing mortgage corporation or association) which receives the benefits of subsidy in the form of:

1. Below-market interest rates pursuant to Section 221(d)(3) and (5) or interest reduction payments pursuant to Section 236 of the National Housing Act; or
2. Rent supplement payments under Section 101 of the Housing and Urban Development Act of 1965; or
3. Direct loans pursuant to Section 202 of the Housing Act of 1959; or
4. Payments under the Section 23 Housing Assistance Payments Program pursuant to Section 23 of the United State Housing Act of 1937 prior to amendment by the Housing and Community Development Act of 1974;

5. Payments under the Section 8 Housing Assistance Payments Program pursuant to Section 8 of the United States Housing Act after amendment by the Housing and Community Development Act unless the project is owned by a Public Housing Agency;
6. A Public Housing Project.

SUBSIDY STANDARDS. Standards established by an HA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

SUSPENSION/TOLLING. Stopping the clock on the term of a family's certificate or voucher, for such period as determined by the HA, from the time when the family submits a request for HA approval to lease a unit, until the time when the HA approves or denies the request.

TENANT. The person or persons (other than a live-in-aide) who executes the lease as lessee of the dwelling unit.

TENANT RENT. The amount payable monthly by the family as rent to the unit owner (Section 8 owner or PHA in public housing).

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.

UNUSUAL EXPENSES. Prior to the change in the 1982 regulations, this was the term applied to the amounts paid by the family for the care of minors under 13 years of age or for the care of disabled or handicapped family household members, but only where such care was necessary to enable a family member to be gainfully employed.

UTILITIES. Utilities means water, electricity, gas, other heating, refrigeration, cooking fuels, trash collection and sewage services. Telephone service is not included as a utility.

UTILITY ALLOWANCE. If the cost of utilities (except telephone) including range and refrigerator, and other housing services for an assisted unit is not included in the Contract Rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by a PHA or HUD of a reasonable consumption of such utilities and other services for the unit by an energy conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthy living environment.

UTILITY REIMBURSEMENT PAYMENT. The amount, if any, by which the Utility Allowance for the unit, if applicable, exceeds the Total Tenant Payment for the family occupying the unit.

VACANCY LOSS PAYMENTS. (For contracts effective prior to 10/2/95) When a family vacates its unit in violation of its lease, the owner is eligible for 80% of the Contract Rent for a vacancy period of up to one additional month, (beyond the month in which the vacancy occurred) if s/he notifies the PHA as soon as s/he learns of the vacancy, makes an effort to advertise the unit, and does not reject any eligible applicant except for good cause.

VERY LARGE LOWER-INCOME FAMILY. Prior to the change in the 1982 regulations this was described as a lower-income family which included eight to more minors. This term is no longer used.

VERY LOW INCOME FAMILY. A Lower- Income Family whose Annual Income does not exceed 50% of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50% of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes. This is the income limit for the Certificate and Voucher Programs.

VETERAN. A person who has served in the active military or naval service of the United States at any time and who shall have been discharged or released therefrom under conditions other than dishonorable.

WAITING LIST. A list of families organized according to HUD regulations and HA 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 RENT. This concept is used ONLY FOR Section 8 Certificate tenants who receive welfare assistance on an "AS-PAID" basis. It is not used for the Housing Voucher Program.

1. If the agency does NOT apply a ratable reduction, this is the maximum a public assistance agency COULD give a family for shelter and utilities, NOT the amount the family is receiving at the time the certification or recertification is being processed.
2. If the agency applies a ratable reduction, welfare rent is a percentage of the maximum the agency could allow.

C. GLOSSARY OF TERMS USED IN THE NONCITIZENS RULE

CHILD. A member of the family other than the family head or spouse who is under 18 years of age.

CITIZEN. A citizen or national of the United States.

EVIDENCE. Evidence of citizenship or eligible immigration status means the documents which must be submitted to evidence citizenship or eligible immigration status.

