

City of North Tonawanda PHA

Belmont Housing Resources for WNY
Administrative Agent

Section 8 Renters Assistance Programs

Administrative Plan
(Revised January 2023)

Note: This plan refers throughout to “Public Housing Agency” or “PHA” as the entity administering the Section 8 programs. Since Belmont Housing Resources for WNY administers the programs on behalf of the City of North Tonawanda PHA, “Public Housing Agency” and “PHA” shall mean Belmont unless otherwise noted.

Chapter 1

STATEMENT OF POLICIES AND OBJECTIVES

INTRODUCTION

The Section 8 Program was enacted as part of the Housing and Community Development Act of 1974, which re-codified the U.S. Housing Act of 1937. The Act has been amended from time to time and its requirements, as they apply to the Section 8 Housing Choice Voucher Program, are described in and implemented through this Administrative Plan.

Administration of the Section 8 Program and the functions and responsibilities of the Public Housing Agency (PHA) staff shall be in compliance with the PHA’s Personnel Policy and the Department of Housing and Urban Development’s (HUD) Section 8 Regulations as well as all Federal, State and local Fair Housing Laws and Regulations.

The City of North Tonawanda has contracted with Belmont Housing Resources for WNY, a not-for-profit corporation, for the purpose of administering the Section 8 programs. While administration of Section 8 Programs is still its major activity, Belmont has added to its list of activities the development and management of affordable housing, homeownership counseling and technical assistance to communities to preserve their existing housing stock.

Belmont uses *HousingPro* Section 8 computer software to effectively manage program participant data, produce documents and correspondence, disperse and track housing assistance payments, and maintain and manage the waiting list.

All of the program's day-to-day operations, including housing information, application-taking, income determinations, orientation, housing search, landlord negotiations, and inspections are performed by Housing Programs staff under the supervision of the Vice President for Housing Programs. The Finance and Administration unit, under the supervision of the Chief Financial Officer, handles all accounting, financial and computer functions associated with the programs including housing assistance payments, budgets, requisitions, audits, and reporting to HUD.

A. LOCAL OBJECTIVES

The Section 8 Program is designed to provide decent, safe, and sanitary housing for very low income families while maintaining their rent payments at an affordable level. The PHA also uses the Section 8 Housing Choice Voucher Program in support of homeownership and promotes the development of financial independence in participant-families through the Family Self-Sufficiency Program

B. PURPOSE OF THE PLAN

The purpose of the Administrative Plan is to establish discretionary policies for carrying out the programs in a manner consistent with HUD requirements and local objectives. The Plan covers both admission and continued participation in these programs. Policies are applied consistently to all Section 8 Programs administered by this PHA, unless otherwise noted.

The PHA is responsible for complying with all changes in HUD regulations pertaining to these programs. If such changes conflict with this Plan, HUD regulations will take precedence until such time as the Plan can be revised to comply with the new regulations. The Administrative Plan and any substantive changes will be reviewed and adopted by the City of North Tonawanda. Upon adoption, the Plan will be posted on Belmont's website: www.belmonthousingwny.org

There may be places where this Plan also describes procedures (as opposed to policies) that will be followed by the PHA staff. These procedures may change from time to time and do not require approval or adoption by the City of North Tonawanda.

C. CODE OF CONDUCT

Belmont prides itself on the high standards of excellence embodied by our operating principles. We expect our employees to personify these ideals when dealing with people both inside and outside the company. The following code of conduct provides our employees with guidelines for professional, ethical, legal and socially responsible behavior.

Since it is impossible to anticipate and address every situation that might arise in the course of conducting our business, we advise employees to consult a supervisor should they have a question regarding proper conduct. In those rare cases when a supervisor is not available, employees are encouraged to use their common sense and good judgment when determining their response or conduct. This Code of Conduct is subject to amendment and may be reviewed and updated periodically.

1. Employees must conduct all business dealings and relationships with integrity, honesty and respect for others, and in compliance with applicable laws and regulations.
2. Belmont clients are entitled to privacy. Employees must not reveal the names of clients or other client information to people outside of Belmont unless authorized to do so by the client or the President of Belmont, or required to do so by law or regulation.
3. Employees of Belmont may be in a position to influence decisions regarding the provision of benefits to certain clients. Therefore, Belmont has instituted a "conflict of interest" policy

which each employee is made aware of upon hire. Among other things, this policy requires employees to disclose any relationships they may have with Section 8 applicants, or tenants or landlords participating in the Section 8 Program.

