

## SECTION 8 ADMINISTRATIVE PLAN TABLE OF CONTENTS

---

<b>1.0</b>	<b>EQUAL OPPORTUNITY</b> .....	<b>2</b>
1.1	FAIR HOUSING.....	2
1.2	REASONABLE ACCOMMODATION.....	2
1.3	COMMUNICATION.....	3
1.4	QUESTIONS TO ASK IN GRANTING THE ACCOMMODATION.....	3
1.5	SERVICES FOR NON-ENGLISH SPEAKING PERSONS AND PARTICIPANTS.....	4
1.6	FAMILY/OWNER OUTREACH.....	4
1.7	RIGHT TO PRIVACY.....	5
1.8	REQUIRED POSTINGS.....	5
<b>2.0</b>	<b>ABC HOUSING AUTHORITY/OWNER RESPONSIBILITY/ OBLIGATION OF THE FAMILY</b> .....	<b>6</b>
2.1	ABC HOUSING AUTHORITY RESPONSIBILITIES.....	6
2.2	OWNER RESPONSIBILITY.....	7
2.3	OBLIGATIONS OF THE PARTICIPANT.....	8
<b>3.0</b>	<b>ELIGIBILITY FOR ADMISSION</b> .....	<b>11</b>
3.1	INTRODUCTION.....	11
3.2	ELIGIBILITY CRITERIA.....	11
<b>4.0</b>	<b>MANAGING THE WAITING LIST</b> .....	<b>15</b>
4.1	OPENING AND CLOSING THE WAITING LIST.....	15
4.2	TAKING APPLICATIONS.....	15
4.3	ORGANIZATION OF THE WAITING LIST.....	17
4.4	FAMILIES NEARING THE TOP OF THE WAITING LIST.....	17
4.5	MISSED APPOINTMENTS.....	17
4.6	PURGING THE WAITING LIST.....	17
4.7	REMOVAL OF APPLICANTS FROM THE WAITING LIST.....	18
4.8	GROUNDINGS FOR DENIAL.....	18
4.9	NOTIFICATION OF NEGATIVE ACTIONS.....	19
4.10	INFORMAL REVIEW.....	20
<b>5.0</b>	<b>SELECTING FAMILIES FROM THE WAITING LIST</b> .....	<b>20</b>
5.1	WAITING LIST ADMISSIONS AND SPECIAL ADMISSIONS.....	20
5.2	PREFERENCES.....	20
5.3	SELECTION FROM THE WAITING LIST.....	21
<b>6.0</b>	<b>ASSIGNMENT OF BEDROOM SIZES (SUBSIDY STANDARDS)</b> .....	<b>21</b>
6.1	BRIEFING.....	22
6.2	PACKET.....	23
6.3	ISSUANCE OF VOUCHER; REQUEST FOR APPROVAL OF TENANCY.....	24
6.4	TERM OF THE VOUCHER.....	25
6.5	APPROVAL TO LEASE A UNIT.....	26
6.6	ABC HOUSING AUTHORITY DISAPPROVAL OF OWNER.....	27

6.7	INELIGIBLE/ELIGIBLE HOUSING .....	28
6.8	SECURITY DEPOSIT .....	29
<b>7.0</b>	<b>MOVES WITH CONTINUED ASSISTANCE .....</b>	<b>30</b>
7.1	WHEN A FAMILY MAY MOVE.....	30
7.2	PROCEDURES REGARDING FAMILY MOVES .....	30
<b>8.0</b>	<b>PORTABILITY.....</b>	<b>31</b>
8.1	GENERAL POLICIES OF THE ABC HOUSING AUTHORITY.....	31
8.2	INCOME ELIGIBILITY.....	32
8.3	PORTABILITY: ADMINISTRATION BY RECEIVING HOUSING AUTHORITY ..	32
8.4	PORTABILITY PROCEDURES .....	33
<b>9.0</b>	<b>DETERMINATION OF FAMILY INCOME.....</b>	<b>36</b>
9.1	INCOME, EXCLUSIONS FROM INCOME, DEDUCTIONS FROM INCOME.....	36
9.2	INCOME .....	36
9.3	EXCLUSIONS FROM INCOME .....	40
9.4	DEDUCTIONS FROM ANNUAL INCOME .....	44
9.5	RECEIPT OF A LETTER OR NOTICE FROM HUD CONCERNING INCOME.....	45
9.6	COOPERATING WITH WELFARE AGENCIES.....	46
<b>10.0</b>	<b>VERIFICATION .....</b>	<b>47</b>
10.1	ACCEPTABLE METHODS OF VERIFICATION.....	47
10.2	TYPES OF VERIFICATION.....	48
10.3	VERIFICATION OF CITIZENSHIP OR ELIGIBLE NONCITIZEN STATUS.....	51
10.4	VERIFICATION OF SOCIAL SECURITY NUMBERS .....	52
10.5	TIMING OF VERIFICATION .....	52
10.6	FREQUENCY OF OBTAINING VERIFICATION.....	52
<b>11.0</b>	<b>RENT AND HOUSING ASSISTANCE PAYMENT .....</b>	<b>53</b>
11.1	GENERAL .....	53
11.2	RENT REASONABLENESS .....	53
11.3	COMPARABILITY .....	53
11.4	MAXIMUM SUBSIDY .....	54
	<i>11.4.1 SETTING THE PAYMENT STANDARD.....</i>	<i>54</i>
	<i>11.4.2 SELECTING THE CORRECT PAYMENT STANDARD FOR A FAMILY.....</i>	<i>55</i>
	<i>11.4.3 AREA EXCEPTION RENTS.....</i>	<i>55</i>
11.5	ASSISTANCE AND RENT FORMULAS.....	56
11.6	UTILITY ALLOWANCE.....	59
11.7	DISTRIBUTION OF HOUSING ASSISTANCE PAYMENT .....	60
11.8	CHANGE OF OWNERSHIP .....	60
<b>12.0</b>	<b>INSPECTION POLICIES AND HOUSING QUALITY STANDARDS .....</b>	<b>60</b>
12.1	TYPES OF INSPECTIONS .....	61
12.2	OWNER AND FAMILY RESPONSIBILITY .....	61
12.3	HOUSING QUALITY STANDARDS (HQS) 24 CFR 982.401 .....	62
12.4	TIME FRAMES AND CORRECTIONS OF HQS FAIL ITEMS.....	62

12.5	EMERGENCY FAIL ITEMS .....	64
12.6	ABATEMENT .....	64
<b>13.0</b>	<b>RECERTIFICATION .....</b>	<b>65</b>
13.0.1	CHANGES IN LEASE OR RENT .....	65
13.1	ANNUAL REEXAMINATION .....	65
13.1.1	<i>EFFECTIVE DATE OF RENT CHANGES FOR ANNUAL REEXAMINATIONS</i> .....	66
13.1.2	<i>MISSED APPOINTMENTS</i> .....	66
13.2	INTERIM REEXAMINATIONS .....	66
13.2.1	<i>SPECIAL REEXAMINATIONS</i> .....	68
13.2.2	<i>EFFECTIVE DATE OF RENT CHANGES DUE TO INTERIM OR SPECIAL REEXAMINATIONS</i> .....	68
<b>14.0</b>	<b>TERMINATION OF ASSISTANCE TO THE FAMILY BY THE ABC HOUSING AUTHORITY .....</b>	<b>68</b>
<b>15.0</b>	<b>COMPLAINTS, INFORMAL REVIEWS FOR APPLICANTS, INFORMAL HEARINGS FOR PARTICIPANTS.....</b>	<b>70</b>
15.1	COMPLAINTS .....	70
15.2	INFORMAL REVIEW FOR THE APPLICANT .....	70
15.3	INFORMAL HEARINGS FOR PARTICIPANTS.....	72
<b>16.0</b>	<b>TERMINATION OF THE LEASE AND CONTRACT .....</b>	<b>77</b>
<b>17.0</b>	<b>CHARGES AGAINST THE SECTION 8 ADMINISTRATIVE FEE RESERVE .</b>	<b>80</b>
<b>18.0</b>	<b>INTELLECTUAL PROPERTY RIGHTS.....</b>	<b>80</b>
<b>19.0</b>	<b>ABC HOUSING AUTHORITY OWNED HOUSING.....</b>	<b>80</b>
<b>20.0</b>	<b>QUALITY CONTROL OF SECTION 8 PROGRAM.....</b>	<b>81</b>
	<b>GLOSSARY.....</b>	<b>82</b>

# **ARIZONA BEHAVIORAL HEALTH CORPORATION**

## **Mission:**

To facilitate the provision of quality services for Arizona residents who have behavioral health needs.

Arizona Behavioral Health Corporation (ABC) is an independent 501(c)(3) non-profit organization that was incorporated in Arizona in 1997. As our mission indicates, ABC's primary focus is to provide services to those members of the general public with behavioral health needs.

In 2001, ABC was awarded a contract to administer Section 8 Housing Choice Vouchers under the Mainstream program. This contract will provide funding for permanent housing for persons with disabilities and their families.

ABC will provide the Section 8 housing vouchers through a sub-contract with a housing provider. For the purposes of the Section 8 program, the awarding of the contract hereby designates ABC as a Public Housing Agency (PHA). As such, references to ABC Housing Authority throughout this Administrative Plan shall also refer to the housing provider selected to implement the Section 8 program.

## **SECTION 8 ADMINISTRATIVE PLAN**

---

### **1.0 EQUAL OPPORTUNITY**

#### ***1.1 FAIR HOUSING***

It is the policy of the Arizona Behavioral Health Corporation (ABC) Housing Authority to comply fully with all Federal, State, and local nondiscrimination laws; the Americans With Disabilities Act; and the U. S. Department of Housing and Urban Development regulations governing Fair Housing and Equal Opportunity.

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

To further its commitment to full compliance with applicable Civil Rights laws, the ABC Housing Authority will provide Federal/State/local information to applicants for and participants in the Section 8 Housing Program regarding discrimination and any recourse available to them if they believe they may be victims of discrimination. Such information will be made available with the application, and all applicable Fair Housing Information and Discrimination Complaint Forms will be made available at the ABC Housing Authority office. In addition, all appropriate written information and advertisements will contain the appropriate Equal Opportunity language and logo.

The ABC Housing Authority will assist any family that believes they have suffered illegal discrimination by providing them copies of the housing discrimination form. The ABC Housing Authority will also assist them in completing the form, if requested, and will provide them with the address of the nearest HUD Office of Fair Housing and Equal Opportunity.

#### ***1.2 REASONABLE ACCOMMODATION***

Sometimes people with disabilities may need a reasonable accommodation in order to take full advantage of the ABC Housing Authority housing programs and related services. When such accommodations are granted they do not confer special treatment or advantage for the person with a disability; rather, they make the program fully accessible to them in a way that would otherwise not be possible due to their disability. This policy clarifies how people can request accommodations and the guidelines the ABC Housing Authority will follow in determining whether it is reasonable to provide a requested accommodation. Because disabilities are not always apparent, the ABC Housing Authority will ensure that all applicants/participants are aware of the opportunity to request reasonable accommodations.

### **1.3 COMMUNICATION**

Anyone requesting an application will also receive a Request for Reasonable Accommodation Form.

Notifications of reexamination, inspection, appointment, or termination of assistance will include information about requesting a reasonable accommodation. Any notification requesting action by the participant will include information about requesting a reasonable accommodation.

All decisions granting or denying requests will be in writing.

### **1.4 QUESTIONS TO ASK IN GRANTING THE ACCOMMODATION**

- A. Is the requestor a person with disabilities? For this purpose the definition of disabilities is different than the definition used for admission. The Fair Housing definition used for this purpose is:

A person with a physical or mental impairment that substantially limits one or more major life activities, has a record of such impairment, or is regarded as having such an impairment. (The disability may not be apparent to others, i.e., a heart condition).

If the disability is apparent or already documented, the answer to this question is yes. It is possible that the disability for which the accommodation is being requested is a disability other than the apparent disability. If the disability is not apparent or documented, the ABC Housing Authority will obtain verification that the person is a person with a disability.

- B. Is the requested accommodation related to the disability? If it is apparent that the request is related to the apparent or documented disability, the answer to this question is yes. If it is not apparent, the ABC Housing Authority will obtain documentation that the requested accommodation is needed due to the disability. The ABC Housing Authority will not inquire as to the nature of the disability.
- C. Is the requested accommodation reasonable? In order to be determined reasonable, the accommodation must meet two criteria:
1. Would the accommodation constitute a fundamental alteration? The ABC Housing Authority's business is housing. If the request would alter the fundamental business that the ABC Housing Authority conducts, that would not be reasonable. For instance, the ABC Housing Authority would deny a request to have the ABC Housing Authority do grocery shopping for the person with disabilities.
  2. Would the requested accommodation create an undue financial hardship or

administrative burden? Frequently the requested accommodation costs little or nothing. If the cost would be an undue burden, the ABC Housing Authority may request a meeting with the individual to investigate and consider equally effective alternatives.

Generally the individual knows best what they need; however, the ABC Housing Authority retains the right to be shown how the requested accommodation enables the individual to access or use the ABC Housing Authority's programs or services.

If more than one accommodation is equally effective in providing access to the ABC Housing Authority's programs and services, the ABC Housing Authority retains the right to select the most efficient or economic choice.

If the participant requests, as a reasonable accommodation, that he or she be permitted to make physical modifications to their dwelling unit, at their own expense, the request should be made to the property owner/manager. The Housing Authority does not have responsibility for the owner's unit and does not have responsibility to make the unit accessible.

Any request for an accommodation that would enable a participant to materially violate family obligations will not be approved.

#### ***1.5 SERVICES FOR NON-ENGLISH SPEAKING PERSONS AND PARTICIPANTS***

The ABC Housing Authority will endeavor to have bilingual staff or access to people who speak languages other than English.

#### ***1.6 FAMILY/OWNER OUTREACH***

The ABC Housing Authority will publicize the availability and nature of the Section 8 Program for extremely low-income, very low and low-income families in a newspaper of general circulation, minority media, and by other suitable means.

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

The ABC Housing Authority will communicate the status of program availability to other service providers in the community and advise them of housing eligibility factors and guidelines so that they can make proper referral of their clients to the program.

The ABC Housing Authority will provide program overviews for owners who participate in or who are seeking information about the Section 8 Program. The overview will include the following information:

- A. Explain how the program works;
- B. Explain how the program benefits owners;
- C. Explain owners' responsibilities under the program. Emphasis is placed on quality screening and ways the ABC Housing Authority helps owners do better screening; and
- D. Provide an opportunity for owners to ask questions, obtain written materials, and meet ABC Housing Authority staff.

The ABC Housing Authority will particularly encourage owners of suitable units located outside of low-income or minority concentration to attend. Targeted mailing lists will be developed and announcements mailed.

### **1.7 RIGHT TO PRIVACY**

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

Any request for applicant or participant information will not be released unless there is a signed release of information request from the applicant or participant.

### **1.8 REQUIRED POSTINGS**

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

- A. The Section 8 Administrative Plan
- B. Notice of the status of the waiting list (opened or closed)
- C. Address of all ABC Housing Authority offices, office hours, telephone numbers, TDD numbers, and hours of operation
- D. Income Limits for Admission
- E. Informal Review and Informal Hearing Procedures
- F. Fair Housing Poster
- G. Equal Opportunity in Employment Poster

## **2.0 ABC HOUSING AUTHORITY/OWNER RESPONSIBILITY/OBLIGATION OF THE FAMILY**

This Section outlines the responsibilities and obligations of the ABC Housing Authority, the Section 8 Owners/Landlords, and the participating families.

### **2.1 ABC HOUSING AUTHORITY RESPONSIBILITIES**

- A. The ABC Housing Authority will comply with the consolidated ACC, the application, HUD regulations and other requirements, and the ABC Housing Authority Section 8 Administrative Plan.
- B. In administering the program, the ABC Housing Authority must:
  - 1. Publish and disseminate information about the availability and nature of housing assistance under the program;
  - 2. Explain the program to owners and families;
  - 3. Seek expanded opportunities for assisted families to locate housing outside areas of poverty or racial concentration;
  - 4. Encourage owners to make units available for leasing in the program, including owners of suitable units located outside areas of poverty or racial concentration;
  - 5. Affirmatively further fair housing goals and comply with equal opportunity requirements;
  - 6. Make efforts to help people with disabilities find satisfactory housing;
  - 7. Receive applications from families, determine eligibility, maintain the waiting list, select applicants, issue a voucher to each selected family, and provide housing information to families selected;
  - 8. Determine who can live in the assisted unit at admission and during the family's participation in the program;
  - 9. Obtain and verify evidence of citizenship and eligible immigration status in accordance with 24 CFR part 5;
  - 10. Review the family's request for approval of the tenancy and the owner/landlord lease, including the HUD prescribed tenancy addendum;

11. Inspect the unit before the assisted occupancy begins and at least annually during the assisted tenancy;
12. Determine the amount of the housing assistance payment for a family;
13. Determine the maximum rent to the owner and whether the rent is reasonable;
14. Make timely housing assistance payments to an owner in accordance with the HAP contract;
15. Examine family income, size and composition at admission and during the family's participation in the program. The examination includes verification of income and other family information;
16. Establish and adjust ABC Housing Authority utility allowance;
17. Administer and enforce the housing assistance payments contract with an owner, including taking appropriate action as determined by the ABC Housing Authority, if the owner defaults (e.g., HQS violation);
18. Determine whether to terminate assistance to a participant family for violation of family obligations;
19. Conduct informal reviews of certain ABC Housing Authority decisions concerning applicants for participation in the program;
20. Conduct informal hearings on certain ABC Housing Authority decisions concerning participant families;
21. Provide sound financial management of the program, including engaging an independent public accountant to conduct audits; and

## **2.2 OWNER RESPONSIBILITY**

- A. The owner is responsible for performing all of the owner's obligations under the HAP contract and the lease.
- B. The owner is responsible for:
  1. Performing all management and rental functions for the assisted unit, including selecting a voucher holder to lease the unit, and deciding if the family is suitable for tenancy of the unit.

2. Maintaining the unit in accordance with HQS, including performance of ordinary and extraordinary maintenance.
  3. Complying with equal opportunity requirements.
  4. Preparing and furnishing to the ABC Housing Authority information required under the HAP contract.
  5. Collecting from the family:
    - a. Any security deposit required under the lease.
    - b. The tenant contribution (the part of rent to owner not covered by the housing assistance payment).
    - c. Any charges for unit damage by the family.
  6. Enforcing tenant obligations under the lease.
  7. Paying for utilities and services (unless paid by the family under the lease).
- C. For provisions on modifications to a dwelling unit occupied or to be occupied by a person with disabilities see 24 CFR 100.203.
- D. The owner is responsible for notifying the ABC Housing Authority sixty (60) days prior to any rent increase.