HA. A housing authority either a public housing agency or an Indian housing authority or both.

HEAD OF HOUSEHOLD. The adult member of the family who is the head of the household for purpose of determining income eligibility and rent.

HUD. Department of Housing and Urban Development.

INS. The U.S. Immigration and Naturalization Service.

MIXED FAMILY. A family whose members include those with citizenship or eligible immigration status and those without citizenship or eligible immigration status.

NATIONAL. A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession.

NONCITIZEN. A person who is neither a citizen nor national of the United States.

PHA. A housing authority who operates Public Housing.

RESPONSIBLE ENTITY. The person or entity responsible for administering the restrictions on providing assistance to noncitizens with ineligible immigration status (the HA).

SECTION 214. Section 214 restrict HUD from making financial assistance available for noncitizens unless they meet one of the categories of eligible immigration status specified in Section 214.

SPOUSE. Spouse refers to the marriage partner, either a husband or wife, who is someone you need to divorce in order to dissolve the relationship. It includes the partner in a common-law marriage. It does not cover boyfriends, girlfriends, significant others, or "co-heads". "Co-head" is a term recognized by some HUD programs, but not by public and Indian housing programs.

PROGRAM INTEGRITY ADDENDUM

INTRODUCTION

The US Department of HUD conservatively estimates that 200 million dollars is paid annually to program participants who falsify or omit material facts in order to gain more rental assistance than they are entitled to under the law. HUD further estimates that 12% of all HUD-assisted families are either totally ineligible, or are receiving benefits which exceed their legal entitlement.

The HA is committed to assuring that the proper level of benefits is paid to all participating families, and that housing resources reach only income-eligible families so that program integrity can be maintained.

The HA will take all steps necessary to prevent fraud, waste, and mismanagement so that program resources are utilized judiciously.

This Chapter outlines the HA's policies for the prevention, detection and investigation of program abuse and fraud.

A. CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD

Under no circumstances will the HA undertake an inquiry or an audit of a participating family arbitrarily. The HA's expectation is that participating families will comply with HUD requirements, provisions of the certificate or voucher, and other program rules. The HA staff will make every effort (formally and informally) to orient and educate all families in order to avoid unintentional violations. However, the HA has a responsibility to HUD, to the Community, and to eligible families in need of housing assistance, to monitor participants and owners for compliance and, when indicators of possible abuse come to the HA's attention, to investigate such claims.

The HA will initiate an investigation of a participating family only in the event of one or more of the following circumstances:

1. Referrals, Complaints, or Tips. The HA will follow up on referrals from other agencies, companies or persons which are received by mail, by telephone or in person, which allege that a family is in non-compliance with, or otherwise violating the family obligations or any other program rules. such follow-up will be made providing that the referral contains at least one item of information that is independently verifiable. A copy of the allegation will be retained in the family's file.

2. **Internal File Review.** A follow-up will be made if HA staff discovers (as a function of a certification or recertification, an interim redetermination, or a quality control review), information or facts which conflict with previous file data, the HA's knowledge of the family, or is discrepant with statements made by the family.
3. **Verification of Documentation.** A follow-up will be made if the HA receives independent verification or documentation which conflicts with representations in the family's file (such as public record information or credit bureau reports, reports from other agencies).

B. STEPS THE HA WILL TAKE TO PREVENT PROGRAM ABUSE AND FRAUD

The HA management and staff will utilize various methods and practices (listed below) to prevent program abuse, non-compliance, and willful violations of program rules by applicants and participating families. This policy objective is to establish confidence and trust in the management by emphasizing education as the primary means to obtain compliance by families.