4. Employees of Belmont may become aware of plans to engage in projects, to acquire property, or to enter into contracts. Since it would be improper for an employee to use such information to his or her advantage, no employee may have an interest, direct or indirect, in any project, contract or acquisition of Belmont, during or within one year of the termination of any employment by Belmont. Should an employee violate this provision of the code, they shall be required to return to Belmont any proceeds resulting from the transaction along with reasonable attorney's fees paid by Belmont to collect such proceeds.
5. Employees, officers, contractors, subcontractors and agents of Belmont may not solicit or accept gifts or gratuities in excess of \$50 from individuals or firms with which Belmont does business as it creates the appearance of impropriety.

We will investigate all allegations of violation of the code of conduct promptly, thoroughly and as confidentially as practicable. Remedies for proven violations may be verbal warning, written warning, financial restitution, suspension without pay or termination of employment. We will base termination decisions on an assessment of all relevant factors.

D. FAIR HOUSING

It is the policy of the PHA to comply to the extent possible with all Federal, State, and local nondiscrimination laws and with the rules and regulations governing Fair Housing and Equal Opportunity in housing and employment.

The PHA shall not deny any family or individual the opportunity to apply for or receive assistance under the Section 8 Programs on any legally recognized basis including but not limited to race, color, sex, religion, creed, national or ethnic origin, age, family status, handicap or disability.

To further its commitment to full compliance with applicable Civil Rights laws, the PHA will provide Federal/State/local information to participants regarding discrimination and any recourse available to them if they are victims of discrimination. Such information will be made available during the family briefing session, and applicable Fair Housing Information and Discrimination Complaint Forms will be made a part of the family's briefing packet.

Except as otherwise provided in 24 CFR 8.21(c)(1), 8.24(a), 8.25, and 8.31, no individual with disabilities shall be denied the benefits of, be excluded from participation in, or otherwise be subjected to discrimination because the PHA's facilities are inaccessible to or unusable by persons with disabilities. Belmont's staff will take every feasible step to assist persons with disabilities to ensure they can apply for, receive and make use of Section 8 rental assistance programs.

Belmont's offices located at 1195 Main Street, Buffalo, NY and 33 Spruce Street, North Tonawanda, NY are accessible to persons with physical (mobility) disabilities. Accessibility for the hearing-impaired is provided through e-mail and local relay service. Housing information

and applications for Section 8 assistance are available through the mail, via website www.belmonthousingwny.org and in Belmont's offices in such manner as to be readily available to someone in a wheelchair.

E. AFFIRMATIVELY FURTHERING FAIR HOUSING

Belmont has taken or will take the following steps to affirmatively further fair housing:

Training & Information

1. Those administering the HCV Programs receive fair housing training on an on-going basis. This training enables staff to identify possible infractions and make referrals as necessary to Housing Opportunities Made Equal, a local fair housing organization, or HUD for investigation.
2. New employees are required to complete Fair Housing training during their orientation to the agency. This training involves reading relevant regulations and housing articles followed by a discussion with a manager.
3. Recipients of Section 8 renter's assistance attend an orientation prior to receiving their voucher. During that orientation everyone receives printed information on fair housing and housing discrimination. When available, an Education Specialist from Housing Opportunities Made Equal (HOME) discusses fair housing issues with the clients and fields whatever questions or concerns the new voucher-holders may have.
4. Clients have access to the Housing Resource Center at our Buffalo office, which provides information on tax prep services, education and employment opportunities, rental assistance and rental housing, reverse mortgages, home purchase assistance programs, mortgage products, HUD programs, HUD homes, subsidized new builds and existing rehabilitated units, financial education materials, etc.
5. We also provide information on housing-related issues such as lead based paint hazards, energy star, carbon monoxide poisoning, and housing quality standards. We make available to the public *Tenant's Rights Guide* and *A Housing Guide for Senior Citizens*, both of which are produced by the NYS Office of the Attorney General.
6. There is an inventory of Community Profiles to give clients some idea of the services, job opportunities, schools, churches, etc. available in areas with which they may not be familiar. Apartment listings are abundant and clients can pick up copies of bus schedules and local maps.
7. Clients are also free to use the Resource Center's phones and computers to help in their search for affordable housing. The Center is usually staffed by two (2) full time experienced Housing Specialists or Housing Counselors. Our goal is to educate clients about the benefits of living in non-impacted areas and to help them access that housing.