### **2.3 OBLIGATIONS OF THE PARTICIPANT**

This Section states the obligations of a participant family under the program.

- A. Supplying required information
1. The family must supply any information that the ABC Housing Authority or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status. Information includes any requested certification, release or other documentation.
  2. The family must supply any information requested by the ABC Housing Authority 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 and must sign and submit consent forms for obtaining information.
4. Any information supplied by the family must be true and complete.

B. HQS breach caused by the Family

The family is responsible for any HQS breach caused by the family or its guests.

C. Allowing ABC Housing Authority Inspection

The family must allow the ABC Housing Authority to inspect the unit at reasonable times and after at least 2 days notice.

D. Violation of Lease

The family may not commit any serious or repeated violation of the lease.

E. Family Notice of Move or Lease Termination

The family must notify the ABC Housing Authority and the owner before the family moves out of the unit or terminates the lease by a notice to the owner.

F. Owner Eviction Notice

The family must promptly give the ABC Housing Authority a copy of any owner eviction notice it receives.

G. Use and Occupancy of the Unit

1. The family must use the assisted unit for a residence by the family. The unit must be the family's only residence.
2. The ABC Housing Authority must approve the composition of the assisted family residing in the unit. The family must inform the ABC Housing Authority of the birth, adoption or court-awarded custody of a child within 10 calendar days of the event. The family must request approval from the ABC Housing Authority to add any other family member as an occupant of the unit. No other person (i.e., no one but members of the assisted family) may reside in the unit (except for a foster child/foster adult or live-in aide as provided in paragraph (4) of this Section).
3. The family must promptly notify the ABC Housing Authority if any family member no longer resides in the unit.

4. If the ABC Housing Authority has given approval, a foster child/foster adult or a live-in aide may reside in the unit. The ABC Housing Authority has the discretion to adopt reasonable policies concerning residence by a foster child/foster adult or a live-in aide and defining when the ABC Housing Authority consent may be given or denied.
5. 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 for residence by members of the family. Any business uses of the unit must comply with zoning requirements and the affected household member must obtain all appropriate licenses.
6. The family must not sublease or let the unit.
7. The family must not assign the lease or transfer the unit.

#### H. Absence from the Unit

The family must supply any information or certification requested by the ABC Housing Authority to verify that the family is living in the unit, or relating to family absence from the unit, including any ABC Housing Authority requested information or certification on the purposes of family absences. The family must cooperate with the ABC Housing Authority for this purpose. The family must promptly notify the ABC Housing Authority of its absence from the unit.

Absence means that no member of the family is residing in the unit. The family may be absent from the unit for up to 30 days. The family must request permission from the ABC Housing Authority for absences exceeding 30 days. The ABC Housing Authority will make a determination within 5 business days of the request. An authorized absence may not exceed 180 days. Any family absent for more than 30 days without authorization will be terminated from the program.

Authorized absences may include, but are not limited to:

1. Prolonged hospitalization
2. Absences beyond the control of the family (i.e., death in the family, other family member illness)
3. Other absences that are deemed necessary by the ABC Housing Authority

#### I. Interest in the Unit

The family may not own or have any interest in the unit (except for owners of manufactured housing renting the manufactured home space).

J. Fraud and Other Program Violation

The members of the family must not commit fraud, bribery, or any other corrupt or criminal act in connection with the program.

K. Crime by Family Members

The members of the family may not engage in drug-related criminal activity or other violent criminal activity.

L. Other Housing Assistance

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 requirements) Federal, State or local housing assistance program.

## **3.0 ELIGIBILITY FOR ADMISSION**

### **3.1 INTRODUCTION**

There are five eligibility requirements for admission to the Section 8 program. Qualifies as a disabled family, has an income within the income limits, meets citizenship/eligible immigrant criteria, provides documentation of Social Security Numbers, and signs consent authorization documents. In addition to the eligibility criteria, families must also meet the ABC Housing Authority screening criteria in order to be admitted to the Section 8 Program.

### **3.2 ELIGIBILITY CRITERIA**

F. Family status – All families must have a Head of Household or Co-Heads of Household.

1. A **disabled family**, which is:

- a. A family whose head, spouse, or sole member is a person with disabilities;
- b. Two or more persons with disabilities living together; or
- c. One or more persons with disabilities living with one or more live-in aides.

- d. For purposes of qualifying for low-income housing, does not include a person whose disability is based solely on any drug or alcohol dependence.

2. **A remaining member of a tenant family.**

B. Income eligibility

1. To be eligible to receive assistance a family shall, at the time the family initially receives assistance under the Section 8 program shall be a family that is:
  - a. An extremely low-income or a very low-income family;
  - b. A low-income family continuously assisted under the 1937 Housing Act;
  - c. A low-income family that meets additional eligibility criteria specified by the Housing Authority;
  - d. A low-income family that is a nonpurchasing tenant in a HOPE 1 or HOPE 2 project or a property subject to a resident homeownership program under 24 CFR 248.173;
  - e. A low-income family or moderate-income family that is displaced as a result of the prepayment of the mortgage or voluntary termination of an insurance contract on eligible low-income housing;
  - f. A low-income family that qualifies for voucher assistance as a non-purchasing family residing in a HOPE 1 (HOPE for public housing homeownership) or HOPE 2 (HOPE for homeownership of multifamily units) project.
2. Income limits apply only at admission and are not applicable for continued occupancy; however, as income rises the assistance will decrease.
3. The applicable income limit for issuance of a voucher is the highest income limit for the family size for areas within the housing authority's jurisdiction. The applicable income limit for admission to the program is the income limit for the area in which the family is initially assisted in the program. The family may only use the voucher to rent a unit in an area where the family is income eligible at admission to the program.
4. Families who are moving into the ABC Housing Authority's jurisdiction

under portability and have the status of applicant rather than of participant at their initial housing authority must meet the income limit for the area where they were initially assisted under the program.

5. Families who are moving into the ABC Housing Authority's jurisdiction under portability and are already program participants at their initial housing authority do not have to meet the income eligibility requirement for the ABC Housing Authority program.
6. Income limit restrictions do not apply to families transferring units within the ABC Housing Authority Section 8 Program.

C. Citizenship/Eligible Immigrant status

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

Family eligibility for assistance.

1. A family shall not be eligible for assistance unless every member of the family residing in the unit is determined to have eligible status, with the exception noted below.
2. Despite the ineligibility of one or more family members, a mixed family may be eligible for one of three types of assistance (See Section 11.5(K) for calculating rents under the noncitizen rule).
3. A family without any eligible members and receiving assistance on June 19, 1995, may be eligible for temporary deferral of termination of assistance.

D. Social Security Number Documentation

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

E. Signing Consent Forms

In order to be eligible each member of the family who is at least 18 years of age, and each family head and spouse regardless of age, shall sign one or more consent forms.

2. The consent form must contain, at a minimum, the following:

- a. A provision authorizing HUD and the ABC Housing Authority to obtain from State Wage Information Collection Agencies (SWICAs) any information or materials necessary to complete or verify the application for participation or for eligibility for continued occupancy;
- b. A provision authorizing HUD or the ABC Housing Authority to verify with previous or current employers income information pertinent to the family's eligibility for or level of assistance;
- c. A provision authorizing HUD to request income information from the IRS and the SSA for the sole purpose of verifying income information pertinent to the family's eligibility or level of benefits; and
- d. A statement that the authorization to release the information requested by the consent form expires 15 months after the date the consent form is signed.

F. Suitability for tenancy

The ABC Housing Authority determines eligibility for participation and will also conduct criminal background checks on all adult household members, including live-in aides. The ABC Housing Authority will deny assistance to a family because of drug-related criminal activity or violent criminal activity by family members. This check will be made through state or local law enforcement or court records in those cases where the household member has lived in the local jurisdiction for the last three years. If the individual has lived outside the local area, the ABC Housing Authority may contact law enforcement agencies where the individual had lived or request a check through the FBI's National Crime Information Center (NCIC).

The ABC Housing Authority will check with the State sex offender registration program and will ban for life any individual who is registered as a lifetime sex offender.

Additional screening is the responsibility of the owner. Upon the written request of a prospective owner, the ABC Housing Authority will provide any factual information or third party written information they have relevant to a voucher holder's history of, or ability to, comply with material standard lease terms or any history of drug trafficking.

No assistance shall be provided under section 8 of the 1937 Act to any individual who:

1. Is enrolled as a student at an institution of higher education, as defined under section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002);
2. Is under 24 years of age;
3. Is not a veteran of the United States military;
4. Is unmarried;
5. Does not have a dependent child; and
6. Is not otherwise individually eligible, or has parents who, individually or jointly, are not eligible on the basis of income to receive assistance under section 8 of the 1937 Act.

## **4.0 MANAGING THE WAITING LIST**

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

Opening of the waiting list will be announced via public notice that applications for Section 8 will be accepted. The public notice will state where, when, and how to apply. The notice will be published in a local newspaper of general circulation, and also by any available minority media. The public notice will state any limitations to who may apply.

The notice will state that applicants already on waiting lists for other housing programs must apply separately for this program, and that such applicants will not lose their place on other waiting lists when they apply for Section 8. The notice will include the Fair Housing logo and slogan and otherwise be in compliance with Fair Housing requirements.

Closing of the waiting list will be announced via public notice. The public notice will state the date the waiting list will be closed. The public notice will be published in a local newspaper of general circulation, and also by any available minority media.

### **4.2 TAKING APPLICATIONS**

Families wishing to apply for the Section 8 Program will be required to complete an pre-application for housing assistance. Pre-applications will only be accepted during an open enrollment.

HOM, Inc.  
3829 N 3<sup>rd</sup> Street Suite 101  
Phoenix AZ 85012

602-265-4640 office  
602-265-4680 fax

Pre-applications are taken to compile a waiting list. Due to the demand for Section 8 assistance in the ABC Housing Authority jurisdiction, the ABC Housing Authority may take applications on an open enrollment basis, depending on the length of the waiting list.

When the waiting list is open, completed pre-applications will be accepted from all applicants. The ABC Housing Authority will later verify the information in the pre-applications relevant to the applicant's eligibility, admission, and level of benefit.

During an open enrollment, a lottery system will be used to manage the application process. All applicants will be given one part of a two-part numerical lottery ticket. The other part of the numerical lottery ticket will be placed in a receptacle. From the receptacle, numbers will be drawn on a random basis to determine the order in which the applicants will be served.

The completed application will be dated and time stamped upon its return to the ABC Housing Authority.

Persons with disabilities who require a reasonable accommodation in completing an application may call the ABC Housing Authority to make special arrangements to complete their application. ABC Housing Authority utilizes the services of Arizona Relay Services which provides telecommunications for the deaf via a Telecommunication Device for the Deaf (TDD). The TDD telephone number is 1-877-955-8773.

The application process will involve two phases. The first phase is the initial application for housing assistance or the pre-application. The pre-application requires the family to provide limited basic information including name, address, phone number, family composition and family unit size, racial or ethnic designation of the head of household, and income category. This first phase results in the family's placement on the waiting list.

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

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

The second phase is the final determination of eligibility, referred to as the full application. The full application takes place when the family nears the top of the waiting list. The ABC Housing Authority will ensure that verification of all preferences,

eligibility, suitability selection factors are current in order to determine the family's final eligibility for admission into the Section 8 Program.

#### **4.3 ORGANIZATION OF THE WAITING LIST**

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

- A. The application will be made a part of the permanent file;
- B. All applications will be maintained in order of date and time of application;
- C. Any contact between the ABC Housing Authority and the applicant will be documented in the applicant file.

Note: The waiting list cannot be maintained by bedroom size under current HUD regulations.

#### **4.4 FAMILIES NEARING THE TOP OF THE WAITING LIST**

When a family appears to be within 2 months of being offered assistance, the family will be invited to an interview and the verification process will begin. It is at this point in time that the family's waiting list preference will be verified. If the family no longer qualifies to be near the top of the list, the family's name will be returned to the appropriate spot on the waiting list. The ABC Housing Authority must notify the family in writing of this determination and give the family the opportunity for an informal review.

Once the preference has been verified the family will complete a full application, present Social Security Number information, citizenship/eligible immigrant information, and sign the Consent for Release of Information forms.

#### **4.5 MISSED APPOINTMENTS**

All applicants who fail to keep a scheduled appointment in accordance with the paragraph below will be sent a notice of denial.

The ABC Housing Authority will allow the family to reschedule appointments for good cause. Generally, no more than one opportunity will be given to reschedule without good cause, and no more than two opportunities for good cause. When a good cause exists, the ABC Housing Authority will work closely with the family to find a more suitable time. Applicants will be offered the right to an informal review before being removed from the waiting list.

#### **4.6 PURGING THE WAITING LIST**

The ABC Housing Authority will update and purge its waiting list at least annually to ensure that the pool of applicants reasonably represents interested families. Purging also

enables the Housing Authority to update the information regarding address, family composition, income category and preferences.

#### **4.7 REMOVAL OF APPLICANTS FROM THE WAITING LIST**

The ABC Housing Authority will not remove an applicant's name from the waiting list unless:

- A. The applicant requests that the name be removed;
- B. The applicant fails to respond to a written request for information or a request to declare their continued interest in the program or misses scheduled appointments;  
or
- C. The applicant does not meet either the eligibility or screening criteria for the program.

#### **4.8 GROUNDS FOR DENIAL**

The ABC Housing Authority will deny assistance to applicants who:

- A. Do not meet any one or more of the eligibility criteria;
- B. Do not supply information or documentation required by the application process;
- C. Fail to respond to a written request for information or a request to declare their continued interest in the program;
- D. Fail to complete any aspect of the application or lease-up process;
- E. Have a history of criminal activity by any household member involving crimes of physical violence against persons or property, and any other criminal activity including drug-related criminal activity that would adversely affect the health, safety, or well being of other tenants or staff, or cause damage to the property;
- F. Currently owe rent or other amounts to any housing authority in connection with the public housing or Section 8 Programs;
- G. Have committed fraud, bribery, or any other corruption in connection with any Federal housing assistance program, including the intentional misrepresentation of information related to their housing application or benefits derived there from;
- H. Have a family member who was evicted from federally assisted housing within the last five (5) years;

- I. Have a family member who was evicted from assisted housing within five years of the projected date of admission because of drug-related criminal activity involving the illegal manufacture, sale, distribution, or possession with the intent to manufacture, sell, distribute a controlled substance as defined in Section 102 of the Controlled Substances Act, 21 U.S.C. 802;
- J. Have a family member who 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. The ABC Housing Authority may waive this requirement if:
  - 1. The person demonstrates to the ABC Housing Authority's satisfaction that the person is no longer engaging in drug-related criminal activity or abuse of alcohol;
  - 2. The person has successfully completed a supervised drug or alcohol rehabilitation program;
  - 3. The person has otherwise been rehabilitated successfully; or
  - 4. The person is participating in a supervised drug or alcohol rehabilitation program.
- K. Have engaged in or threatened abusive or violent behavior towards any ABC Housing Authority staff member or resident;
- L. Have a family household member who has been terminated under the Certificate or Voucher Program during the last three years;
- M. Have a family member who has been convicted of manufacturing or producing methamphetamine (speed) (Denied for life);
- N. Have a family member with a lifetime registration under a State sex offender registration program (Denied for life);
- O. Are a welfare-to-work (WTW) family who fails to fulfill its obligations under the welfare-to-work voucher program.

#### **4.9 NOTIFICATION OF NEGATIVE ACTIONS**

Any applicant whose name is being removed from the waiting list will be notified by the ABC Housing Authority, in writing, that they have ten (10) business days, from the date of the written correspondence, to present mitigating circumstances or request an informal review. The letter will also indicate that their name will be removed from the waiting list if they fail to respond within the timeframe specified. The ABC Housing Authority's system of removing applicants' names from the waiting list will not violate the rights of

persons with disabilities. If an applicant's failure to respond to a request for information or updates was caused by the applicant's disability, the ABC Housing Authority will provide a reasonable accommodation. If the applicant indicates that they did not respond due to a disability, the ABC Housing Authority will verify that there is in fact a disability and that the accommodation they are requesting is necessary based on the disability. An example of a reasonable accommodation would be to reinstate the applicant on the waiting list based on the date and time of the original application.

#### **4.10 *INFORMAL REVIEW***

If the ABC Housing Authority determines that an applicant does not meet the criteria for receiving Section 8 assistance, the ABC Housing Authority will promptly provide the applicant with written notice of the determination. The notice must contain a brief statement of the reason(s) for the decision, and state that the applicant may request an informal review of the decision within 10 business days of the denial. The ABC Housing Authority will describe how to obtain the informal review. The informal review process is described in Section 15.2 of this Plan.

## **5.0 SELECTING FAMILIES FROM THE WAITING LIST**

### **5.1 *WAITING LIST ADMISSIONS AND SPECIAL ADMISSIONS***

The Housing Authority may admit an applicant for participation in the program either as a special admission or as a waiting list admission.

If HUD awards funding that is targeted for families with specific characteristics or families living in specific units, the ABC Housing Authority will use the assistance for those families.

### **5.2 *PREFERENCES***

Consistent with the ABC Housing Authority Agency Plan, the ABC Housing Authority will select families based on date and time of application. ABC Housing Authority will not utilize a preference system.

The ABC Housing Authority will not deny or otherwise exclude or penalize a family in admission to the program, solely because the family resides in public housing.

In the case of a federally declared disaster, the ABC Housing Authority reserves the right for its Executive Director to suspend any preference system what whatever duration the Executive Director feels is appropriate and to admit victims of the disaster to the program instead of those who would be normally admitted. Any other provisions of this policy can also be suspended during the emergency at the discretion of the Executive Director so long as the provision suspended does not violate a law. If regulatory waivers are

necessary, they shall be promptly requested of the HUD Assistant Secretary for Public and Indian Housing.

### **5.3 SELECTION FROM THE WAITING LIST**

The date and time of application will be utilized to determine the selection from the waiting list.

If necessary to meet the statutory requirement that 75% of newly admitted families in any fiscal year be families who are extremely low-income (unless a different target is agreed to by HUD), the ABC Housing Authority retains the right to skip higher income families on the waiting to reach extremely low-income families. This measure will only be taken if it appears the goal will not otherwise be met. To ensure this goal is met, the Housing Authority will monitor incomes of newly admitted families and the income of the families on the waiting list.

If there are not enough extremely low-income families on the waiting list, we will conduct outreach on a non-discriminatory basis to attract extremely low-income families to reach the statutory requirement.