1. **Things You Should Know.** This program integrity bulletin (created by HUD's Inspector General) will be furnished and explained to all applicants to promote understanding of program rules, and to clarify the HA's expectations for cooperation and compliance.
2. **Program Orientation Session.** Mandatory orientation sessions will be conducted by the HA staff for all prospective program participants, either prior to or upon issuance of a certificate or voucher. At the conclusion of all Program Orientation Sessions, the family representative will be required to sign a "Program Briefing Certificate" to confirm that all rules and pertinent regulations were explained to them.
3. **Resident Counseling.** The HA will routinely provide participant counseling as a part of every recertification interview in order to clarify any confusion pertaining to program rules and requirements.
4. **Review and explanation of Forms.** Staff will explain all required forms and review the contents of all (re)certification documents prior to signature.

5. Use of Instructive Signs and Warnings. Instructive signs will be conspicuously posted in common areas and interview areas to reinforce compliance with program rules and to warn about penalties for fraud and abuse
6. Participant Certification. All family representatives will be required to sign a "Participant Certification" form, as contained in HUD's Participant Integrity Program Manual.

C. STEPS THE HA WILL TAKE TO DETECT PROGRAM ABUSE AND FRAUD

The HA staff will maintain a high level of awareness to indicators of possible abuse and fraud by assisted families.

1. Quality Control File Reviews. Prior to initial certification, and at the completion of all subsequent recertifications, a minimum of 5% of files will be reviewed. Such reviews shall include, but are not limited to:

Assurance that verification of all income and deductions is present.

Changes in reported Social Security Numbers or dates of birth.

Authenticity of file documents.

Ratio between reported income and expenditures.

Review of signatures for consistency with previously signed file documents.

All forms are correctly dated and signed.

2. Observation. The HA Management and Occupancy Staff (to include inspection personnel) will maintain high awareness of circumstances which may indicate program abuse or fraud, such as unauthorized persons residing in the household and unreported income.

Observations will be documented in the family's file.

3. Public Record Bulletins may be reviewed by Management and Staff.
4. 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.

5. Credit Bureau Inquiries. Credit Bureau inquiries may be made (with proper authorization by the participant) in the following circumstances:

At the time of final eligibility determination

When an allegation is received by the HA wherein unreported income sources are disclosed.

When a participant's expenditures exceed his/her reported income, and no plausible explanation is given.

D. THE HA'S HANDLING OF ALLEGATIONS OF POSSIBLE ABUSE AND FRAUD

The HA staff will encourage all participating families to report suspected abuse to Section 8 Coordinator. All such referrals, as well as referrals from community members and other agencies, will be thoroughly documented and placed in the participant's file. All allegations, complaints and tips will be carefully evaluated in order to determine if they warrant follow-up. The HA will not follow up on allegations which are vague or otherwise non-specific. They will only review allegations which contain one or more independently verifiable facts.

1. File Review. An internal file review will be conducted to determine:

If the subject of the allegation is a client of the HA 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 HA 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.

2. 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 Section 8 Coordinator will initiate an investigation to determine if the allegation is true or false.

E. HOW THE HA WILL INVESTIGATE ALLEGATIONS OF ABUSE AND FRAUD

If the HA determines that an allegation or referral warrants follow-up, either the staff person who is responsible for the file, or a person designated by the Executive Director to monitor the program compliance will conduct the investigation. The steps taken will depend upon the nature of the allegation and may include, but are not limited to, the items listed below. In all cases, the HA will secure the written authorization from the program participant for the release of information.

Credit Bureau Inquiries. In cases involving previously unreported income sources, a CBI inquiry may be made to determine if there is financial activity that conflicts with the reported income of the family.

Verification of Credit. In cases where the financial activity conflicts with file data, a Verification of Credit form may be mailed to the creditor in order to determine the unreported income source.

Employers and Ex-Employers. Employers or ex-employers may be contacted to verify wages 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 HA's review.

Other Agencies. Investigators, case workers or representatives of other benefit agencies may be contacted.

Public Records. If relevant, the HA will review public records kept in any jurisdictional courthouse. Examples of public records which may be checked are: real estate, marriage, divorce, uniform commercial code financing statements, voter registration, judgments, court or policy records, state wage records and postal records.