8. Belmont created a Home Ownership and Self Sufficiency Resource Center in the Buffalo office. This room has a lending library with books, videos, DVDs, and magazines on career planning, pre- and post-purchase home ownership education, GED programs, post-secondary education and other skill development opportunities. The room is utilized by our Section 8 Family Self Sufficiency Counselors and Home Ownership Counselors to perform individual counseling.
9. Belmont developed and continues to update the Affordable Housing Opportunities Lists for the eight counties that include and surround the City of Buffalo. This list is available in all of Belmont's offices, may be downloaded from the website and may be requested by phone.
10. In designing letterhead, brochures and general correspondence we consulted www.lighthouse.com for guidance on creating legible products for sight-impaired people. What we learned caused us to replace green print on envelopes and letterhead with black print and to switch to a larger, more easily-read font.

Location & Lack of Adequate Transportation

1. Erie and Niagara Counties, where most of the Belmont-serviced voucher-holders make use of their assistance, are comprised of urban, suburban and rural communities. While the cities are fairly well-served by public transportation, the suburban and rural portions of the counties are not.

Belmont's main office was purposely situated in the City of Buffalo on a main thoroughfare accessible by subway and bus. A Niagara County office, located in the City of North Tonawanda, serves Niagara County residents as well as those living in the northern reaches of Erie County.

2. Also in response to a perceived lack of transportation, Belmont's Section 8 Program policies permit clients to complete the application and eligibility determination processes entirely through the mail. Even when it comes time for the HUD-required orientation, clients may request that the orientation be conducted somewhere other than Belmont's office, somewhere closer to the client's home.
3. Several years ago Belmont created a user-friendly web site to increase the public's access to a wide variety of affordable housing resources. The website has been particularly helpful to clients with personal mobility limitations as well as those living in outlying areas. Clients need not travel to one of Belmont's offices in order to apply for assistance; just about everything is available through the website, over the phone or through the mail.

More recently, a web-based program... www.waitlistcheck.com ... was added which allows applicants to check the status of their applications 24 hours a day, 365 days of the year.

Staff / Services / Programs

1. For a number of years, Belmont employed a full-time Landlord Relations Specialist whose primary objective was to increase affordable housing opportunities by recruiting landlords to participate in the Section 8 Program and by encouraging those landlords to make available their properties that are located in areas of opportunity; areas of low poverty and low minority concentration. When funding permits we intend to reinstate this position.
2. Belmont employs several bi-lingual staff to facilitate the delivery of services to people for whom English is not their primary language. Bi-lingual employees are paid a premium for the services they are able to provide to clients.
3. Belmont is a HUD-Certified Housing Counseling Agency and as such provides countless services and programs to individuals and groups; financial education, debt and credit repair, pre-and post-purchase counseling, and default, predatory lending and reverse mortgage counseling. In addition, we sponsor and support a Home Buyer Club for Section 8 Participants working toward the purchase of a home. All workshops include information on fair housing and predatory lending.
4. In partnership with the NYS Developmental Disability Services Office, Aspire of WNY and the Self Advocacy Association, Belmont provides a Homebuyer Club dedicated to people with developmental disabilities. The club meets monthly to educate, encourage and support clients as they seek to achieve self-sufficiency and homeownership. The club is available in combination with individualized pre-purchase and financial counseling services.
5. Belmont is a member of the Homeless Coalition of WNY, Housing Opportunities Made Equal, and the Human Services Coalition of the Tonawandas.
6. Given the housing instability that many low-income renters experience coupled with an extremely long wait for Section 8 assistance, a significant percentage of applicants are no longer living at the address-of-record when they are finally selected. Lest they lose their chance of receiving assistance, Belmont instituted a very liberal policy of reinstatement for applicants who fail to respond to our offer of assistance; applicants have up to one year from the date of their selection letter to respond. Most PHAs terminate the application if there has been no response within 30 days.
7. Belmont makes every attempt to accommodate people with disabilities so that they can make use of the Section 8 Program. We routinely approve requests to use an exception payment standard of up to 120% of FMR to allow a person with disabilities to rent housing that meets their needs. We also understand the particular difficulty that people with disabilities often experience while searching for safe, accessible, affordable housing and therefore employ liberal voucher extension policies.