## **6.0 ASSIGNMENT OF BEDROOM SIZES (SUBSIDY STANDARDS)**

The ABC Housing Authority will issue a voucher for a particular bedroom size – the bedroom size is a factor in determining the family’s level of assistance. The following guidelines will determine each family’s unit size without overcrowding or over-housing:

Number of Bedrooms	Number of Persons	
	Minimum	Maximum
0	1	1
1	1	2
2	2	4
3	3	6
4	4	8

These standards are based on the assumption that each bedroom will accommodate no more than two (2) persons. Two adults will share a bedroom unless related by blood.

In determining bedroom size, the ABC Housing Authority will include the presence of children to be born to a pregnant woman, children who are in the process of being adopted, children whose custody is being obtained, children who are temporarily away at school or temporarily in foster-care.

Bedroom size will also be determined using the following guidelines:

- A. Children of the same sex will share a bedroom.
- B. Children of the opposite sex, both under the age of 5 will share a bedroom.
- C. Adults and children will not be required to share a bedroom.
- D. Foster adults and children will not be required to share a bedroom with family members.
- E. Live-in aides will get a separate bedroom.

The ABC Housing Authority will grant exceptions to normal occupancy standards when a family requests a larger size than the guidelines allow and documents a medical reason why the larger size is necessary.

The family unit size will be determined by the ABC Housing Authority in accordance with the above guidelines and will determine the maximum rent subsidy for the family; however, the family may select a unit that may be larger or smaller than the family unit size. If the family selects a smaller unit, the payment standard for the smaller size will be used to calculate the subsidy. If the family selects a larger size, the payment standard for the family unit size will determine the maximum subsidy.

## **6.1 BRIEFING**

When the ABC Housing Authority selects a family from the waiting list, the family will be invited to attend a briefing explaining how the program works. In order to receive a voucher the family is required to attend the briefing. If they cannot attend the originally scheduled briefing, they may attend a later session. If the family fails to attend two briefings without good cause, they will be denied admission.

If an applicant with a disability requires auxiliary aids to gain full benefit from the briefing, the Housing Authority will furnish such aids where doing so would not result in a fundamental alteration of the nature of the program or in an undue financial or administrative burden. In determining the most suitable auxiliary aid, the Housing Authority will give primary consideration to the requests of the applicant. Families unable to attend a briefing due to a disability may request a reasonable accommodation such as having the briefing presented at an alternate location.

The briefing will cover at least the following subjects:

- A. A description of how the program works;
- B. Family and owner responsibilities;
- C. Where the family may rent a unit, including inside and outside the Housing Authority's jurisdiction;
- D. Types of eligible housing;
- E. For families qualified to lease a unit outside the Housing Authority's jurisdiction under portability, an explanation of how portability works;
- F. An explanation of the advantages of living in an area that does not have a high concentration of poor families; and
- G. An explanation that the family share of rent may not exceed 40% of the family's monthly adjusted income if the gross rent exceeds the applicable payment standard.

## **6.2 PACKET**

During the briefing, the Housing Authority will give the family a packet covering at least the following subjects:

- A. The term of the voucher and the Housing Authority's policy on extensions and suspensions of the term. The packet will include information on how to request an extension and forms for requesting extensions;
- B. How the Housing Authority determines the housing assistance payment and total tenant payment for the family;
- C. Information on the payment standard, exception payment standard rent areas, and the utility allowance schedule;
- D. How the Housing Authority determines the maximum rent for an assisted unit;
- E. Where the family may lease a unit. For families qualified to lease outside the Housing Authority's jurisdiction, the packet includes an explanation of how portability works;
- F. The HUD-required tenancy addendum that provides the language that must be included in any assisted lease, and a sample contract;
- G. The request for approval of the tenancy form and an explanation of how to request Housing Authority approval of a unit;

- H. A statement of the Housing Authority's policy on providing information to prospective owners. This policy requires applicants to sign disclosure statements allowing the Housing Authority to provide prospective owners with the family's current and prior addresses and the names and addresses of the landlords for those addresses. Upon request, the Housing Authority will also supply any factual information or third party verification relating to the applicant's history as a tenant or their ability to comply with material standard lease terms or any history of drug trafficking, drug-related criminal activity or any violent criminal activity;
- I. The Housing Authority's subsidy standards, including when the Housing Authority will consider granting exceptions to the standards;
- J. The HUD brochure on how to select a unit ("A Good Place to Live");
- K. The HUD-required lead-based paint brochure;
- L. Information on Federal, State, and local equal opportunity laws; the brochure "Fair Housing: It's Your Right;" and a copy of the housing discrimination complaint form;
- M. A list of landlords or other parties known to the ABC Housing Authority who may be willing to lease a unit to the family or help the family find a unit;
- N. Notice that if the family includes a person with disabilities, the family may request a current list of accessible units known to the ABC Housing Authority that may be available;
- O. The family's obligations under the program;
- P. The grounds upon which the Housing Authority may terminate assistance because of the family's action or inaction;
- Q. ABC Housing Authority informal hearing procedures, including when the Housing Authority is required to provide the opportunity for an informal hearing, and information on how to request a hearing; and
- R. The ABC Housing Authority owner information brochure. This brochure can be given by the applicant to a prospective owner to help explain the program.

### **6.3 ISSUANCE OF VOUCHER; REQUEST FOR APPROVAL OF TENANCY**

The ABC Housing Authority will issue only vouchers. Once all family information has been verified, their eligibility determined, their subsidy calculated, and they have attended the family briefing, the ABC Housing Authority will issue the voucher. At this point the family begins their search for a unit.

When the family finds a unit that the owner is willing to lease under the program, the family and the owner will complete and sign a proposed lease, the HUD required tenancy addendum and the request for approval of the tenancy form. The terms of the HUD tenancy addendum shall prevail over any other provisions of the lease. The family will submit the proposed lease and the request form to the Housing Authority during the term of the voucher. The Housing Authority will review the request, the lease, and the HUD required tenancy addendum and make an initial determination of approval of tenancy. The Housing Authority may assist the family in negotiating changes that may be required for the tenancy to be approvable. Once it appears the tenancy may be approvable, the Housing Authority will schedule an appointment to inspect the unit within 15 days after the receipt of inspection request from the family and owner. The 15 day period is suspended during any period the unit is unavailable for inspection. The Housing Authority will promptly notify the owner and the family whether the unit and tenancy are approvable.

During the initial stage of qualifying the unit, the Housing Authority will provide the prospective owner with information regarding the program. Information will include Housing Authority and owner responsibilities for screening and other essential program elements. The Housing Authority will provide the owner with the family's current and prior address as shown in the Housing Authority records along with the name and address (if known) of the landlords for those addresses.

Additional screening is the responsibility of the owner. Upon request by a prospective owner, the Housing Authority will provide any factual information or third party written information they have relevant to a voucher holder's history of, or ability to, comply with standard material lease terms.

#### **6.4 TERM OF THE VOUCHER**

The initial term of the voucher will be 60 days and will be stated on the Housing Choice Voucher.

The Housing Authority may grant one or more extensions of the term, but the initial term plus any extensions will not exceed 120 calendar days from the initial date of issuance without an extraordinary reason. To obtain an extension, the family must make a request in writing prior to the expiration date. A statement of the efforts the family has made to find a unit must accompany the request. A sample extension request form and a form for recording their search efforts will be included in the family's briefing packet. If the family documents their efforts and additional time can reasonably be expected to result in success, the Housing Authority will grant the length of request sought by the family or 60 days, whichever is less.

If the family includes a person with disabilities and the family requires an extension due to the disability, the Housing Authority will grant an extension allowing the family the full 120 days search time. If the Housing Authority determines that additional search time

would be a reasonable accommodation, the Housing Authority will request HUD to approve an additional extension.

Upon submittal of a completed request for approval of tenancy form, the ABC Housing Authority will suspend the term of the voucher. The term will be in suspension until the date the Housing Authority provides notice that the request has been approved or denied. This policy allows families the full term (60 days, or more with extensions) to find a unit, not penalizing them for the period during which the Housing Authority is taking action on their request. A family may submit a second request for approval of tenancy before the Housing Authority finalizes action on the first request. In this case the suspension will last from the date of the first submittal through the Housing Authority's action on the second submittal. No more than two requests will be concurrently considered.

### **6.5 APPROVAL TO LEASE A UNIT**

The ABC Housing Authority will approve a lease if all of the following conditions are met:

- A. The unit is eligible;
- B. The unit is inspected by the Housing Authority and passes HQS;
- C. The lease is approvable and includes the following:
  - 1. The names of the owner and the tenant;
  - 2. The address of the unit rented;
  - 3. The term of the lease (initial term and any provisions for renewal);
  - 4. The amount of the monthly rent to owner;
  - 5. A specification of what utilities and appliances are to be supplied by the owner, and what utilities and appliances are to be supplied by the family; and
  - 6. The required HUD tenancy addendum.
- D. The rent to owner is reasonable;
- E. The family's share of rent does not exceed 40% of their monthly adjusted income if the gross rent exceeds the applicable payment standard;
- F. The owner has not been found to be debarred, suspended, or subject to a limited denial of participation by HUD or the Housing Authority; and

G. The family continues to meet all eligibility and screening criteria.

If tenancy approval is denied, the Housing Authority will advise the owner and the family in writing and advise them also of any actions they could take that would enable the Housing Authority to approve the tenancy.

The lease term may begin only after all of the following conditions are met:

- A. The unit passes the Housing Authority HQS inspection;
- B. The family's share of rent does not exceed 40% of their monthly adjusted income if the gross rent exceeds the applicable payment standard;
- C. The landlord and tenant sign the lease to include the HUD required addendum; and
- D. The Housing Authority approves the leasing of the unit.

The Housing Authority will prepare the contract when the unit is approved for tenancy. Generally, the landlord, simultaneously with the signing of the lease and the HUD required tenancy addendum, will execute the contract. Upon receipt of the executed lease and the signed contract by the landlord, the Housing Authority will execute the contract. The Housing Authority will not pay any housing assistance to the owner until the contract is executed.

In no case will the contract be executed later than 60 days after the beginning of the lease term.

Any contract executed after the 60-day period will be void and the Housing Authority will not pay housing assistance to the owner.

## **6.6 ABC HOUSING AUTHORITY DISAPPROVAL OF OWNER**

The Housing Authority will deny participation by an owner at the direction of HUD. The Housing Authority will also deny the owner's participation for any of the following reasons:

- A. The owner has violated any obligations under a Section 8 Housing Assistance Payments Contract;
- B. The owner has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program;
- C. The owner has engaged in drug-related criminal activity or any violent criminal activity;

- D. The owner has a history or practice of non-compliance with HQS for units leased under Section 8 or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other Federal housing program;
- E. The owner has a history or practice of renting units that fail to meet State or local codes;
- F. The owner has not paid State or local real estate taxes, fines, or assessments;
- G. The owner refuses (or has a history of refusing) to evict families for drug-related or violent criminal activity, or for activity that threatens the health, safety or right of peaceful enjoyment of the:
  - 1. premises by tenants, ABC Housing Authority employees or owner employees; or
  - 2. residences by neighbors;
- H. If the owner is the parent, child, grandparent, grandchild, sister, or brother or any member of the family of an applicant seeking the initial use of a voucher (currently shopping) unless the ABC Housing Authority determines that approving the unit would provide reasonable accommodation for a family member who is a person with disabilities; or
- I. Other conflicts of interest under Federal, State, or local law.

**6.7 INELIGIBLE/ELIGIBLE HOUSING**

The following types of housing cannot be assisted under the Section 8 Tenant-Based Program:

- A. A public housing or Indian housing unit;
- B. A unit receiving project-based assistance under a Section 8 Program;
- C. Nursing homes, board and care homes, or facilities providing continual psychiatric, medical or nursing services;
- D. College or other school dormitories;
- E. Units on the grounds of penal, reformatory, medical, mental, and similar public or private institutions;
- F. A unit occupied by its owner. This restriction does not apply to cooperatives or to assistance on behalf of a manufactured home owner leasing a manufactured home space; and

- G. A unit receiving any duplicative Federal, State, or local housing subsidy. This does not prohibit renting a unit that has a reduced rent because of a tax credit.

The ABC Housing Authority will not approve a lease for any of the following special housing types, except as a reasonable accommodation for a family with disabilities:

- A. Congregate housing
- B. Group homes
- C. Shared housing
- D. Cooperative housing
- E. Single room occupancy housing

The ABC Housing Authority will approve leases for the following housing types:

- A. Single family dwellings
- B. Apartments
- C. Manufactured housing
- D. Manufactured home space rentals

## **6.8 SECURITY DEPOSIT**

The owner may collect a security deposit from the tenant in an amount not in excess of amounts charged in private market practice and not in excess of amounts charged by the owner to unassisted tenants.

When the tenant moves out of the dwelling unit, the owner, subject to State or local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid rent payable by the tenant, damages to the unit or for other amounts the tenant owes under the lease.

The owner must give the tenant a written list of all items charged against the security deposit and the amount of each item. After deducting the amount, if any, used to reimburse the owner, the owner must refund promptly the full amount of the unused balance to the tenant.

If the security deposit is not sufficient to cover amounts the tenant owes under the lease, the owner may seek to collect the balance from the tenant.

## **7.0 MOVES WITH CONTINUED ASSISTANCE**

Participating families are allowed to move to another unit after the initial 12 months has expired, if the landlord and the participant have mutually agreed to terminate the lease, or if the Housing Authority has terminated the HAP contract. The ABC Housing Authority will issue the family a new voucher if the family does not owe the ABC Housing Authority or any other Housing Authority money, has not violated a Family Obligation, has not moved or been issued a certificate or voucher within the last 12 months, and if the ABC Housing Authority has sufficient funding for continued assistance. If the move is necessitated for a reason other than family choice, the 12-month requirement will be waived.

### **7.1 WHEN A FAMILY MAY MOVE**

For families already participating in the Certificate and Voucher Program, the ABC Housing Authority will allow the family to move to a new unit if:

- A. The assisted lease for the old unit has terminated;
- B. The owner has given the tenant a notice to vacate, has commenced an action to evict the tenant, or has obtained a court judgment or other process allowing the owner to evict the tenant; or
- C. The tenant has given notice of lease termination (if the tenant has a right to terminate the lease on notice to the owner).

### **7.2 PROCEDURES REGARDING FAMILY MOVES**

Families considering transferring to a new unit will be scheduled to attend a mover's briefing. All families who are moving, including any families moving into or out of the ABC Housing Authority's jurisdiction, will be required to attend a mover's briefing prior to the ABC Housing Authority entering a new HAP contract on their behalf.

This briefing is intended to provide the following:

- A. A refresher on program requirements and the family's responsibilities. Emphasis will be on giving proper notice and meeting all lease requirements such as leaving the unit in good condition;
- B. Information about finding suitable housing and the advantages of moving to an area that does not have a high concentration of poor families;
- C. Payment standards, exception payment standard rent areas, and the utility allowance schedule;

- D. An explanation that the family share of rent may not exceed 40% of the family's monthly adjusted income if the gross rent exceeds the applicable payment standard;
- E. Portability requirements and opportunities;
- F. The need to have a reexamination conducted within 120 days prior to the move;
- G. An explanation and copies of the forms required to initiate and complete the move; and
- H. All forms and brochures provided to applicants at the initial briefing.

Families are required to give proper written notice of their intent to terminate the lease. In accordance with HUD regulations, no notice requirement may exceed 60 days. During the initial term, families may not end the lease unless they and the owner mutually agree to end the lease. If the family moves from the unit before the initial term of the lease ends without the owner's and the ABC Housing Authority's approval, it will be considered a serious lease violation and subject the family to termination from the program.

The family is required to give the ABC Housing Authority a copy of the notice to terminate the lease at the same time as it gives the notice to the landlord. A family's failure to provide a copy of the lease termination notice to the ABC Housing Authority will be considered a violation of Family Obligations and may cause the family to be terminated from the program.

A family who gives notice to terminate the lease must mail the notice by certified mail or have the landlord or his agent sign a statement stating the date and time received. The family will be required to provide the certified mail receipt and a copy of the lease termination notice to the ABC Housing Authority, or a copy of the lease termination notice and the signed statement stating the date and time the notice was received. If the landlord or his/her agent does not accept the certified mail receipt, the family will be required to provide the receipt and envelope showing that the attempt was made.

Failure to follow the above procedures may subject the family to termination from the program.

## **8.0 PORTABILITY**

### **8.1 GENERAL POLICIES OF THE ABC HOUSING AUTHORITY**

A family whose head or spouse has a domicile (legal residence) in the jurisdiction of the ABC Housing Authority at the time the family first submits its application for participation in the program to the ABC Housing Authority may lease a unit anywhere in

the jurisdiction of the ABC Housing Authority or outside the ABC Housing Authority jurisdiction as long as there is another entity operating a tenant-based Housing Choice Voucher program covering the location of the proposed unit.

If the head or spouse of the assisted family does not have a legal residence in the jurisdiction of the ABC Housing Authority at the time of its application, the family will not have any right to lease a unit outside of the ABC Housing Authority jurisdiction for a 12-month period beginning when the family is first admitted to the program. During this period, the family may only lease a unit located in the jurisdiction of the ABC Housing Authority.

Families participating in the Housing Choice Voucher Program will not be allowed to move more than once in any 12-month period and under no circumstances will the ABC Housing Authority allow a participant to improperly break a lease. Under extraordinary circumstances the ABC Housing Authority may consider allowing more than one move in a 12-month period.

Families may only move to a jurisdiction where a Housing Choice Voucher Program is being administered.

For income targeting purposes, the family will count towards the initial housing authority's goals unless the receiving housing authority absorbs the family. If absorbed, the admission will count towards the receiving housing authority's goals.

If a family has moved out of their assisted unit in violation of the lease, the ABC Housing Authority will not issue a voucher and will terminate assistance in compliance with Section 17.0, Termination of the Lease and Contract.

## **8.2 INCOME ELIGIBILITY**

- A. A family must be income-eligible in the area where the family first leases a unit with assistance in the Housing Choice Voucher Program.
- B. If a portable family is already a participant in the Initial Housing Authority's Housing Choice Voucher Program, income eligibility is not re-determined.

## **8.3 PORTABILITY: ADMINISTRATION BY RECEIVING HOUSING AUTHORITY**

- A. When a family utilizes portability to move to an area outside the Initial Housing Authority jurisdiction, another Housing Authority (the Receiving Housing Authority) must administer assistance for the family if that Housing Authority has a tenant-based program covering the area where the unit is located.
- B. A Housing Authority with jurisdiction in the area where the family wants to lease a unit must issue the family a housing choice voucher. If there is more than one

such housing authority, the Initial Housing Authority may choose which housing authority shall become the Receiving Housing Authority.