Interviews with Head of Household or Family Members. The HA will discuss the allegation (or details thereof) with the Head of Household or family member by scheduling an appointment at the appropriate HA office. A high standard of courtesy and professionalism will be maintained by the HA staff person who conducts such interviews. Under no circumstances will inflammatory language, accusation, or any unprofessional conduct or language be tolerated by the management. If possible, an additional staff person will attend such interviews.

F. PLACEMENT OF DOCUMENTS, EVIDENCE AND STATEMENTS OBTAINED BY THE HA

Documents and other evidence obtained by the HA during the course of an investigation will be considered "work product" and will either be kept in the participant's file, or in a separate "work file." In either case, the participant's file or work file shall be kept in a locked file cabinet. Such cases under review will not be discussed among HA Staff unless they are involved in the process, or have information which may assist in the investigation.

G. CONCLUSION OF THE HA'S INVESTIGATIVE REVIEW

At the conclusion of the investigative review, the reviewer will report the findings to the Executive Director or designee. It will then be determined whether a violation has occurred, a violation has not occurred, or if the facts are inconclusive.

H. EVALUATION OF THE FINDINGS

If it is determined that a program violation has occurred, the HA will review the facts to determine:

1. The type of violation (procedural, non-compliance, fraud).
2. Whether the violation was intentional or unintentional.
3. What amount of money (if any) is owed by the family.
4. If the family is eligible for continued occupancy.

I. ACTION PROCEDURES FOR VIOLATIONS WHICH HAVE BEEN DOCUMENTED

Once a program violation has been documented, the HA will propose the most appropriate remedy based upon the type and severity of the violation.

1. Procedural Non-compliance. This category applies when the family "fails to" observe a procedure or requirement of the HA, but do not misrepresent a material fact, and there is not retroactive assistance payments owed by the family.

Examples of non-compliance violations are:

Failure to appear at a pre-scheduled appointment.

Failure to return verification in time period specified by the HA.

(a) **Warning Notice to the Family.** In such cases a notice will be sent to the family which contains the following:

A description of the non-compliance and the procedure, policy or obligation which was violated.

The date by which the violation must be corrected, or the procedure complied with.

The action which will be taken by the HA if the procedure or obligation is not complied with by the date specified by the HA.

The consequences of repeated (similar) violations.

2. **Procedural Non-compliance – Overpaid Assistance.** When the family owes money to the HA for failure to report changes in income or assets, the HA will issue a Notification of Overpayment of Assistance. This Notice will contain the following:

A description of the violation and the date(s).

Any amounts owed to the HA.

A ten (10) day response period.

The right to disagree and to request an informal hearing with instructions for the request of such hearing.

(a) Participant Fails to Comply with HA's Notice. If the Participant fails to comply with the HA's notice, and a family obligation has been violated, the HA will initiate termination of assistance.

(b) Participant Complies with HA's Notice. When a family complies the HA's notice, the staff person responsible will meet with him/her to discuss and explain the Family Obligation or program rule which was violated. The staff person will complete a Participant Counseling Report, give one copy to the family and retain a copy in the family's file.

3. Intentional Misrepresentations. When a participant falsifies, misstates, omits or otherwise misrepresents a material fact which results (or would have resulted) in an overpayment of housing assistance by the HA, the HA will evaluate whether or not:

the participant had knowledge that his/her actions were wrong,
and

the participant willfully violated the family obligations or the law.

Knowledge that the action or inaction was wrong. This will be evaluated by determining if the participant was made aware of program requirements and prohibitions. The participant's signature on various certification, briefing certificate, Personal Declaration and Things You Should Know are adequate to establish knowledge of wrong-doing.