Affordability

1. Belmont administers several IDA programs funded through grants from the U.S. Department of Health and Human Services, Assets for Independence Program. These grants allow families to accumulate funds for down payment and/or closing costs when

they get ready to purchase their first home. A percentage of the IDAs are also available to further one's education or start a small business.

2. The Section 8 Housing Choice Voucher Program quite obviously addresses the issue of housing affordability for renters. The City of North Tonawanda PHA also promotes the Section 8 homeownership option for renters who wish to become homeowners. The option is presented during the initial orientation to the Section 8 Program and on an annual basis thereafter. We try to “grow” at least five (5) Section 8 homeowners per year.
3. Belmont has always vigorously marketed the Family Self-Sufficiency (FSS) Program to Section 8 participants, particularly its ability to help families accumulate funds for down payment and closing costs. The FSS Program is a prerequisite for those planning to purchase a home using their Section 8 subsidy. It is not uncommon for FSS participants to accumulate anywhere from a couple of thousand dollars to well over \$10,000 during their years in the program. These funds are often the difference between an affordable and unaffordable mortgage.
4. While the PHA's primary service area, North Tonawanda, doesn't cover a large geographic area, it does encompass a diverse demographic. The Section 8 Payment Standard (PS) is based on 90-100% of the fair market rent (FMR) and affords most voucher-holders the opportunity to rent modest housing in the urban areas. However, it is often inadequate for those looking to rent in the suburban and rural areas. Keeping in mind that these higher-cost areas are typically areas of low poverty and low minority concentration... areas of opportunity... the PHA wants to ensure that families can also access the housing that might be available in these outlying areas. Therefore, the PHA established Exception Payment Standards (ExPS) of up to 110% of FMR for use in the majority of suburban and rural communities. This has greatly expanded housing opportunities for many families.
5. Belmont's homeownership counselors are tuned into the many first-time homebuyer programs and services that are offered throughout WNY. They ensure that homebuyers know which banks are offering the most competitive mortgage rates and which ones have matched-savings homebuyer clubs; they offer clients pre-purchase counseling and financial education and, most importantly, they direct potential homebuyers to any down payment and closing cost assistance programs that may be funded in the jurisdiction(s) where the client is seeking housing.

Miscellaneous Activities

1. Belmont is a free tax preparation site. Every year during tax season Belmont employees and community volunteers complete tax returns for low income households, many of which previously used (expensive) “rapid refund” sites. The savings to the clients in

terms of fees that they don't have to pay is tremendous, not to mention the number of clients who benefit from the Earned Income Tax Credit (EITC).

2. Belmont has partnered in the past with the Independent Living Center of WNY and NYS Housing Trust Fund to provide funds to persons with disabilities so that they might be able to make accessibility modifications to their home. Participants of the program are eligible for a forgivable loan to make repairs such as wheel chair lifts, stair glides, bathroom modifications and entrance ramps. When funds are available, the program is open to renters and home owners in Erie County.

Although the impact that these activities and services have on recipients is difficult to assess, the PHA tracks the number of clients who visit the Housing Resource Center, attend workshops, receive reasonable accommodation, visit our website, request an exception payment standard, etc. in an attempt to at least measure the ongoing need for these services.

E. SERVICE POLICY /ACCOMMODATIONS

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

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

Persons with Disabilities

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

Section 504

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

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

A qualified person with a handicap:

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

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

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

The law is designed to afford people with handicaps an equal opportunity to obtain the same result, to gain the same benefit, or to reach the same level of achievement as those who do not have disabilities. The PHA is obligated to administer the tenant-based assistance program in the most integrated setting possible that is appropriate to the needs of qualified individuals rather than to separate the individual from the general population.

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

Undue Hardship

Requests for reasonable accommodation from persons with disabilities will be granted upon verification that they meet the need presented by the disability, assuming the accommodation does not create “undue financial and administrative hardship” for the PHA.