#### **8.4 PORTABILITY PROCEDURES**

A. When the ABC Housing Authority is the Initial Housing Authority:

1. The ABC Housing Authority will brief the family on the process that must take place to exercise portability. The family will be required to attend an applicant or mover's briefing.
2. The ABC Housing Authority will determine whether the family is income-eligible in the area where the family wants to lease a unit if the family is not already a program participant.
3. The ABC Housing Authority will advise the family how to contact and request assistance from the Receiving Housing Authority by giving them the name and telephone number of the person responsible for working with incoming portability families and any procedures related to getting an appointment for the issuance of a voucher.
4. The ABC Housing Authority will, within ten (10) calendar days, notify the Receiving Housing Authority to expect the family via telephone, fax or email.
5. The ABC Housing Authority will immediately mail or fax the Receiving Housing Authority a completed Part I of HUD Form 52665, the most recent HUD Form 50058 (Family Report) for the family, and related verification information. If the family is an applicant and not a participant, the ABC Housing Authority will provide the Receiving Housing Authority with the family information and income information in a format similar to that utilized by the 50058.

B. When the ABC Housing Authority is the Receiving Housing Authority:

1. When the portable family requests assistance from the ABC Housing Authority, the ABC Housing Authority will within fourteen (14) calendar days of HAP contract execution (not its effective date) inform the Initial Housing Authority that it will absorb the family into its program or notify the Initial Housing Authority within the time limit set forth in Part I of the 52665 that it will bill the Initial Housing Authority for assistance on behalf of the portable family. Completing Part II of HUD Form 52665 in a timely manner will accomplish this. If the family is absorbed, the ABC Housing Authority will also send the Initial Housing Authority a new HUD Form 50058.

2. The ABC Housing Authority will issue a voucher to the family within fourteen (14) calendar days as long as the initial voucher has not expired (if it has expired, the family shall be referred back to the Initial Housing Authority). The term of the ABC Housing Authority's voucher will not expire before the expiration date of any Initial Housing Authority's housing choice voucher. The ABC Housing Authority will determine whether to extend the housing choice voucher term. The decision to extend will take into account the ABC Housing Authority's existing absorption policy and the billing deadline date provided by the Initial Housing Authority in the 52665. If an extension is granted, the Initial Housing Authority will be informed of this decision. The family must submit a request for tenancy approval to the ABC Housing Authority during the term of the ABC Housing Authority's housing choice voucher. If the ABC Housing Authority has decided to bill the Initial Housing Authority, the request for tenancy approval must be processed in enough time for the Initial Housing Authority to process a Request for Lease Approval and execute a HAP contract before the billing deadline date.
3. The ABC Housing Authority will determine the family unit size for the portable family. The family unit size is determined in accordance with the ABC Housing Authority's subsidy standards.
4. The ABC Housing Authority will notify the Initial Housing Authority if the family has leased an eligible unit under the program, or if the family fails to submit a request for tenancy approval for an eligible unit within the term of the housing choice voucher. In any event the ABC Housing Authority will notify the Initial Housing Authority of what is occurring before the expiration of the deadline established in the HUD Form 52665. If the family has leased a unit, the ABC Housing Authority will notify the Initial Housing Authority of this fact in enough time for the Initial Housing Authority to process a Request for Lease Approval and execute a HAP contract if the ABC Housing Authority intends to bill the Initial Housing Authority.
5. In order to provide tenant-based assistance for portable families, the ABC Housing Authority will perform all Housing Authority program functions, such as reexaminations of family income and composition. At any time, either the Initial Housing Authority or the ABC Housing Authority may make a determination to deny or terminate assistance to the family. If assistance is denied or terminated, the family shall have a right to an informal hearing.
6. The ABC Housing Authority may deny or terminate assistance for family action or inaction in accordance with 24 CFR 982.552 and 24 CFR 982.553.

7. Although the ABC Housing Authority will promptly issue a voucher to an incoming portability family, it will still subject the families to its normal screening procedures. If the family fails to pass the screening thresholds either the voucher will be revoked or the family will be terminated from the program if a unit has already been leased.

C. Absorption by the ABC Housing Authority

1. If funding is available under the consolidated ACC for the ABC Housing Authority's Housing Choice Voucher Program when the portable family is received, the ABC Housing Authority may absorb the family into its Housing Choice Voucher Program. The decision to absorb or not will be made on a case-by-case basis and will solely be the decision of the ABC Housing Authority. If absorbed, the family is assisted with funds available under the consolidated ACC for the ABC Housing Authority's Tenant-Based Program.

D. Portability Billing

1. To cover assistance for a portable family, the Receiving Housing Authority may bill the Initial Housing Authority for housing assistance payments and administrative fees as long as all HUD required deadlines have been compiled with. The billing procedure will be as follows:
  - a. As the Initial Housing Authority, the ABC Housing Authority will within thirty (30) calendar days of receipt of the completed Part II of the HUD Form 52665 reimburse the Receiving Housing Authority for the full amount of the housing assistance payments made by the Receiving Housing Authority for the portable family in a form and manner the Receiving Housing Authority is able and willing to accept. Payments made after the first payment shall be sent in time for the Receiving Housing Authority to receive the payment no later than the fifth working day of the month. The amount of the housing assistance payment for a portable family in the Receiving Housing Authority's program is determined in the same manner as for other families in the Receiving Housing Authority's program.
  - b. The Initial Housing Authority will promptly reimburse the Receiving Housing Authority for 80% of the Initial Housing Authority's on-going administrative fee for each unit month that the family receives assistance under the tenant-based programs and is assisted by the Receiving Housing Authority.

E. When a Portable Family Moves

When a portable family moves out of the tenant-based program of a Receiving Housing Authority that has not absorbed the family, the Housing Authority in the new jurisdiction to which the family moves becomes the Receiving Housing Authority, and the first Receiving Housing Authority is no longer required to provide assistance for the family.

F. On-going Responsibilities as a Receiving Housing Authority

1. When the ABC Housing Authority is a receiving agency it will:
  - a. Send the Initial Housing Authority an updated HUD Form 50058 at each annual recertification so the Initial Housing Authority can reconcile it with its records.
  - b. Send the Initial Housing Authority a copy of any new HUD Forms 52665s and 50058s to report any change in the billing amount with ten (10) working days of the effective date of any change in the billing amount.
  - c. If the ABC Housing Authority decides to absorb a family it had previously been billing for, it shall notify the Initial Housing Authority within ten (10) working days following the effective date of the termination of the billing arrangement.
  - d. If the family decides it wants to move to yet another jurisdiction, the Initial Housing Authority shall be promptly notified and requested to send a new HUD Form 52665 and supporting documentation to the new Receiving Housing Authority.

## **9.0 DETERMINATION OF FAMILY INCOME**

### **9.1 *INCOME, EXCLUSIONS FROM INCOME, DEDUCTIONS FROM INCOME***

To determine annual income, the ABC Housing Authority counts the income of all family members, excluding the types and sources of income that are specifically excluded. Once the annual income is determined, the ABC Housing Authority subtracts all allowable deductions (allowances) as the next step in determining the Total Tenant Payment.

### **9.2 *INCOME***

- A. Annual income means all amounts, monetary or not, that:
1. Go to (or on behalf of) the family head or spouse (even if temporarily absent) or to any other family member, or

2. Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
3. Are not specifically excluded from annual income.

If it is not feasible to anticipate a level of income over a 12-month period (e.g. seasonal or cyclic income), or the ABC Housing Authority believes that past income is the best available indicator of expected future income, the ABC Housing Authority may annualize the income anticipated for a shorter period, subject to a redetermination at the end of the shorter period.

B. Annual income includes, but is not limited to:

1. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services.
2. The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness are not used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession is included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.
3. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness are not used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from an investment is included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income includes the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD.
4. The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of

a periodic amount. (However, deferred periodic amounts from supplemental security income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts are excluded.)

5. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay. (However, lump sum additions such as insurance payments from worker's compensation are excluded.)

6. Welfare assistance.

a. If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income consists of:

i. The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus

ii. The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this requirement is the amount resulting from one application of the percentage.

b. Imputed welfare income.

i. A family's annual income includes the amount of imputed welfare income (because of a specified welfare benefits reduction, as specified in notice to the ABC Housing Authority by the welfare agency), plus the total amount of other annual income.

ii. At the request of the ABC Housing Authority, the welfare agency will inform the ABC Housing Authority in writing of the amount and term of any specified welfare benefit reduction for a family member, and the reason for such reduction, and will also inform the ABC Housing Authority of any subsequent changes in the term or amount of such specified welfare benefit reduction. The ABC Housing Authority will use this information to determine the amount of imputed welfare income for a family.

- iii. A family's annual income includes imputed welfare income in family annual income, as determined at an interim or regular reexamination of family income and composition, during the term of the welfare benefits reduction (as specified in information provided to the ABC Housing Authority by the welfare agency).
  - iv. The amount of the imputed welfare income is offset by the amount of additional income a family receives that commences after the time the sanction was imposed. When such additional income from other sources is at least equal to the imputed welfare income, the imputed welfare income is reduced to zero.
  - v. The ABC Housing Authority will not include imputed welfare income in annual income if the family was not an assisted resident at the time of the sanction.
  - vi. If a participant is not satisfied that the ABC Housing Authority has calculated the amount of imputed welfare income in accordance with HUD requirements, and if the ABC Housing Authority denies the family's request to modify such amount, then the ABC Housing Authority shall give the resident written notice of such denial, with a brief explanation of the basis for the ABC Housing Authority's determination of the amount of imputed welfare income. The ABC Housing Authority's notice shall also state that if the resident does not agree with the determination, the resident may contest the decision in accordance with our informal review policy.
- c. Relations with welfare agencies
- i. The ABC Housing Authority will ask welfare agencies to inform it of any specified welfare benefits reduction for a family member, the reason for such reduction, the term of any such reduction, and any subsequent welfare agency determination affecting the amount or term of a specified welfare benefits reduction. If the welfare agency determines a specified welfare benefits reduction for a family member, and gives the ABC Housing Authority written notice of such reduction, the family's annual incomes shall include the imputed welfare income because of the specified welfare benefits reduction.

- ii. The ABC Housing Authority is responsible for determining the amount of imputed welfare income that is included in the family's annual income as a result of a specified welfare benefits reduction as determined by the welfare agency, and specified in the notice by the welfare agency to the agency. However, the ABC Housing Authority is not responsible for determining whether a reduction of welfare benefits by the welfare agency was correctly determined by the welfare agency in accordance with welfare program requirements and procedures, nor for providing the opportunity for review or hearing on such welfare agency determinations.
  - iii. Such welfare agency determinations are the responsibility of the welfare agency, and the family may seek appeal of such determinations through the welfare agency's normal due process procedures. The ABC Housing Authority shall rely on the welfare agency notice to the ABC Housing Authority of the welfare agency's determination of a specified welfare benefits reduction.
- 7. Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling.
  - 8. All regular pay, special pay, and allowances of a member of the Armed Forces. (Special pay to a member exposed to hostile fire is excluded.)

### **9.3 EXCLUSIONS FROM INCOME**

Annual income does not include the following:

- A. Income from employment of children (including foster children) under the age of 18 years;
- B. Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);
- C. Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses;
- D. Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
- E. Income of a live-in aide;

- F. The amount of student financial assistance paid directly to the student or to the educational institution for tuition. For Section 8, any financial assistance, in excess of amounts received for tuition, that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), from private sources, or from an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except that financial assistance described in this paragraph is not considered annual income for persons over the age of 23 with dependent children. For purposes of this paragraph, “financial assistance” does not include loan proceeds for the purpose of determining income;
- G. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- H. The amounts received from the following programs:
1. Amounts received under training programs funded by HUD;
  2. Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
  3. Amounts received by a participant in other publicly assisted programs that are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and that are made solely to allow participation in a specific program;
  4. Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the Housing Authority or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiative coordination, and serving as a member of the ABC Housing Authority's governing board.. No resident may receive more than one such stipend during the same period of time;
  5. Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives and are excluded only for the period during which the family member participates in the employment training program;

6. Temporary, nonrecurring, or sporadic income (including gifts);
7. Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
8. Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);
9. Adoption assistance payments in excess of \$480 per adopted child;
10. Deferred periodic amounts from Supplemental Security Income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts;
11. Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;
12. Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or
13. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits.

These exclusions include:

- a. The value of the allotment provided to an eligible household under the Food Stamp Act of 1977 (7 U.S.C. 2017(b));
- b. Payments to Volunteers under the domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(g), 5058);
- c. Payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626(c));
- d. Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 459e);
- e. Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f));

- f. Payments received under programs funded in whole or in part under the Job Training Partnership Act (29 U.S.C. 1552(b); (effective July 1, 2000, references to Job Training Partnership Act shall be deemed to refer to the corresponding provision of the Workforce Investment Act of 1998 (29 U.S.C. 2931);
- g. Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Pub. L. 94-540, 90 Stat. 2503-04);
- h. The first \$2000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U.S. Claims Court, the interests of individual Indians in trust or restricted lands, including the first \$2000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands (25 U.S.C. 1407-1408);
- i. Amounts of scholarships funded under title IV of the Higher Education Act of 1965, including awards under Federal work-study program or under the Bureau of Indian Affairs student assistance programs (20 U.S.C. 1087uu);
- j. Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056(f));
- k. Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in *In Re Agent*-product liability litigation, M.D.L. No. 381 (E.D.N.Y.);
- l. Payments received under the Maine Indian Claims Settlement Act of 1980 (25 U.S.C. 1721);
- m. The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858q);
- n. Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 U.S.C. 32(j));
- o. Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation (Pub. L. 95-433);

- p. Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d));
- q. Any allowance paid under the provisions of 38 U.S.C. 1805 to a child suffering from spina bifida who is the child of a Vietnam veteran (38 U.S.C. 1805);
- r. Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act (42 U.S.C. 10602);
- s. Allowances, earnings and payments to individuals participating in programs under the Workforce Investment Act of 1998 (29 U.S.C. 2931);
- t. The \$600 transitional assistance subsidy, for applicants and tenants enrolled in the Medicare transitional assistance program, effective the date of receiving the benefits and any negotiated drug discounts received pursuant to the Medicare prescription drug discount card. This expires May 15, 2006 or when the participant enrolls in the Medicare Prescription Drug Program; and
- u. Any low-income subsidy received to assist low-income persons in paying for the Medicare Prescription Drug Program.

#### **9.4 DEDUCTIONS FROM ANNUAL INCOME**

The following deductions will be made from annual income:

- A. \$480 for each dependent
- B. 400 for any elderly family or disabled family
- C. The sum of the following, to the extent the sum exceeds three percent of annual income:
  1. Unreimbursed medical expenses of any elderly family or disabled family including any fee paid by the participant for the Medicare Prescription Drug Program; and
  2. Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a

person with disabilities, to the extent necessary to enable any member of the family (including the member who is a person with disabilities) to be employed, but this allowance may not exceed the earned income received by family members who are 18 years of age or older who are able to work because of such attendant care or auxiliary apparatus; and

- D. Reasonable child care expenses necessary to enable a member of the family to be employed or to further his or her education. This deduction shall not exceed the amount of employment income that is included in annual income.
- E. For persons with disabilities, the incremental earnings due to employment during a cumulative 12-month period following date of the initial hire shall be excluded. This exclusion is only available to the following families:
  - 1. Families whose income increases as a result of employment of a disabled family member who was previously unemployed (defined as working less than 10 hours a week at the established minimum wage) for one or more years.
  - 2. Families whose income increases during the participation of a disabled family member in any economic self-sufficiency or other job training program.
  - 3. Persons with disabilities who are or were, within 6 months, assisted under a State TANF or Welfare-to-Work program for at least \$500.

During the second cumulative 12-month period after the date of initial hire, 50% of the increased income shall be excluded from income.

The disallowance of increased income of an individual family member is limited to a lifetime 48-month period. It only applies for 12 months of the 100% exclusion and 12 months of the 50% exclusion.

## **9.5 RECEIPT OF A LETTER OR NOTICE FROM HUD CONCERNING INCOME**

- A. If a Section 8 participant receives a letter or notice from HUD concerning the amount or verification of family income, the letter shall be brought to the person responsible for income verification within thirty (30) days of receipt by the participant.

- B. The General Manager of the ABC Housing Authority shall reconcile any difference between the amount reported by the participant and the amount listed in the HUD communication. This shall be done as promptly as possible.
- C. After the reconciliation is complete, the ABC Housing Authority shall adjust the participant's rental contribution beginning at the start of the next month unless the reconciliation is completed during the final five (5) days of the month and then the new rent shall take effect on the first day of the second month following the end of the current month. In addition, if the participant had not previously reported the proper income, the ABC Housing Authority shall do one of the following:
  - 1. Immediately collect the back over paid assistance paid by the agency;
  - 2. Establish a repayment plan for the resident to pay the sum due to the agency;
  - 3. Terminate the participant from the program for failure to report income; or
  - 4. Terminate the participant from the program for failure to report income and collect the back over paid assistance paid by the agency.

#### **9.6 COOPERATING WITH WELFARE AGENCIES**

The ABC Housing Authority will make its best efforts to enter into cooperation agreements with local welfare agencies under which the welfare agencies will agree:

- A. To target assistance, benefits and services to families receiving assistance in the public housing and Section 8 tenant-based assistance program to achieve self-sufficiency.
- B. To provide written verification to the ABC Housing Authority concerning welfare benefits for families applying for or receiving assistance in our housing assistance programs.

#### **9.7 COOPERATING WITH LAW ENFORCEMENT AGENCIES**

The XYZ Housing Authority will comply, on a case-by-case basis, with information requests from Federal, State or local law enforcement officers regarding possible fugitive felons and/or a parole or probation violators. The XYZ Housing Authority will supply upon legitimate request (1) the current address, (2) Social Security number and (3) photograph (if available) of any recipient of assistance.

The Federal, State or local enforcement officer must submit a request that is (1) written, (2) on law enforcement agency letterhead, and (3) is signed by the requesting officer and his or her immediate supervisor. The request for information must provide the name of

the fugitive felon and/or parole or probation violator being sought, and may include other personal information used for identification. The request should also comply with the following requirements:

- A. The law enforcement agency shall notify XYZ Housing Authority that the fugitive felon and/or parole or probation violator (i) is fleeing to avoid prosecution, custody or confinement after conviction, under the laws of the place from which the individual flees, for a crime, or attempt to commit a crime, which is a felony under the laws of the place from which the individual flees, or which, in the case of the State of New Jersey, is a high misdemeanor; or (ii) is violating a condition of probation or parole imposed under Federal or State law; or (iii) has information that is necessary for the officer to conduct his/her official duties;
- B. The location or apprehension of the recipient is within the XYZ Housing Authority's official duties; and,
- C. The request is made in the proper exercise of the law enforcement agency's official duties.