The participant willfully violated the law. Any of the following circumstances will be considered adequate to demonstrate willful intent:

- (a) An admission by the participant of the misrepresentation.
 - (b) That the act was done repeatedly.
 - (c) If a false name or Social Security Number was used.
 - (d) If there was admissions to others of the illegal action or omission.
 - (e) That the participant omitted material facts which were known to him/her (e.g., employment of self or other household member).
 - (f) That the participant falsified, forged or altered documents.
 - (g) That the participant uttered and certified to statements at a interim (re)determination which were later independently verified to be false.
4. Dispositions of Cases Involving Misrepresentations. In all cases of misrepresentations involving efforts to recover monies owed, the HA may pursue, depending upon its evaluation of the criteria stated above, one or more of the following actions:

- (a) Criminal Prosecution: If the HA has established criminal intent, and the case meets the criteria for prosecution, the HA will:

Refer the case to the local State of District Attorney, notify HUD's RIGI, and terminate rental assistance.

- (b) Administrative Remedies: The HA will:

Terminate assistance and execute an administrative repayment agreement in accordance with the HA's Repayment Policy.

Permit continued assistance at the correct level and execute an administrative repayment agreement in accordance with the HA's repayment policy.

5. **The Case Conference for Serious Violations and Misrepresentations.** When the HA has established that material misrepresentation(s) have occurred, a Case Conference will be scheduled with the family representative and the HA staff person who is most knowledgeable about the circumstances of the case.

This conference will take place prior to any proposed action by the HA. The purpose of such conference is to review the information and evidence obtained by the HA with the participant, and to provide the participant an opportunity to explain any document findings which conflict with representations in the family's file. Any documents or mitigating circumstances presented by the family will be taken into consideration by the HA. The family will be given five (5) days to furnish any mitigating evidence.

A secondary purpose of the Participant Conference is to assist the HA in determining the course of action most appropriate for the case. Prior to the final determination of the proposed action, the HA will consider:

The duration of the violation and number of false statements.

The family's ability to understand the rules.

The family's willingness to cooperate, and to accept responsibility for his/her actions.

The amount of money involved.

The family's past history.

Whether or not criminal intent has been established.

The number of false statements.

6. **Notification to Participant of Proposed Action.** The HA will notify the family of the proposed action no later than fifteen (15) days after the case conference by certified mail.

"ONE STRIKE AND YOU'RE OUT" ADDENDUM

"ONE STRIKE AND YOU'RE OUT" POLICY

A) Ineligibility if Evicted for Drug-Related Activity

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

The Housing Authority may waive this requirement if:

The person demonstrates successful completion of a rehabilitation program approved by the Housing Authority, or

The circumstances leading to the eviction no longer exist. For example, the individual involved in drugs is no longer in the household because the person is incarcerated.

Drug-related criminal activity is the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use a controlled substance.

B) Screening Out Illegal Drug Users and Alcohol Abusers

Admission to the Housing Authority's Section 8 program of any person who the Authority determines is illegally using a controlled substance is prohibited.

In cases where the Housing Authority determines that there is reasonable cause to believe that the person abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents, the admission of such person to the Authority's Section 8 Program shall be denied.

In cases where the Housing Authority determines that there is reasonable cause to believe that the person's pattern of illegal use of a controlled substance or pattern of abuse of alcohol may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents admission of such person to Section 8 Housing shall be denied.

The Housing Authority may waive the policies prohibiting admission in these circumstances if the person demonstrates to the Housing Authority's satisfaction that the person is no longer engaging in illegal use of a controlled substance or abuse of alcohol and;

- has successfully completed a supervised drug or alcohol rehabilitation program;

- has otherwise been rehabilitated successfully; or
- is participating in a supervised drug or alcohol rehabilitation program.

C) Terminating Assistance to Illegal Drug Users and Alcohol Abusers

The Housing Authority may terminate Section 8 assistance for any person if the Authority determines that the person's abuse of alcohol interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents or that the person is illegally using a controlled substances.