In determining whether an accommodation creates undue hardship, the PHA will consider:

The nature and cost of the accommodation;

The overall financial resources of the facility or facilities involved in the provision of the reasonable accommodation; and

The number of persons employed at such facility, the number of families likely to need such accommodation, the effect on expenses and resources, or the likely impact on the operation of the facility as a result of the accommodation.

G. TRANSLATIONS OF DOCUMENTS

Belmont can access bi-lingual translators as necessary. Most documents and forms are currently available in English (Several HUD forms are available in Spanish, Russian and other languages.) In determining whether it is feasible to translate documents into other languages, the PHA will consider the following factors:

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

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

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

Availability of bi-lingual staff to explain untranslated documents to clients.

H. FAMILY OUTREACH

The PHA publicizes and disseminates information to make known the availability of housing assistance and related services for very low income families on a regular basis. This PHA has never closed its waiting list. If the waiting list is closed at some future date, the PHA will publicize the availability and nature of housing assistance for very low income families in a newspaper of general circulation, minority media, and by other suitable means when the waiting list is scheduled to re-open.

The PHA communicates the status of housing availability to other service providers in the community, advises them of housing eligibility factors and guidelines in order that they can make proper referral of their clients for housing assistance.

The PHA has also been working to make the community aware of its website at www.belmonthousingwny.org as it affords the public 24-hour access to current and valuable housing information.

I. OWNER OUTREACH

The PHA makes every effort to keep owners informed of legislative changes in the HCV program, especially those that are designed to make the program more attractive to owners.

The PHA encourages owners of decent, safe and sanitary housing units to lease to Section 8 families. The PHA maintains an Available (vacant) Units List for the Section 8 Program and updates this list at least weekly. The PHA also provides people with an Affordable Housing Opportunity List and a list of "Section 8 Friendly" apartment complexes throughout Erie and Niagara Counties.

Housing Specialists actively seek listings of apartments, especially those located in non-impacted areas, by initiating contact with rental property owners and managers and by conducting formal and informal discussions and meetings. Printed material is offered to acquaint owners with the opportunities available under the program.

J. PRIVACY RIGHTS

Applicants and participants, including all adults in their households, are required to sign the HUD 9886 Authorization for Release of Information. This document incorporates the Federal Privacy Act Statement and describes the conditions under which HUD will release family information. The PHA has a policy of protecting to the best of its ability the anonymity of those being assisted.

Any and all information which would lead one to determine the nature and/or severity of a person's disability is kept confidential. This personal information is not released except on an "as needed" basis in cases where an accommodation is under consideration. All requests for accommodation based on a disability are considered and approved by the Vice President for Housing Programs.

In accordance with HUD requirements, the PHA will furnish prospective owners with the family's current address as shown in the PHA's records and, if known to the PHA, the name and address of the landlord at the family's current and prior address. A statement of the PHA's policy on release of information to prospective landlords is included in the family's briefing packet.

The PHA also responds to inquiries from law enforcement agencies in accordance with PIH 2003-27 (HA), issued 10/24/2003.

K. MANAGEMENT ASSESSMENT OBJECTIVES

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

L. RECORDS FOR MONITORING PHA PERFORMANCE

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

M. ADMINISTRATIVE FEE RESERVE

Pursuant to the terms of the PHA's contract for administrative services, the contract fee for each project is equal to the Total Operating Receipts Available for the Regular Costs of Administration. This results in a zero balance in the Administrative Fee Reserve account.

In the event that this would change, HUD requires that a formal policy be included in the administrative plan establishing a threshold for the amount of expenditures which may be made from the Operating Reserve account for "other housing purposes" (i.e. other than the Section 8 program) without prior approval of the supervisory entity of the PHA. Therefore the threshold is hereby set at \$1,000.

N. TERMINOLOGY

The Erie County PHA Consortium is the housing agency referred to throughout this document. Belmont Housing Resources for WNY as the PHA's agent is the entity administering these programs.

"Family" is used interchangeably with "Household", "Applicant" or "Participant" and can refer to a single person family.

"Tenant" is used to refer to participants in terms of their relationship to landlords. "Landlord" and "Owner" are used interchangeably.