## **10.0 VERIFICATION**

The ABC Housing Authority will verify information related to eligibility, admission and level of benefits prior to admission. Periodically during occupancy, items related to eligibility and rent determination shall also be reviewed and verified. Income, assets, and expenses will be verified, as well as disability status, need for a live-in aide and other reasonable accommodations, full-time student status of family members 18 years of age and older, Social Security Numbers, citizenship/eligible noncitizen status. Age and relationship will only be verified in those instances where needed to make a determination of level of assistance.

### **10.1 ACCEPTABLE METHODS OF VERIFICATION**

Age, relationship, U.S. citizenship, and Social Security Numbers will generally be verified with documentation provided by the family. For citizenship, the family's certification will be accepted. (Or for citizenship documentation such as listed below will be required.) Verification of these items will include photocopies of the Social Security cards and other documents presented by the family, the INS SAVE approval code, and forms signed by the family.

Other information will be verified by third party verification. This type of verification includes written documentation (with forms sent directly to and received directly from a source, not passed through the hands of the family). This verification may also be direct contact with the source, in person or by telephone. It may also be a report generated by a request from the ABC Housing Authority or automatically by another government agency, i.e., the Social Security Administration. Verification forms and reports received

will be contained in the applicant/tenant file. Oral third party documentation will include the same information as if the documentation had been written, i.e., name date of contact, amount received, etc.

When third party verification cannot be obtained, the ABC Housing Authority will accept documentation received from the applicant/participant. Hand-carried documentation will be accepted if the ABC Housing Authority has been unable to obtain third party verification in a four week period of time. Photocopies of the documents provided by the family will be maintained in the file. Third party verification of SS and SSI benefits shall be obtained by getting a copy of an official Social Security Administration letter of benefits from the person receiving the benefits and verification from HUD's on-line systems. If either of these forms of verification are not obtainable, then the file shall be documented as to why third party verification was not used.

When neither third party verification nor hand-carried verification can be obtained, the ABC Housing Authority will accept a notarized statement signed by the head, spouse or co-head. Such documents will be maintained in the file.

**10.2 TYPES OF VERIFICATION**

The chart below outlines the factors that may be verified and gives common examples of the verification that will be sought. To obtain written third party verification, the ABC Housing Authority will send a request form to the source along with a release form signed by the applicant/participant via first class mail.

Verification Requirements for Individual Items		
Item to Be Verified	3 <sup>rd</sup> party verification	Hand-carried verification
<b>General Eligibility Items</b>		
Social Security Number	Letter from Social Security, electronic reports	Social Security card
Adult Status of the Head of Household	N/A	Valid drivers license, identification card issued by a government agency, or a birth certificate.
Citizenship	N/A	Signed certification, voter's registration card, birth certificate, etc.
Eligible immigration status	INS SAVE confirmation #	INS card
Disability	Letter from medical professional, SSI, etc	Proof of SSI or Social Security disability payments

Verification Requirements for Individual Items		
Item to Be Verified	3 <sup>rd</sup> party verification	Hand-carried verification
Full time student status (if >18)	Letter from school	For high school students, any document evidencing enrollment
Need for a live-in aide	Letter from doctor or other professional knowledgeable of condition	N/A
Child care costs	Letter from care provider	Bills and receipts
Disability assistance expenses	Letters from suppliers, care givers, etc.	Bills and records of payment
Medical expenses	Letters from providers, prescription record from pharmacy, medical professional's letter stating assistance or a companion animal is needed	Bills, receipts, records of payment, dates of trips, mileage log, receipts for fares and tolls
Medicare Prescription Drug Coverage	N/A	A card issued by the private prescription drug plan with the words Medicare Rx on it.
Value of and Income from Assets		
Savings, checking accounts	Letter from institution	Passbook, most current statements
CDs, bonds, etc	Letter from institution	Tax return, information brochure from institution, the CD, the bond
Stocks	Letter from broker or holding company	Stock or most current statement, price in newspaper or through Internet
Real property	Letter from tax office, assessment, etc.	Property tax statement (for current value), assessment, records or income and expenses, tax return
Personal property	Assessment, bluebook, etc	Receipt for purchase, other evidence of worth

Verification Requirements for Individual Items		
Item to Be Verified	3 <sup>rd</sup> party verification	Hand-carried verification
Cash value of life insurance policies	Letter from insurance company	Current statement
Assets disposed of for less than fair market value	N/A	Original receipt and receipt at disposition, other evidence of worth
Income		
Earned income	Letter from employer	Multiple pay stubs
Self-employed	N/A	Tax return from prior year, books of accounts

Regular gifts and contributions	Letter from source, letter from organization receiving gift (i.e., if grandmother pays day care provider, the day care provider could so state)	Bank deposits, other similar evidence
Alimony/child support	Court order, letter from source, letter from Human Services	Record of deposits, divorce decree
Social Security Administration		Letter from Social Security as verified by HUD computer systems
Periodic payments (i.e., welfare, pensions, workers' comp, unemployment)	Letter or electronic reports from the source	Award letter, letter announcing change in amount of future payments
Training program participation	Letter from program provider indicating <ul style="list-style-type: none"> <li>- whether enrolled</li> <li>- whether training is HUD-funded</li> <li>- whether State or local program</li> <li>- whether it is employment training</li> <li>- whether payments are for out-of-pocket expenses incurred in order to participate in a program</li> </ul>	N/A

### **10.3 VERIFICATION OF CITIZENSHIP OR ELIGIBLE NONCITIZEN STATUS**

The citizenship/eligible noncitizen status of each family member regardless of age must be determined.

Prior to being admitted, or at the first reexamination, all citizens and nationals will be required to sign a declaration under penalty of perjury. (They will be required to show proof of their status by such means as birth certificate, military ID or military DD 214 Form.)

Prior to being admitted or at the first reexamination, all eligible noncitizens who are 62 years of age or older will be required to sign a declaration under penalty of perjury. They will also be required to show proof of age.

Prior to being admitted or at the first reexamination, all eligible noncitizens must sign a declaration of their status and a verification consent form and provide their original INS documentation. The ABC Housing Authority will make a copy of the individual's INS documentation and place the copy in the file. The ABC Housing Authority also will verify their status through the INS SAVE system. If the INS SAVE system cannot confirm eligibility, the ABC Housing Authority will mail information to the INS so a manual check can be made of INS records.

Family members who do not claim to be citizens, nationals or eligible noncitizens, or whose status cannot be confirmed, must be listed on a statement of non-eligible members and the list must be signed by the head of the household.

Noncitizen students on student visas, though in the country legally, are not eligible to be admitted to the Section 8 Program.

Any family member who does not choose to declare their status must be listed on the statement of non-eligible members.

If no family member is determined to be eligible under this Section, the family's admission will be denied.

The family's assistance will not be denied, delayed, reduced or terminated because of a delay in the process of determining eligible status under this Section, except to the extent that the delay is caused by the family.

If the ABC Housing Authority determines that a family member has knowingly permitted an ineligible noncitizen (other than any ineligible noncitizens listed on the lease) to permanently reside in their Section 8 unit, the family's assistance will be terminated. Such family will not be eligible to be readmitted to Section 8 for a period of 24 months from the date of termination.

#### **10.4 VERIFICATION OF SOCIAL SECURITY NUMBERS**

Prior to admission, each family member who has a Social Security Number and who is at least six years of age must provide verification of his or her Social Security Number. New family members at least six years of age must provide this verification prior to being added to the lease. Children in assisted households must provide this verification at the first regular reexamination after turning six.

The best verification of the Social Security Number is the original Social Security card. If the card is not available, the ABC Housing Authority will accept letters from Social Security that establish and state the number. Documentation from other governmental agencies will also be accepted that establish and state the number. Driver's license, military ID, passports, or other official documents that establish and state the number are also acceptable.

If individuals state that they do not have a Social Security Number they will be required to sign a statement to this effect. The ABC Housing Authority will not require any individual who does not have a Social Security Number to obtain a Social Security Number.

If a member of an applicant family indicates they have a Social Security Number, but cannot readily verify it, the family cannot be assisted until verification is provided.

If a member of a tenant family indicates they have a Social Security Number, but cannot readily verify it, they shall be asked to certify to this fact and shall up to 60 days to provide the verification. If the individual is at least 62 years of age, they will be given 120 days to provide the verification. If the individual fails to provide the verification within the time allowed, the family will be denied assistance or will have their assistance terminated.

#### **10.5 TIMING OF VERIFICATION**

Verification must be dated within sixty (60) days of certification or reexamination. If the verification is older than this, the source will be contacted and asked to provide information regarding any changes.

When an interim reexamination is conducted, the Housing Authority will verify and update only those elements reported to have changed.

#### **10.6 FREQUENCY OF OBTAINING VERIFICATION**

For each family member, citizenship/eligible noncitizen status will be verified only once. This verification will be obtained prior to admission. If the status of any family member was not determined prior to admission, verification of their status will be obtained at the next regular reexamination. Prior to a new member joining the family, their status will be verified.

For each family member age 6 and above, verification of Social Security Number will be obtained only once. This verification will be accomplished prior to admission. When a family member who did not have a Social Security Number at admission receives a Social Security Number, that number will be verified at the next regular reexamination. Likewise, when a child turns six, their verification will be obtained at the next regular reexamination.

## **11.0 RENT AND HOUSING ASSISTANCE PAYMENT**

### ***11.1 GENERAL***

### ***11.2 RENT REASONABLENESS***

The Housing Authority will not approve an initial rent or a rent increase in any of the tenant-based programs without determining that the rent amount is reasonable. Reasonableness is determined prior to the initial lease and at the following times:

- A. Before any increase in rent to owner is approved;
- B. If 60 days before the contract anniversary date there is a 5% decrease in the published FMR as compared to the previous FMR; and
- C. If the Housing Authority or HUD directs that reasonableness be re-determined.

### ***11.3 COMPARABILITY***

In making a rent reasonableness determination, the Housing Authority will compare the rent for the unit to the rent of comparable units in the same or comparable neighborhoods. The Housing Authority will consider the location, quality, size, number of bedrooms, age, amenities, housing services, maintenance and utilities of the unit and the comparable units.

The Housing Authority will maintain current survey information on rental units in the jurisdiction. The Housing Authority will also obtain from landlord associations and management firms the value of the array of amenities.

The Housing Authority will establish minimum base rent amounts for each unit type and bedroom size. To the base the Housing Authority will be able to add or subtract the dollar value for each characteristic and amenity of a proposed unit.

Owners are invited to submit information to the survey at any time. Owners may review the determination made on their unit and may submit additional information or make improvements to the unit that will enable the Housing Authority to establish a higher value.

The owner must certify the rents charged for other units. By accepting the housing assistance payment each month the owner is certifying that the rent to owner is not more than the rent charged by the owner for comparable unassisted units in the premises.

#### **11.4 *MAXIMUM SUBSIDY***

The Fair Market Rent (FMR) published by HUD or the exception payment standard rent (requested by the ABC Housing Authority and approved by HUD) determines the maximum subsidy for a family.

For the Voucher Program, the minimum payment standard will be 90% of the FMR and the maximum payment standard will be 110% of the FMR without prior approval from HUD, or the exception payment standard approved by HUD.

For a voucher tenancy in an insured or noninsured 236 project, a 515 project of the Rural Development Administration, or a Section 221(d)(3) below market interest rate project the payment standard may not exceed the basic rent charged including the cost of tenant-paid utilities.

For manufactured home space rental, the maximum subsidy under any form of assistance is the Fair Market Rent for the space as outlined in 24 CFR 982.888.

##### **11.4.1 Setting the Payment Standard**

The Statute requires that the payment standard be set by the Housing Authority at between 90 and 110% of the FMR without HUD's prior approval. The ABC Housing Authority will review its determination of the payment standard annually after publication of the FMRs. The ABC Housing Authority will consider vacancy rates and rents in the market area, size and quality of units leased under the program, rents for units leased under the program, success rates of voucher holders in finding units, and the percentage of annual income families are paying for rent under the Voucher Program. If it is determined that success rates will suffer or that families are having to rent low quality units or pay over 40% of income for rent, the payment standard may be raised to the level judged necessary to alleviate these hardships.

The ABC Housing Authority may establish a higher payment standard (although still within 110% of the published fair market rent) as a reasonable accommodation for a family that includes people with disabilities. With approval of the HUD Field Office, the payment standard can go to 120%.

Payment standards will not be raised solely to allow the renting of luxury quality units.

If success levels are projected to be extremely high and rents are projected to be at or below 30% of income, the Housing Authority will reduce the payment standard. Payment standards for each bedroom size are evaluated separately so that the payment standard for

one bedroom size may increase or decrease while another remains unchanged. The ABC Housing Authority may consider adjusting payment standards at times other than the annual review when circumstances warrant.

Before increasing any payment standard, the Housing Authority will conduct a financial feasibility test to ensure that in using the higher standard, adequate funds will continue to be available to assist families in the program.

#### **11.4.2 Selecting the Correct Payment Standard for a Family**

- A. For the voucher tenancy, the payment standard for a family is the lower of:
  - 1. The payment standard for the family unit size; or
  - 2. The payment standard for the unit size rented by the family.
- B. If the unit rented by a family is located in an exception rent area, the Housing Authority will use the appropriate payment standard for the exception rent area.
- C. During the HAP contract term for a unit, the amount of the payment standard for a family is the higher of:
  - 1. The initial payment standard (at the beginning of the lease term) minus any amount by which the initial rent to owner exceeds the current rent to owner; or
  - 2. The payment standard as determined at the most recent regular reexamination of family income and composition effective after the beginning of the HAP contract term.
- D. At the next annual reexamination following a change in family size or composition during the HAP contract term and for any reexamination thereafter, paragraph C above does not apply.
- E. If there is a change in family unit size resulting from a change in family size or composition, the new family unit size will be considered when determining the payment standard at the next annual reexamination.

#### **11.4.3 Area Exception Rents**

In order to help families find housing outside areas of high poverty or when voucher holders are having trouble finding housing for lease under the program, the Housing Authority may request that HUD approve an exception payment standard rent for certain areas within its jurisdiction. The areas may be of any size, though generally not smaller than a census tract. The Housing Authority may request one such exception payment standard area or many. Exception payment standard rent authority may be requested for

all or some unit sizes, or for all or some unit types. The exception payment standard area(s) may not contain more than 50% of the population of the FMR area.

When an exception payment standard rent has been approved and the FMR increases, the exception rent remains unchanged until such time as the Housing Authority requests and HUD approves a higher exception payment standard rent. If the FMR decreases, the exception payment standard rent authority automatically expires.

## **11.5 ASSISTANCE AND RENT FORMULAS**

### **Total Tenant Payment**

The total tenant payment is equal to the highest of:

1. 10% of the family's monthly income
2. 30% of the family's adjusted monthly income
3. The Minimum rent
4. If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the family's housing costs, the portion of those payments which is so designated. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this provision is the amount resulting from one application of the percentage.

Plus any rent above the payment standard.

### **B. Section 8 Preservation Vouchers**

1. Payment Standard
  - a. The payment standard is the lower of:
    - i. The payment standard amount for the appropriate family unit size; or
    - ii. The payment standard amount for the size of the dwelling unit actually rented by the family.
  - b. If the dwelling unit is located in an exception area, the ABC Housing Authority will use the appropriate payment standard for the exception area.

- c. During the HAP contract term, the payment standard for the family is the higher of :
    - i. The initial payment standard (at the beginning of the HAP contract term), as determined in accordance with paragraph (1)(a) or (1)(b) of this section, minus any amount by which the initial rent to the owner exceeds the current rent to the owner; or
    - ii. The payment standard as determined in accordance with paragraph (1)(a) or (1)(b) of this section, as determined at the most recent regular reexamination of family income and composition effective after the beginning of the HAP contract term.
  - d. At the next regular reexamination following a change in family composition that causes a change in family unit size during the HAP contract term, and for any examination thereafter during the term:
    - i. Paragraph (c)(i) of this section does not apply; and
    - ii. The new family unit size must be used to determine the payment standard.
2. The ABC Housing Authority will pay a monthly housing assistance payment on behalf of the family that equals the lesser of:
- a. The payment standard minus the total tenant payment; or
  - b. The gross rent minus the total tenant payment.

C. Manufactured Home Space Rental: Section 8 Vouchers

- 1. The payment standard for a participant renting a manufactured home space is the published FMR for rental of a manufactured home space.
- 2. The space rent is the sum of the following as determined by the Housing Authority:
  - a. Rent to the owner for the manufactured home space;
  - b. Owner maintenance and management charges for the space; and
  - c. Utility allowance for tenant paid utilities.

3. The participant pays the rent to owner less the HAP.
4. HAP equals the lesser of:
  - a. The payment standard minus the total tenant payment; or
  - b. The rent paid for rental of the real property on which the manufactured home owned by the family is located.

D. Rent for Families under the Noncitizen Rule

A mixed family will receive full continuation of assistance if all of the following conditions are met:

1. The family was receiving assistance on June 19, 1995;
2. The family was granted continuation of assistance before November 29, 1996;
3. The family's head or spouse has eligible immigration status; and
4. The family does not include any person who does not have eligible status other than the head of household, the spouse of the head of household, any parent of the head or spouse, or any child (under the age of 18) of the head or spouse.

If a mixed family qualifies for prorated assistance but decides not to accept it, or if the family has no eligible members, the family may be eligible for temporary deferral of termination of assistance to permit the family additional time for the orderly transition of some or all of its members to locate other affordable housing. Under this provision the family receives full assistance. If assistance is granted under this provision prior to November 29, 1996, it may last no longer than three years. If granted after that date, the maximum period of time for assistance under the provision is 18 months. The ABC Housing Authority will grant each family a period of 6 months to find suitable affordable housing. If the family cannot find suitable affordable housing, the ABC Housing Authority will provide additional search periods up to the maximum time allowable.

Suitable housing means housing that is not substandard and is of appropriate size for the family. Affordable housing means that it can be rented for an amount not exceeding the amount the family pays for rent, plus utilities, plus 25%.

The family's assistance is prorated in the following manner:

1. Find the prorated housing assistance payment (HAP) by dividing the HAP by the total number of family members, and then multiplying the result by the number of eligible family members.
2. Obtain the prorated family share by subtracting the prorated HAP from the gross rent (contract rent plus utility allowance).
3. The prorated tenant rent equals the prorated family share minus the full utility allowance.

## ***11.6 UTILITY ALLOWANCE***

The Housing Authority maintains a utility allowance schedule for all tenant-paid utilities (except telephone), for cost of tenant-supplied refrigerators and ranges, and for other tenant-paid housing services (e.g., trash collection (disposal of waste and refuse)).

The utility allowance schedule is determined based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. In developing the schedule, the Housing Authority uses normal patterns of consumption for the community as a whole and current utility rates.

The ABC Housing Authority will utilize the Utility Allowances as established by the existing PHA's throughout Maricopa County. The ABC Housing Authority will ensure that they receive annual updates to the Utility Allowances from each PHA in Maricopa County.

The Housing Authority uses the appropriate utility allowance for the size of dwelling unit actually leased by the family (rather than the family unit size as determined under the Housing Authority subsidy standards).

At each reexamination, the Housing Authority applies the utility allowance from the most current utility allowance schedule.

The Housing Authority will approve a request for a utility allowance that is higher than the applicable amount on the utility allowance schedule if a higher utility allowance is needed as a reasonable accommodation to make the program accessible to and usable by the family member with a disability.

The utility allowance will be subtracted from the family's share to determine the amount of the Tenant Rent. The Tenant Rent is the amount the family owes each month to the owner. The amount of the utility allowance is then still available to the family to pay the cost of their utilities. Any utility cost above the allowance is the responsibility of the tenant. Any savings resulting from utility costs below the amount of the allowance belong to the tenant. The PHA will pay the utility allowance directly to the utility companies.

### **11.7 DISTRIBUTION OF HOUSING ASSISTANCE PAYMENT**

The Housing Authority pays the owner the lesser of the housing assistance payment or the rent to owner. If payments are not made when due, the owner may charge the ABC Housing Authority a late payment, agreed to in the Contract and in accordance with generally accepted practices in the ABC jurisdiction if the following conditions apply:

- A. It is the owner's practice to charge such penalties for assisted and unassisted tenants; and
- B. The owner also charges such penalties against the tenant for late payment of family rent to the owner.

Late charges will not be paid when the reason for the lateness is attributable to factors beyond the control of the ABC Housing Authority.

### **11.8 CHANGE OF OWNERSHIP**

The ABC Housing Authority requires a written request by the owner who executed the HAP contract in order to make changes regarding who is to receive the ABC Housing Authority's rent payment or the address as to where the rent payment should be sent.

In addition, the ABC Housing Authority requires a written request from the new owner to process a change of ownership. The following documents must accompany the written request:

- A. Deed of Trust showing the transfer of title; and
- B. Tax Identification Number or Social Security Number.

New owners will be required to execute IRS form W-9. The ABC Housing Authority may withhold the rent payment until the taxpayer identification number is received.

## **12.0 INSPECTION POLICIES AND HOUSING QUALITY STANDARDS**

The ABC Housing Authority will inspect all units to ensure that they meet Housing Quality Standards (HQS). No unit will be initially placed on the Section 8 Existing Program unless the HQS is met. Units will be inspected at least annually, and at other times as needed, to determine if the units meet HQS.

The ABC Housing Authority must be allowed to inspect the dwelling unit at reasonable times with reasonable notice. The family and owner will be notified of the inspection appointment by first class mail. If the family cannot be at home for the scheduled inspection appointment, the family must call and reschedule the inspection or make

arrangements to enable the Housing Authority to enter the unit and complete the inspection.

If the family misses the scheduled inspection and fails to reschedule the inspection, the ABC Housing Authority will only schedule one more inspection. If the family misses two inspections, the ABC Housing Authority will consider the family to have violated a Family Obligation and their assistance will be terminated.

### ***12.1 TYPES OF INSPECTIONS***

There are seven types of inspections the ABC Housing Authority will perform:

- A. Initial Inspection - An inspection that must take place to insure that the unit passes HQS before assistance can begin.
- B. Annual Inspection - An inspection to determine that the unit continues to meet HQS.
- C. Complaint Inspection - An inspection caused by the Authority receiving a complaint on the unit by anyone.
- D. Special Inspection - An inspection caused by a third party, i.e., HUD, needing to view the unit.
- E. Emergency - An inspection that takes place in the event of a perceived emergency. These will take precedence over all other inspections.
- F. Quality Control Inspection - Supervisory inspections on at least 5% of the total number of units that were under lease during the Housing Authority's previous fiscal year.

### ***12.2 OWNER AND FAMILY RESPONSIBILITY***

- A. Owner Responsibility for HQS
  - 1. The owner must maintain the unit in accordance with HQS.
  - 2. If the owner fails to maintain the dwelling unit in accordance with HQS, the ABC Housing Authority will take prompt and vigorous action to enforce the owner obligations. The ABC Housing Authority's remedies for such breach of the HQS include termination, suspension or reduction of housing assistance payments and termination of the HAP contract.
  - 3. The ABC Housing Authority will not make any housing assistance payments for a dwelling unit that fails to meet the HQS, unless the owner corrects the defect within the period specified by the ABC Housing

Authority and the ABC Housing Authority verifies the correction. If a defect is life threatening, the owner must correct the defect within no more than 24 hours. For other defects the owner must correct the defect within no more than 30 calendar days (or any ABC Housing Authority approved extension).

4. The owner is not responsible for a breach of the HQS that is not caused by the owner, and for which the family is responsible. Furthermore, the ABC Housing Authority may terminate assistance to a family because of the HQS breach caused by the family.

**B. Family Responsibility for HQS**

1. The family is responsible for a breach of the HQS that is caused by any of the following:
  - a. The family fails to pay for any utilities that the owner is not required to pay for, but which are to be paid by the tenant;
  - b. The family fails to provide and maintain any appliances that the owner is not required to provide, but which are to be provided by the tenant; or
  - c. Any member of the household or a guest damages the dwelling unit or premises (damage beyond ordinary wear and tear).
2. If an HQS breach caused by the family is life threatening, the family must correct the defect within no more than 24 hours. For other family-caused defects, the family must correct the defect within no more than 30 calendar days (or any ABC Housing Authority approved extension).
3. If the family has caused a breach of the HQS, the ABC Housing Authority will take prompt and vigorous action to enforce the family obligations. The ABC Housing Authority may terminate assistance for the family in accordance with 24 CFR 982.552.

***12.3 HOUSING QUALITY STANDARDS (HQS) 24 CFR 982.401***

ABC Housing Authority will implement HQS in accordance with 24 CFR 982.401. Inspections will be conducted on a HUD approved HQS inspection form.

***12.4 TIME FRAMES AND CORRECTIONS OF HQS FAIL ITEMS***

**A. Correcting Initial HQS Fail Items**

The ABC Housing Authority will schedule a timely inspection of the unit on the date the owner indicates that the unit will be ready for inspection, or as soon as possible thereafter (within 5 working days) upon receipt of a Request for Tenancy Approval. The owner and participant will be notified in writing of the results of the inspection. If the unit fails HQS again, the owner and the participant will be advised to notify the ABC Housing Authority to reschedule a re-inspection when the repairs have been properly completed.

On an initial inspection, the owner will be given up to 30 days to correct the items noted as failed, depending on the extent of the repairs that are required to be made. No unit will be placed in the program until the unit meets the HQS requirements.

**B. HQS Fail Items for Units under Contract**

The owner or participant will be given time to correct the failed items cited on the inspection report for a unit already under contract. If the failed items endanger the family's health or safety (using the emergency item in Section 12.6), the owner or participant will be given 24 hours to correct the violations. For less serious failures, the owner or participant will be given up to 30 days to correct the failed item(s).

If the owner fails to correct the HQS failed items after proper notification has been given, the ABC Housing Authority will abate payment and terminate the contract in accordance with Sections 12.7 and 16.0(B)(3).

If the participant fails to correct the HQS failed items that are family-caused after proper notification has been given, the ABC Housing Authority will terminate assistance for the family in accordance with Sections 12.2(B) and 16.0(B)(3).

**C. Time Frames for Corrections**

1. Emergency repair items must be abated within 24 hours.
2. Repair of refrigerators, range and oven, or a major plumbing fixture supplied by the owner must be abated within 72 hours.
3. Non-emergency items must be completed within 10 days of the initial inspection.
4. For major repairs, the owner will have up to 30 days to complete.

**D. Extensions**

At the sole discretion of the ABC Housing Authority, extensions of up to 30 days may be granted to permit an owner to complete repairs if the owner has made a

good faith effort to initiate repairs. If repairs are not completed within 60 days after the initial inspection date, the ABC Housing Authority will abate the rent and cancel the HAP contract for owner noncompliance. Appropriate extensions will be granted if a severe weather condition exists for such items as exterior painting and outside concrete work for porches, steps, and sidewalks.

### **12.5 EMERGENCY FAIL ITEMS**

The following items are to be considered examples of emergency items that need to be abated within 24 hours:

- A. No hot or cold water
- B. No electricity
- C. Inability to maintain adequate heat
- D. Major plumbing leak
- E. Natural gas leak
- F. Broken lock(s) on first floor doors or windows
- G. Broken windows that unduly allow weather elements into the unit
- H. Electrical outlet smoking or sparking
- I. Exposed electrical wires which could result in shock or fire
- J. Unusable toilet when only one toilet is present in the unit
- K. Security risks such as broken doors or windows that would allow intrusion
- L. Other conditions which pose an immediate threat to health or safety

### **12.6 ABATEMENT**

When a unit fails to meet HQS and the owner has been given an opportunity to correct the deficiencies, but has failed to do so within in the required timeframe, the rent for the dwelling unit will be abated.

The initial abatement period will not exceed 7 days. If the corrections of deficiencies are not made within the 7-day timeframe, the abatement will continue until the HAP contract is terminated. When the deficiencies are corrected, the ABC Housing Authority will end the abatement the day the unit passes inspection. Rent will resume the following day and be paid the first day of the next month.

For tenant caused HQS deficiencies, the owner will not be held accountable and the rent will not be abated. The tenant is held to the same standard and timeframes for correction of deficiencies as owners. If repairs are not completed by the deadline, the ABC Housing Authority will send a notice of termination to both the tenant and the owner. The tenant will be given the opportunity to request an informal hearing.

## **13.0 RECERTIFICATION**

### ***13.0.1 CHANGES IN LEASE OR RENT***

If the participant and owner agree to any changes in the lease, all changes must be in writing, and the owner must immediately give the ABC Housing Authority a copy of the changes. The lease, including any changes, must be in accordance with this Administrative Plan.

Owners must notify the ABC Housing Authority of any changes in the amount of the rent at least sixty (60) days before the changes go into effect. Any such changes are subject to the ABC Housing Authority determining them to be reasonable.

Assistance shall not be continued unless the ABC Housing Authority has approved a new tenancy in accordance with program requirements and has executed a new HAP contract with the owner if any of the following changes are made:

- A. Requirements governing participant or owner responsibilities for utilities or appliances;
- B. In the lease terms governing the term of the lease;
- C. If the participant moves to a new unit, even if the unit is in the same building or complex.

The approval of the ABC Housing Authority is not required for changes other than those specified in A, B, or C above.

### ***13.1 ANNUAL REEXAMINATION***

At least annually the ABC Housing Authority will conduct a reexamination of family income and circumstances. The results of the reexamination determine (1) the rent the family will pay, and (2) whether the family subsidy is correct based on the family unit size.

The ABC Housing Authority will send a notification letter to the family letting them know that it is time for their annual reexamination and scheduling an appointment. The letter includes forms for the family to complete in preparation for the interview. The

letter includes instructions permitting the family to reschedule the interview if necessary. The letter tells families who may need to make alternate arrangements due to a disability that they may contact staff to request an accommodation of their needs.

During the interview, the family will provide all information regarding income, assets, expenses, and other information necessary to determine the family's share of rent. The family will sign the HUD consent form and other consent forms that later will be mailed to the sources that will verify the family circumstances.

Upon receipt of verification, the ABC Housing Authority will determine the family's annual income and will calculate their family share.

### **13.1.1 Effective Date of Rent Changes for Annual Reexaminations**

The new family share will generally be effective upon the anniversary date with 30 days notice of any rent increase to the family.

If the rent determination is delayed due to a reason beyond the control of the family, then any rent increase will be effective the first of the month after the month in which the family receives a 30-day notice of the amount. If the new rent is a reduction and the delay is beyond the control of the family, the reduction will be effective as scheduled on the anniversary date.

If the family caused the delay, then any increase will be effective on the anniversary date. Any reduction will be effective the first of the month after the rent amount is determined.

### **13.1.2 Missed Appointments**

If the family fails to respond to the letter and fails to attend the interview, a second letter will be mailed. The second letter will advise of a new time and date for the interview, allowing for the same considerations for rescheduling and accommodation as above. The letter will also advise that failure by the family to attend the second scheduled interview will result in the ABC Housing Authority taking action to terminate the family's assistance.

## **13.2 INTERIM REEXAMINATIONS**

During an interim reexamination only the information affected by the changes being reported will be reviewed and verified.

Families will not be required to report any increase in income or decreases in allowable expenses between annual reexaminations.

Families are required to report the following changes to the ABC Housing Authority between regular reexaminations. These changes will trigger an interim reexamination.

- A. A member has been added to the family through birth or adoption or court-awarded custody.
- B. A household member is leaving or has left the family unit.
- C. Family break-up

In circumstances of a family break-up, the ABC Housing Authority will make a determination of which family member will retain the certificate or voucher, taking into consideration the following factors:

1. To whom the certificate or voucher was issued.
2. The interest of minor children or of ill, elderly, or disabled family members.
3. Whether the assistance should remain with the family members remaining in the unit.
4. Whether family members were forced to leave the unit as a result of actual or threatened physical violence by a spouse or other member(s) of the household.

If a court determines the disposition of property between members of the assisted family in a divorce or separation under a settlement of judicial decree, the ABC Housing Authority will be bound by the court's determination of which family members continue to receive assistance in the program.

Because of the number of possible different circumstances in which a determination will have to be made, the ABC Housing Authority will make determinations on a case by case basis.

The ABC Housing Authority will issue a determination within 10 business days of the request for a determination. The family member requesting the determination may request an informal hearing in compliance with the informal hearings in Section 15.2.

In order to add a household member other than through birth or adoption (including a live-in aide) the family must request that the new member be added to the lease. Before adding the new member to the lease, the individual must complete an application form stating their income, assets, and all other information required of an applicant. The individual must provide their Social Security Number if they have one, and must verify their citizenship/eligible immigrant status (Their housing will not be delayed due to delays in verifying eligible immigrant status other than delays caused by the family). The new family member will go through the screening process similar to the process for applicants. The ABC Housing Authority will determine the eligibility of the individual before allowing them to be added to the lease. If the individual is found to be ineligible or

does not pass the screening criteria, they will be advised in writing and given the opportunity for an informal review. If they are found to be eligible and do pass the screening criteria, the ABC Housing Authority will grant approval to add their name to the lease. At the same time, the family's annual income will be recalculated taking into account the income and circumstances of the new family member. The effective date of the new rent will be in accordance with paragraph below 13.2.2.

Families are not required to, but may at any time, request an interim reexamination based on a decrease in income, an increase in allowable expenses, or other changes in family circumstances. Upon such request, the ABC Housing Authority will take timely action to process the interim reexamination and recalculate the Total Tenant Payment.

### **13.2.1 Special Reexaminations**

If a family's income is too unstable to project for 12 months, including families that temporarily have no income or have a temporary decrease in income, the ABC Housing Authority may schedule special reexaminations every 60 days until the income stabilizes and an annual income can be determined.

### **13.2.2 Effective Date of Rent Changes Due to Interim or Special Reexaminations**

Unless there is a delay in reexamination processing caused by the family, any rent increase will be effective the first of the second month after the month in which the family receives notice of the new rent amount. If the family causes a delay, then the rent increase will be effective on the date it would have been effective had the process not been delayed (even if this means a retroactive increase).

If the new rent is a reduction and any delay is beyond the control of the family, the reduction will be effective the first of the month after the interim reexamination should have been completed.

If the new rent is a reduction and the family caused the delay or did not report the change in a timely manner, the change will be effective the first of the month after the rent amount is determined.

## **14.0 TERMINATION OF ASSISTANCE TO THE FAMILY BY THE ABC HOUSING AUTHORITY**

The Housing Authority may at any time terminate program assistance for a participant because of any of the following actions or inactions by the household:

- A. If the family violates any family obligations under the program.
- B. If a family member fails to sign and submit consent forms.

- C. If a family fails to establish citizenship or eligible immigrant status and is not eligible for or does not elect continuation of assistance, pro-ration of assistance, or temporary deferral of assistance. If the ABC Housing Authority determines that a family member has knowingly permitted an ineligible noncitizen (other than any ineligible noncitizens listed on the lease) to permanently reside in their Section 8 unit, the family's assistance will be terminated. Such family will not be eligible to be readmitted to Section 8 for a period of 24 months from the date of termination.
- D. If any member of the family has ever been evicted from public housing.
- E. If the Housing Authority has ever terminated assistance under the Certificate or Voucher Program for any member of the family.
- F. If any member of the family commits drug-related or violent criminal activity.
- G. If any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program.
- H. If the family currently owes rent or other amounts to the Housing Authority or to another Housing Authority in connection with Section 8 or public housing assistance under the 1937 Act.
- I. If the family has not reimbursed any Housing Authority 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.
- J. If the family breaches an agreement with the Housing Authority to pay amounts owed to a Housing Authority or amounts paid to an owner by a Housing Authority. (The Housing Authority, at its discretion, may offer a family the opportunity to enter an agreement to pay amounts owed to a Housing Authority or amounts paid to an owner by a Housing Authority. The Housing Authority may prescribe the terms of the agreement.)
- K. If a family participating in the FSS program fails to comply, without good cause, with the family's FSS contract of participation.
- L. If the family has engaged in or threatened abusive or violent behavior toward Housing Authority personnel.
- M. If any household member is subject to a lifetime registration requirement under a State sex offender registration program.
- N. If a household member's illegal use (or pattern of illegal use) of a controlled substance, or whose abuse (or pattern of abuse) of alcohol, is determined by the ABC Housing Authority to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

## **15.0 COMPLAINTS, INFORMAL REVIEWS FOR APPLICANTS, INFORMAL HEARINGS FOR PARTICIPANTS**

### **15.1 COMPLAINTS**

The ABC Housing Authority will investigate and respond to complaints by participant families, owners, and the general public. The ABC Housing Authority may require that complaints other than HQS violations be put in writing. Anonymous complaints are investigated whenever possible.

### **15.2 INFORMAL REVIEW FOR THE APPLICANT**

#### **A. Informal Review for the Applicant**

The ABC Housing Authority will give an applicant for participation in the Section 8 Existing Program prompt notice of a decision denying assistance to the applicant. The notice will contain a brief statement of the reasons for the ABC Housing Authority decision. The notice will state that the applicant may request an informal review within 10 business days of the denial and will describe how to obtain the informal review.

#### **B. When an Informal Review is not Required**

The ABC Housing Authority will not provide the applicant an opportunity for an informal review for any of the following reasons:

1. A determination of the family unit size under the ABC Housing Authority subsidy standards.
2. ABC Housing Authority determination not to approve an extension or suspension of a certificate or voucher term.
3. ABC Housing Authority determination not to grant approval to lease a unit under the program or to approve a proposed lease.
4. ABC Housing Authority determination that a unit selected by the applicant is not in compliance with HQS.
5. ABC Housing Authority determination that the unit is not in accordance with HQS because of family size or composition.
6. General policy issues or class grievances.

7. Discretionary administrative determinations by the ABC Housing Authority.

C. Informal Review Process

The ABC Housing Authority will give an applicant an opportunity for an informal review of the ABC Housing Authority decision denying assistance to the applicant. The procedure is as follows:

1. The review will be conducted by any person or persons designated by the ABC Housing Authority other than the person who made or approved the decision under review or a subordinate of this person.
2. The applicant will be given an opportunity to present written or oral objections to the ABC Housing Authority decision.
3. The ABC Housing Authority will notify the applicant of the ABC Housing Authority decision after the informal review within 14 calendar days. The notification will include a brief statement of the reasons for the final decision.

D. Considering Circumstances

In deciding whether to terminate assistance because of action or inaction by members of the family, the Housing Authority may consider all of the circumstances in each case, including the seriousness of the case, the extent of participation or culpability of individual family members, and the effects of denial or termination of assistance on other family members who were not involved in the action or failure.

The Housing Authority 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 Housing Authority may permit the other members of a participant family to continue receiving assistance.

If the Housing Authority seeks to terminate assistance because of illegal use, or possession for personal use, of a controlled substance, or pattern of abuse of alcohol, such use or possession or pattern of abuse must have occurred within one year before the date that the Housing Authority provides notice to the family of the Housing Authority determination to deny or terminate assistance. In determining whether to terminate assistance for these reasons the ABC Housing Authority will consider evidence of whether the household member:

1. Has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol;
  2. Has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol; or
  3. Is participating in a supervised drug or alcohol rehabilitation program and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol.
- E. Informal Review Procedures for Denial of Assistance on the Basis of Ineligible Immigration Status

The applicant family may request that the ABC Housing Authority provide for an informal review after the family has notification of the INS decision on appeal, or in lieu of request of appeal to the INS. The applicant family must make this request within 30 days of receipt of the *Notice of Denial or Termination of Assistance*, or within 30 days of receipt of the INS appeal decision.

For applicant families, the Informal Review Process above will be utilized with the exception that the applicant family will have up to 30 days of receipt of the *Notice of Denial or Termination of Assistance*, or of the INS appeal decision to request the review.

### **15.3 INFORMAL HEARINGS FOR PARTICIPANTS**

- A. When a Hearing is Required
1. The ABC Housing Authority will give a participant family an opportunity for an informal hearing to consider whether the following ABC Housing Authority decisions relating to the individual circumstances of a participant family are in accordance with the law, HUD regulations, and ABC Housing Authority policies:
    - a. A determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment.
    - b. A determination of the appropriate utility allowance (if any) for tenant-paid utilities from the ABC Housing Authority utility allowance schedule.
    - c. A determination of the family unit size under the ABC Housing Authority subsidy standards.

- d. A determination that a Certificate Program family is residing in a unit with a larger number of bedrooms than appropriate for the family unit size under the ABC Housing Authority subsidy standards, or the ABC Housing Authority determination to deny the family's request for an exception from the standards.
  - e. A determination to terminate assistance for a participant family because of the family's action or failure to act.
  - f. A determination to terminate assistance because the participant family has been absent from the assisted unit for longer than the maximum period permitted under the ABC Housing Authority policy and HUD rules.
2. In cases described in paragraphs 15.3(A)(1)(d), (e), and (f) of this Section, the ABC Housing Authority will give the opportunity for an informal hearing before the ABC Housing Authority terminates housing assistance payments for the family under an outstanding HAP contract.

**B. When a Hearing is not Required**

The ABC Housing Authority will not provide a participant family an opportunity for an informal hearing for any of the following reasons:

1. Discretionary administrative determinations by the ABC Housing Authority.
2. General policy issues or class grievances.
3. Establishment of the ABC Housing Authority schedule of utility allowances for families in the program.
4. ABC Housing Authority determination not to approve an extension or suspension of a certificate or voucher term.
5. ABC Housing Authority determination not to approve a unit or lease.
6. ABC Housing Authority determination that an assisted unit is not in compliance with HQS. (However, the ABC Housing Authority will provide the opportunity for an informal hearing for a decision to terminate assistance for a breach of the HQS caused by the family.)
7. ABC Housing Authority determination that the unit is not in accordance with HQS because of the family size.

8. A determination by the ABC Housing Authority to exercise or not exercise any right or remedy against the owner under a HAP contract.

C. Notice to the Family

1. In the cases described in paragraphs 15.3(A)(1)(a), (b), and (c) of this Section, the ABC Housing Authority will notify the family that the family may ask for an explanation of the basis of the ABC Housing Authority's determination, and that if the family does not agree with the determination, the family may request an informal hearing on the decision.
2. In the cases described in paragraphs 15.3(A)(1)(d), (e), and (f) of this Section, the ABC Housing Authority will give the family prompt written notice that the family may request a hearing within 10 business days of the notification. The notice will:
  - a. Contain a brief statement of the reasons for the decision; and
  - b. State if the family does not agree with the decision, the family may request an informal hearing on the decision within 10 business days of the notification.

D. Hearing Procedures

The ABC Housing Authority and participants will adhere to the following procedures:

1. Discovery
  - a. The family will be given the opportunity to examine before the hearing any ABC Housing Authority documents that are directly relevant to the hearing. The family will be allowed to copy any such document at the family's expense. If the ABC Housing Authority does not make the document(s) available for examination on request of the family, the ABC Housing Authority may not rely on the document at the hearing.
  - b. The ABC Housing Authority will be given the opportunity to examine, at the ABC Housing Authority's offices before the hearing, any family documents that are directly relevant to the hearing. The ABC Housing Authority will be allowed to copy any such document at the ABC Housing Authority's expense. If the family does not make the document(s) available for examination on request of the ABC Housing Authority, the family may not rely on the document(s) at the hearing.

Note: The term **document** includes records and regulations.

2. Representation of the Family

At its own expense, a lawyer or other representative may represent the family.

3. Hearing Officer

a. The hearing will be conducted by any person or persons designated by the ABC Housing Authority, other than a person who made or approved the decision under review or a subordinate of this person.

b. The person who conducts the hearing will regulate the conduct of the hearing in accordance with the ABC Housing Authority hearing procedures.

4. Evidence

The ABC Housing Authority and the family must have the opportunity to present evidence and may question any witnesses. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

5. Issuance of Decision

The person who conducts the hearing must issue a written decision within 14 calendar days from the date of the hearing, stating briefly the reasons for the decision. Factual determinations relating to the individual circumstances of the family shall be based on a preponderance of the evidence presented at the hearing.

6. Effect of the Decision

The ABC Housing Authority is not bound by a hearing decision:

a. Concerning a matter for which the ABC Housing Authority is not required to provide an opportunity for an informal hearing under this Section, or that otherwise exceeds the authority of the person conducting the hearing under the ABC Housing Authority hearing procedures.

b. Contrary to HUD regulations or requirements, or otherwise contrary to Federal, State, or local law.

- c. If the ABC Housing Authority determines that it is not bound by a hearing decision, the ABC Housing Authority will notify the family within 14 calendar days of the determination, and of the reasons for the determination.

E. Considering Circumstances

In deciding whether to terminate assistance because of action or inaction by members of the family, the Housing Authority may consider all of the circumstances in each case, including the seriousness of the case, the extent of participation or culpability of individual family members, and the effects of denial or termination of assistance on other family members who were not involved in the action or failure.

The Housing Authority 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 Housing Authority may permit the other members of a participant family to continue receiving assistance.

If the Housing Authority seeks to terminate assistance because of illegal use, or possession for personal use, of a controlled substance, or pattern of abuse of alcohol, such use or possession or pattern of abuse must have occurred within one year before the date that the Housing Authority provides notice to the family of the Housing Authority determination to deny or terminate assistance. In determining whether to terminate assistance for these reasons the ABC Housing Authority will consider evidence of whether the household member:

1. Has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol;
2. Has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol; or
3. Is participating in a supervised drug or alcohol rehabilitation program and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol.

F. Informal Hearing Procedures for Denial of Assistance on the Basis of Ineligible Immigration Status

The participant family may request that the ABC Housing Authority provide for an informal hearing after the family has notification of the INS decision on appeal, or in lieu of request of appeal to the INS. This request must be made by the participant family within 30 days of receipt of the *Notice of Denial or*

*Termination of Assistance*, or within 30 days of receipt of the INS appeal decision.

For the participant families, the Informal Hearing Process above will be utilized with the exception that the participant family will have up to 30 days of receipt of the *Notice of Denial or Termination of Assistance*, or of the INS appeal decision.

## **16.0 TERMINATION OF THE LEASE AND CONTRACT**

The term of the lease and the term of the HAP contract are the same. They begin on the same date and they end on the same date. The lease may be terminated by the owner, by the tenant, or by the mutual agreement of both. The owner may only terminate the contract by terminating the lease. The HAP contract may be terminated by the ABC Housing Authority. Under some circumstances the contract automatically terminates.

### **A. Termination of the Lease**

#### **1. By the family**

The family may terminate the lease without cause upon proper notice to the owner and to the ABC Housing Authority after the initial lease term. The length of the notice that is required is stated in the lease (generally 30 days).

#### **2. By the owner**

a. The owner may terminate the lease during its term on the following grounds:

- i. Serious or repeated violations of the terms or conditions of the lease;
- ii. Violation of Federal, State, or local law that imposes obligations on the tenant in connection with the occupancy or use of the unit and its premises;
- iii. Criminal activity by the household, a guest, or another person under the control of the household that threatens the health, safety, or right to peaceful enjoyment of the premises by other persons residing in the immediate vicinity of the premises;
- iv. Any drug-related or violent criminal activity on or near the premises;

v. Other good cause. Other good cause may include, but is not limited to:

- (1) Failure by the family to accept the offer of a new lease;
- (2) Family history of disturbances of neighbors or destruction of property, or living or housekeeping habits resulting in damage to the property or unit;
- (3) The owner's desire to utilize the unit for personal or family use or for a purpose other than use as a residential rental unit;
- (4) A business or economic reason such as sale of the property, renovation of the unit, desire to rent at a higher rental amount.

b. During the first year the owner may not terminate tenancy for other good cause unless the reason is because of something the household did or failed to do.

c. The owner may only evict the tenant by instituting court action after or simultaneously providing written notice to the participant specifying the grounds for termination. The owner must give the ABC Housing Authority a copy of any owner eviction notice to the tenant at the same time that the owner gives the notice to the tenant.

d. The owner may terminate the contract at the end of the initial lease term or any extension of the lease term without cause by providing notice to the family that the lease term will not be renewed.

3. By mutual agreement

The family and the owner may at any time mutually agree to terminate the lease.

B. Termination of the Contract

1. Automatic termination of the contract

a. If the ABC Housing Authority terminates assistance to the family, the contract terminates automatically.

- b. If the family moves out of the unit, the contract terminates automatically.
- c. 180 calendar days after the last housing assistance payment to the owner.

2. Termination of the contract by the owner

The owner may only terminate tenancy in accordance with lease and State and local law.

3. Termination of the HAP contract by the ABC Housing Authority

The Housing Authority may terminate the HAP contract because:

- a. The Housing Authority has terminated assistance to the family.
- b. The unit does not meet HQS space standards because of an increase in family size or change in family composition.
- c. The unit is larger than appropriate for the family size or composition under the regular Certificate Program.
- d. When the family breaks up and the ABC Housing Authority determines that the family members who move from the unit will continue to receive the assistance.
- e. The ABC Housing Authority determines that there is insufficient funding in their contract with HUD to support continued assistance for families in the program.
- f. The owner has breached the contract in any of the following ways:
  - i. If the owner has violated any obligation under the HAP contract for the dwelling unit, including the owner's obligation to maintain the unit in accordance with the HQS.
  - ii. If the owner has violated any obligation under any other housing assistance payments contract under Section 8 of the 1937 Act.
  - iii. If the owner has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program.

- iv. For projects with mortgages insured by HUD or loans made by HUD, if the owner has failed to comply with the regulations for the applicable mortgage insurance or loan program, with the mortgage or mortgage note, or with the regulatory agreement.
  - v. If the owner has engaged in drug-related criminal activity or any violent criminal activity.
  - g. If a welfare-to-work family fails to fulfill its obligations under the welfare-to-work voucher program.
4. Final HAP payment to owner

The HAP payment stops when the lease terminates. The owner may keep the payment for the month in which the family moves out. If the owner has begun eviction proceedings and the family continues to occupy the unit, the Housing Authority will continue to make payments until the owner obtains a judgment or the family moves out.

## **17.0 CHARGES AGAINST THE SECTION 8 ADMINISTRATIVE FEE RESERVE**

Occasionally, it is necessary for the ABC Housing Authority to spend money from its Section 8 Administrative Fee Reserve to meet unseen or extraordinary expenditures or for its other housing related purposes consistent with State law.

The ABC Housing Authority Board of Commissioners authorizes the Executive Director to expend without prior Board approval up to \$10,000.00 for authorized expenditures.

Any item(s) exceeding \$10,000.00 will require prior Board of Commissioner approval before any charge is made against the Section 8 Administrative Fee Reserve.

## **18.0 INTELLECTUAL PROPERTY RIGHTS**

No program receipts may be used to indemnify contractors or subcontractors of the ABC Housing Authority against costs associated with any judgement of infringement of intellectual property rights.

## **19.0 ABC HOUSING AUTHORITY OWNED HOUSING**

Units owned by the ABC Housing Authority and not receiving subsidy under any other program are eligible housing units for Housing Choice Voucher holders. In order to comply with Federal regulation, the ABC Housing Authority will do the following:

- A. The ABC Housing Authority will make available through the briefing process both orally and in writing the availability of ABC Housing Authority owned units (notification will also include other properties owned/managed by the private sector available to Housing Choice Voucher holders).
- B. The ABC Housing Authority will obtain the services of an independent entity to perform the following ABC Housing Authority functions:
  - 1. Determine rent reasonableness for the unit. The independent entity will communicate the rent reasonableness determination to the family and the ABC Housing Authority.
  - 2. To assist the family in negotiating the rent.
  - 3. To inspect the unit for compliance with HQS.
- C. The ABC Housing Authority will gain HUD approval for the independent agency/agencies utilized to perform the above functions.
- D. The ABC Housing Authority will compensate the independent agency/agencies from our ongoing administrative fee income.
- E. The ABC Housing Authority, or the independent agency/agencies, will not charge the family any fee or charge for the services provided by the independent agency.

## **20.0 QUALITY CONTROL OF SECTION 8 PROGRAM**

In order to maintain the appropriate quality standards for the Section 8 program, the ABC Housing Authority will annually review files and records to determine if the work documented in the files or records conforms to program requirements. This shall be accomplished by a supervisor or another qualified person other than the one originally responsible for the work or someone subordinate to that person. The number of files and/or records checked shall be at least equal to the number specified in the Section 8 Management Assessment Program for our size housing authority.

## GLOSSARY

**1937 Housing Act:** The United States Housing Act of 1937 [42 U.S.C. 1437 et seq.]

**ABC Housing Authority:** Arizona Behavioral Health Corporation.

**Arizona Behavioral Health Corporation:** An Arizona non-profit organization as defined by Section 501(C)(3) of the United States Internal Revenue Code.

**Absorption:** In portability, the point at which a receiving housing authority stops billing the initial housing authority for assistance on behalf of a portable family. [24 CFR 982.4]

**Adjusted Annual Income:** The amount of household income, after deductions for specified allowances, on which tenant rent is based.

**Administrative fee:** Fee paid by HUD to the housing authority for the administration of the program.

**Administrative Plan:** The plan that describes housing authority policies for the administration of the tenant-based programs.

**Admission:** The point when the family becomes a participant in the program. In a tenant-based program, the date used for this purpose is the effective date of the first HAP Contract for a family (first day of initial lease term).

**Adult:** A household member who is 18 years or older or who is the head of the household, or spouse, or co-head. An adult must have the legal capacity to enter a lease under State and local law.

**Allowances:** Amounts deducted from the household's annual income in determining adjusted annual income (the income amount used in the rent calculation). Allowances are given for elderly families, dependents, medical expenses for elderly families, disability expenses, and child care expenses for children under 13 years of age. Other allowances can be given at the discretion of the housing authority.

**Amortization Payment:** In a manufactured home space rental: The monthly debt service payment by the family to amortize the purchase price of the manufactured home. If furniture was included in the purchase price, the debt service must be reduced by 15% to exclude the cost of the furniture. The amortization cost is the initial financing, not refinancing. Set-up charges may be included in the monthly amortization payment.

**Annual Contributions Contract (ACC):** The written contract between HUD and a housing authority under which HUD agrees to provide funding for a program under the 1937 Act, and the housing authority agrees to comply with HUD requirements for the program.

**Annual Income:** All amounts, monetary or not, that:

- a. Go to (or on behalf of) the family head or spouse (even if temporarily absent) or to any other family member, or
- b. Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
- c. Are not specifically excluded from Annual Income.
- d. Annual Income also includes amounts derived (during the 12-month period) from assets to which any member of the family has access.

**Applicant (applicant family):** A family that has applied for admission to a program but is not yet a participant in the program.

**Assets:** see net family assets.

**Asset Income:** Income received from assets held by household members. If assets total more than \$5,000, income from the assets is "imputed" and the greater of actual asset income and imputed asset income is counted in annual income.

**Assisted lease (lease):** A written agreement between an owner and a family for the leasing of a dwelling unit to the family. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP contract between the owner and the housing authority.

**Certificate:** A document issued by a housing authority to a family selected for admission to the Certificate Program. The certificate describes the program and the procedures for housing authority approval of a unit selected by the family. The certificate also states the obligations of the family under the program.

**Certification:** The examination of a household's income, expenses, and family composition to determine the household's eligibility for program participation and to calculate the household's rent for the following 12 months.

**Child:** For purposes of citizenship regulations, a member of the family other than the family head or spouse who is under 18 years of age.

**Child care expenses:** Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care. In the case of childcare necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.

**Citizen:** A citizen or national of the United States.

**Common space:** In shared housing: Space available for use by the assisted family and other occupants of the unit.

**Congregate housing:** Housing for elderly or persons with disabilities that meets the HQS for congregate housing.

**Consent form:** Any consent form approved by HUD to be signed by assistance applicants and participants for the purpose of obtaining income information from employers and SWICAs, return information from the Social Security Administration, and return information for unearned income from the Internal Revenue Service. The consent forms may authorize the collection of other information from assistance applicants or participants to determine eligibility or level of benefits.

**Contiguous MSA:** In portability, an MSA that shares a common boundary with the MSA in which the jurisdiction of the initial housing authority 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 Voucher Program.

**Cooperative:** Housing owned by a non-profit corporation or association, and where a member of the corporation or association has the right to reside in a particular apartment, and to participate in management of the housing.

**Covered Families:** Families who receive welfare assistance or other public assistance benefits ("welfare benefits") from a State or other public agency ("welfare agency") under a program for which Federal, State, or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for such assistance.

**Dating Violence:** Violence committed by a person: (A) who is or has been in a social relationship of a romantic or intimate nature with the victim; and (B) where the existence of such a relationship shall be determined based on a consideration of the following factors: (i) the length of the relationship; (ii) the type of relationship; and (iii) the frequency of interaction between the persons involved in the relationship.

**Decent, safe, and sanitary:** Housing is decent, safe, and sanitary if it satisfies the applicable housing quality standards.

**Department:** The Department of Housing and Urban Development.

**Dependent:** A member of the family (except foster children and foster adults) other than the family head or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student.

**Disability assistance expenses:** Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and auxiliary apparatus for a disabled family member and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.

**Disabled family:** A family whose head, spouse, or sole member is a person with disabilities; or two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.

**Disabled person:** See "person with disabilities."

**Displaced family:** A family in which each member, or whose sole member, is a person displaced by governmental action (such as urban renewal), or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

**Displaced person:** A person displaced by governmental action (such as urban renewal), or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

**Domestic Violence:** Includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim share a child in common, by a person who is cohabitated with or has cohabited with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that persons acts under the domestic or family violence laws of the jurisdiction.

**Domicile:** The legal residence of the household head or spouse as determined in accordance with State and local law.

**Drug-related criminal activity:** Illegal use or personal use of a controlled substance, and the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use, of a controlled substance.

**Drug trafficking:** The illegal manufacture, sale, or distribution, or the possession with intent to manufacture, sell, or distribute, of a controlled substance.

**Economic self-sufficiency program:** Any program designed to encourage, assist, train or facilitate the economic independence of HUD-assisted families or to provide work for such families. These programs include programs for job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, and any program necessary to ready a participant for work (including a substance abuse or mental health treatment program), or other work activities.

**Elderly family:** A family whose head, spouse, or sole member is a person who is at least 62 years of age; or two or more persons who are at least 62 years of age living together; or one or more persons who are at least 62 years of age living with one or more live-in aides.

**Elderly person:** A person who is at least 62 years of age.

**Evidence of citizenship or eligible status:** The documents that must be submitted to evidence citizenship or eligible immigration status.

**Exception rent:** An amount that exceeds the published fair market rent.

**Extremely low-income families:** Those families whose incomes do not exceed 30% of the median income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 30% of the median income for the area if HUD finds that such variations are necessary because of unusually high or low family incomes.

**Fair Housing Act:** Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988 (42 U.S.C. 3601 et seq.).

**Fair market rent (FMR):** The rent, including the cost of utilities (except telephone), as established by HUD for units of varying sizes (by number of bedrooms), that must be paid in the housing market area to rent privately-owned existing, decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. FMRs are published periodically in the Federal Register.

**Family** includes but is not limited to:

- a. A family with or without children (the temporary absence of a child from the home due to placement in foster care shall not be considered in determining family composition and family size);
- b. An elderly family;
- c. A near-elderly family;
- d. A disabled family;
- e. A displaced family;
- f. The remaining member of a tenant family; and
- g. A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

**Family members:** include all household members except live-in aides, foster children and foster adults. All family members permanently reside in the unit, though they may be temporarily absent. All family members are listed on the HUD-50058 form.

**Family Rent to Owner:** In the voucher program, the portion of rent to owner paid by the family.

**Family self-sufficiency program (FSS program):** The program established by a housing authority to promote self-sufficiency of assisted families, including the coordination of supportive services (42 U.S.C. 1437u).

**Family share:** The portion of rent and utilities paid by the family or the gross rent minus the amount of the housing assistance payment.

**Family unit size:** The appropriate number of bedrooms for a family as determined by the housing authority under the housing authority's subsidy standards.

**50058 Form:** The HUD form that housing authorities are required to complete for each assisted household in public housing to record information used in the certification and re-certification process, and, at the option of the housing authority, for interim reexaminations.

**FMR/exception rent limit:** The Section 8 existing housing fair market rent published by HUD headquarters, or any exception rent. For a tenancy in the Voucher Program, the housing authority may adopt a payment standard up to the FMR/exception rent limit.

**Full-time student:** A person who is attending school or vocational training on a full-time basis.

**Gross rent:** The sum of the rent to the owner plus any utilities.

**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).

**Head of household:** The adult member of the family who is the head of the household for purposes of determining income eligibility and rent.

**Household members:** include all individuals who reside or will reside in the unit and who are listed on the lease, including live-in aides, foster children and foster adults.

**Housing Assistance Payment (HAP):** The monthly assistance by a housing authority, which includes (1) a payment to the owner for rent to the owner under the family's lease, and (2) an additional payment to the family if the total assistance payment exceeds the rent to owner.

**Housing quality standards (HQS):** The HUD minimum quality standards for housing assisted under the Section 8 program.

**Housing Provider:** An entity contracted with by ABC to administer and implement the Section 8 Housing Choice Voucher Program.

**Housing voucher:** A document issued by a housing authority to a family selected for admission to the Voucher Program. This document describes the program and the procedures for housing authority approval of a unit selected by the family. The voucher also states the obligations of the family under the program.

**Housing voucher holder:** A family that has an unexpired housing voucher.

**Immediate Family Member:** a spouse, parent, brother or sister, or child of the person, or an individual to whom that person stands in loco parentis (in place of a parent); or any other person living in the household of that person and related to that person by blood or marriage.

**Imputed income:** For households with net family assets of more than \$5,000, the amount calculated by multiplying net family assets by a HUD-specified percentage. If imputed income is more than actual income from assets, the imputed amount is used in determining annual income.

**Imputed welfare income:** The amount of annual income not actually received by a family, as a result of a specified welfare benefit reduction, that is nonetheless included in the family's annual income for purposes of determining rent.

**Income category:** Designates a family's income range. There are three categories: low income, very low income and extremely low-income.

**Incremental income:** The increased portion of income between the total amount of welfare and earnings of a family member prior to enrollment in a training program and welfare and earnings of the family member after enrollment in the training program. All other amounts, increases and decreases, are treated in the usual manner in determining annual income.

**Initial Housing Authority:** In portability, both: (1) a housing authority that originally selected a family that later decides to move out of the jurisdiction of the selecting housing authority; and (2) a housing authority that absorbed a family that later decides to move out of the jurisdiction of the absorbing housing authority.

**Initial payment standard:** The payment standard at the beginning of the HAP contract term.

**Initial rent to owner:** The rent to owner at the beginning of the initial lease term.

**Interim (examination):** A reexamination of a household's income, expenses, and household status conducted between the annual recertifications when a change in a household's circumstances warrant such a reexamination.

**Jurisdiction:** The area in which the housing authority has authority under State and local law to administer the program.

**Lease:** A written agreement between an owner and tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP Contract between the owner and the housing authority.

**Legal capacity:** The participant is bound by the terms of the lease and may enforce the terms of the lease against the owner.

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

- a. Is determined to be essential to the care and well-being of the persons;
- b. Is not obligated for the support of the persons; and
- c. Would not be living in the unit except to provide the necessary supportive services.

**Low-income families:** Those families whose incomes do not exceed 80% of the median income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 80% of the median for the area on the basis of HUD's findings that such variations are necessary because of unusually high or low family incomes.

**Manufactured home:** A manufactured structure that is built on a permanent chassis, is designed for use as a principal place of residence, and meets the HQS.

**Manufacture home space:** In manufactured home space rental: A space leased by an owner to a family. A manufactured home owned and occupied by the family is located on the space.

**Medical expenses:** Medical expenses, including medical insurance premiums, that are anticipated during the period for which annual income is computed, and that are not covered by insurance.

**Mixed family:** A family whose members include those with citizenship or eligible immigration status, and those without citizenship or eligible immigration status.

**Moderate rehabilitation:** Rehabilitation involving a minimum expenditure of \$1000 for a unit, including its prorated share of work to be accomplished on common areas or systems, to:

- a. upgrade to decent, safe and sanitary condition to comply with the Housing Quality Standards or other standards approved by HUD, from a condition below these standards (improvements being of a modest nature and other than routine maintenance); or
- b. repair or replace major building systems or components in danger of failure.

**Monthly adjusted income:** One twelfth of adjusted income.

**Monthly income:** One twelfth of annual income.

**Mutual housing** is included in the definition of "cooperative".

**National:** A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession.

**Near-elderly family:** A family whose head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62; or two or more persons who are at least 50 years of age but

below the age of 62 living together; or one or more persons who are at least 50 years of age but below the age of 62 living with one or more live-in aides.

**Net family assets:**

- a. Net cash value after deducting reasonable costs that would be incurred in disposal of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.
- b. In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income.
- c. In determining net family assets, housing authorities or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefor. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms.

**Noncitizen:** A person who is neither a citizen nor national of the United States.

**Notice Of Funding Availability (NOFA):** For budget authority that HUD distributes by competitive process, the Federal Register document that invites applications for funding. This document explains how to apply for assistance and the criteria for awarding the funding.

**Occupancy standards:** The standards that the housing authority establishes for determining the appropriate number of bedrooms needed to house families of different sizes or composition.

**Owner:** Any person or entity, including a cooperative, having the legal right to lease or sublease existing housing.

**Participant (participant family):** A family that has been admitted to the housing authority's program and is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the housing authority for the family (first day of initial lease).

**Payment standard:** In a voucher tenancy, the maximum monthly assistance payment for a family (before deducting the total tenant payment by family contribution). For a voucher tenancy, the housing authority sets a payment standard in the range from 90% to 110% of the current FMR.

**Person with disabilities:** A person who:

- A. Has a disability as defined in 42 U.S.C. 423
- B. Is determined, pursuant to HUD regulations, to have a physical, mental, or emotional impairment that:
  - 1. Is expected to be of long-continued and indefinite duration;
  - 2. Substantially impedes his or her ability to live independently; and
  - 3. Is of such a nature that the ability to live independently could be improved by more suitable housing conditions; or
- C. Has a developmental disability as defined in 42 U.S.C. 6001

This definition does not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.

For purposes of qualifying for low-income housing, it does not include a person whose disability is based solely on any drug or alcohol dependence.

**Portability:** Renting a dwelling unit with Section 8 tenant-based assistance outside the jurisdiction of the initial housing authority.

**Premises:** The building or complex in which the dwelling unit is located, including common areas and grounds.

**Private space:** In shared housing: The portion of a contract unit that is for the exclusive use of an assisted family.

**Preservation:** This program encourages owners of eligible multifamily housing projects to preserve low-income housing affordability and availability while reducing the long-term cost of providing rental assistance. The program offers several approaches to restructuring the debt of properties developed with project-based Section 8 assistance whose HAP contracts are about to expire.

**Processing Entity:** The person or entity who is responsible for making eligibility and related determinations and an income reexamination. In the Section 8 and public housing programs the processing entity is the responsibility entity.

**Proration of assistance:** The reduction in a family's housing assistance payment to reflect the proportion of family members in a mixed family who are eligible for assistance.

**Public Housing:** Housing assisted under the 1937 Act, other than under Section 8. Public housing includes dwelling units in a mixed finance project that are assisted by a PHA with capital or operating funds.

**Public Housing Agency:** A State, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) authorized to engage in or assist in the development or operation of low-income housing.

**Reasonable rent:** A rent to owner that is not more than charged: (a) for comparable units in the private unassisted market; and (b) for a comparable unassisted unit in the premises.

**Receiving Housing Authority:** In portability, a housing authority that receives a family selected for participation in the tenant-based program of another housing authority. The receiving housing authority issues a voucher, and provides program assistance to the family.

**Re-certification:** A reexamination of a household's income, expenses, and family composition to determine the household's rent for the following 12 months.

**Remaining member of a tenant family:** A member of the family listed on the lease who continues to live in an assisted household after all other family members have left.

**Rent to owner:** The monthly rent payable to the owner under the lease. Rent to owner covers payment for any housing services, maintenance, and utilities that the owner is required to provide and pay for.

**Responsible Entity:**

For the public housing program, the Section 8 tenant-based assistance program (24 CFR 982), and the Section 8 project-based certificate or voucher program (24 CFR 983), and the Section 8 moderate rehabilitation program (24 CFR 882), responsible entity means the PHA administering the program under an ACC with HUD;

B. For all other Section 8 programs, responsible entity means the Section 8 project owner.

**Set-up charges:** In a manufactured home space rental, charges payable by the family for assembly, skirting and anchoring the manufactured home.

**Shared housing:** A unit occupied by two or more families. The unit consists of both common space for shared use by the occupants of the unit and separate private space for each assisted family.

**Shelter allowance:** That portion of a welfare benefit (e.g., TANF) that the welfare agency designates to be used for rent and utilities.

**Single person:** Someone living alone or intending to live alone who does not qualify as an elderly person, a person with disabilities, a displaced person, or the remaining member of a tenant family.

**Single room occupancy housing (SRO):** A unit for occupancy by a single eligible individual capable of independent living that contains no sanitary facilities or food preparation facilities, or contains either, but not both, types of facilities.

**Special admission:** Admission of an applicant that is not on the housing authority waiting list, or admission without considering the applicant's waiting list position.

**Special housing types:** Special housing types include: SRO housing, congregate housing, group homes, shared housing, cooperatives (including mutual housing), and manufactured homes (including manufactured home space rental).

**Specified welfare benefit reduction:**

- A. A reduction of welfare benefits by the welfare agency, in whole or in part, for a family member, as determined by the welfare agency, because of fraud by a family member in connection with the welfare program; or because of welfare agency sanction against a family member for noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

"Specified welfare benefit reduction" does not include a reduction or termination of welfare benefits by the welfare agency:

at the expiration of a lifetime or other time limit on the payment of welfare benefits;

because a family member is not able to obtain employment, even though the family member has complied with welfare agency economic self-sufficiency or work activities requirements; or

because a family member has not complied with other welfare agency requirements.

**Stalking:** to follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate; or to place under surveillance with the intent to kill, injure, harass, or intimidate another person; and in the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to (i) that person; (ii) a member of the immediate family of that person; or (iii) the spouse or intimate partner of that person.

**State Wage Information Collection Agency (SWICA):** The State agency receiving quarterly wage reports from employers in the State, or an alternative system that has been determined by the Secretary of Labor to be as effective and timely in providing employment-related income and eligibility information.

**Statement of family responsibility:** An agreement in the form prescribed by HUD, between the housing authority and a family to be assisted under the Moderate Rehabilitation Program, stating the obligations and responsibilities of the family.

**Subsidy standards:** Standards established by a housing authority to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

**Suspension:** Stopping the clock on the term of a family's voucher, for such period as determined by the housing authority, from the time when the family submits a request for housing authority approval to lease a unit, until the time when the housing authority approves or denies the request. Also referred to as tolling.

**Tenant:** The person or persons (other than a live-in aide) who executes the lease as lessee of the dwelling unit.

**Third-party (verification):** Oral or written confirmation of a household's income, expenses, or household composition provided by a source outside the household, such as an employer, doctor, school official, etc.

**Tolling:** see suspension.

**Total tenant payment (TTP):**

- (1) Total tenant payment is the amount calculated under Section 3(a)(1) of the 1937 Act which is the higher of :
  - a. 30% of the family's monthly adjusted income;
  - b. 10% of the family's monthly income;
  - c. Minimum rent; or
  - d. if the family is receiving payments for welfare assistance from a public agency and a part of such payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the family's housing costs, the portion of such payments which is so designated.
- (2) If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under Section 3(a)(1) shall be the amount resulting from one application of the percentage.

**Utility allowance:** If the cost of utilities (except telephone) and other housing services for an assisted unit is not included in the tenant rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by a housing authority or HUD of the monthly cost of a reasonable consumption of such utilities and other services for the unit by an

energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment.

**Utility hook-up charge:** In a manufactured home space rental, costs payable by a family for connecting the manufactured home to utilities such as water, gas, electrical and sewer lines.

**Utility reimbursement:** In the voucher program, the portion of the housing assistance payment that exceeds the amount of the rent to owner. It is only paid when the housing assistance payment exceeds the rent to owner. In the certificate program, if the cost of utilities (except telephone) and other housing services for an assisted unit is not included in the tenant rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by a PHA or HUD of the monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment.

**Verification:**

- a. The process of obtaining statements from individuals who can attest to the accuracy of the amounts of income, expenses, or household member status (e.g., employers, public assistance agency staff, doctors).
- b. The three types of verification are:
  - (1) Third-party verification, either written or oral, obtained from employers, public assistance agencies, schools, etc.
  - (2) Documentation such as a copy of a birth certificate or bank statement
  - (3) Family certification or declaration (only used when third-party or documentation verification is not available)

**Very low-income families:** Families whose incomes do not exceed 50% of the median family income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 50% of the median for the area if HUD finds that such variations are necessary because of unusually high or low family incomes.

**Violent criminal activity:** Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.

**Voucher (rental voucher):** A document issued by a housing authority to a family selected for admission to the Housing Choice Voucher Program. This document describes the program and the procedures for housing authority approval of a unit selected by the family and states the obligations of the family under the program.

**Voucher holder:** A family holding a voucher with unexpired search time.

**Waiting list admission:** An admission from the housing authority waiting list. [24 CFR 982.4]

**Welfare assistance.** Welfare or other payments to families or individuals, based on need, that are made under programs funded by Federal, State or local governments. [24 CFR 5.603(d)]

**Welfare rent:** In "as-paid" welfare programs, the amount of the welfare benefit designated for shelter and utilities.

**Welfare -to-Work (WTW) families:** Families assisted with voucher funding awarded under the HUD welfare-to-work voucher program.

## ACRONYMS

ACC	Annual Contributions Contract
CACC	Consolidated Annual Contributions Contract
CFR	Code of Federal Regulations
FMR	Fair Market Rent
FSS	Family Self Sufficiency (program)
HA	Housing Authority
HAP	Housing Assistance Payment
HCDA	Housing and Community Development Act
HQS	Housing Quality Standards
HUD	Department of Housing and Urban Development
INS	(U.S.) Immigration and Naturalization Service
NAHA	(Cranston-Gonzalez) National Affordable Housing Act
NOFA	Notice of Funding Availability
OMB	(U.S.) Office of Management and Budget
PBC	Project-Based Certificate (program)
QHWRA	Quality Housing and Work Responsibility Act of 1998
PHA	Public Housing Agency
TTP	Total Tenant Payment