"Disability" is used where "handicap" was formerly used. "SEMAP" refers to the Section 8 Management Assessment Program

Chapter 2

ELIGIBILITY FOR ADMISSION

INTRODUCTION

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

A. ELIGIBILITY FACTORS

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

HUD's eligibility criteria are:

- An applicant must be a "family"; (See Section B for definition)
- An applicant must be income eligible; (Section C)
- An applicant must furnish Social Security Numbers; (Section D)
- An applicant must consent to the collection and use of certain information; (Section E)
- An applicant must furnish a Declaration of Citizenship/Eligible Immigrant Status, and verification of citizenship when required; (Section F)
- At least one member of the applicant family must be a U.S. citizen or have eligible immigrant status; (Section F)
- And, in 2006, HUD implemented a rule which places restrictions on certain students who are seeking assistance on their own, separate from their parents; (Section G)

The applicant will be placed on the waiting list if their initial application indicates that they meet HUD's and the PHA's eligibility criteria. Eligibility will not be verified at this point; the applicant's certification that they meet the criteria is sufficient at the initial application stage.

The applicant must submit verification of their eligibility once they are selected from the waiting list. If they cannot verify eligibility at the point of selection, their application for assistance is denied and their name is removed from the waiting list.

B. FAMILY COMPOSITION

The applicant must meet the definition of "Family". A Family may be two or more persons who intend to share residency and whose income and resources are available to meet the household's needs; one or more elderly or disabled persons; a single elderly, disabled or displaced person; or any other single person except certain students (see Section G).

Head of Household

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

A family may designate an elderly or disabled adult family member as head of household solely to qualify the family as an elderly household (and thereby eligible for medical expense deduction), provided that the elderly or disabled adult is at least partially responsible for paying the rent. (This means the person must have or anticipate having some source of income in order to contribute to the tenant share of rent and thereby be designated as head of household.)

Spouse

Spouse means the husband or wife of the head. The spouse never qualifies as a dependent.

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

Co-Head

An individual in the household who is equally responsible along with the head of household for complying with the lease and paying the rent. A family may have a spouse **or** a co-head but never both. Like a spouse, a co-head never qualifies as a dependent. You may also have an adult member of the household who is not necessarily designated as co-head.

Other Adult

A family member other than the head, spouse or co-head who is 18 years of age or older; foster adults and live-in aides are not considered other adults.

Dependent

A family member who is under 18 years of age or a person of any age who is disabled or a full-time student. The head, spouse, co-head, foster adults, foster children and live-in aides can never be considered as dependents.

Full-Time Student

A person attending school or vocational training on a full-time basis as defined by the educational institution.

Foster Child / Adult

A person under the legal guardianship of the state, county or other agency and being cared for by an individual other than the parent, through an arrangement with the custodial agency. While foster children do not qualify as dependents, child care expenses that may accrue for them are deductible to the same extent as they are for other children.

Children in Out-of-Home Care

A child who is temporarily away from home because of placement in foster care is considered a member of the family. This provision only pertains to the child's temporary absence from the home, and is not intended to artificially enlarge the space available for other family members. If the placement agency cannot reasonably anticipate a return date for the child, the child's absence is not considered temporary and the child is not considered a member of the household for purposes of voucher size or subsidy. Generally the agency must anticipate the return within one year for the absence to be temporary.

Live-In Attendants

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

Is determined by the PHA to be essential to the care and well-being of an elderly person or a person with disabilities, (based on written statement from a medical / counseling professional familiar with the individual's disability and needs).

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

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

The key is "live-in". If the aide has some other residence and does not actually reside with the family he/she is not considered a live-in aide. This rules out a "team" of care-givers who may share responsibility for providing assistance. Sleeping space is not subsidized in such a case.

A live-in aide is treated differently than other household members in that:

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

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

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

A live-in aide may only reside in the unit with the approval of the PHA. Written verification of the need for a live-in aide will be required from a reliable, knowledgeable professional, such as a doctor, social worker or case worker. The verification must state the services to be provided by the live-in aide.

At any time, the PHA may refuse to approve a particular person as a live-in aide or withdraw such approval if the person commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program; commits drug-related or violent criminal activity; or owes rent or other amounts to the PHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Housing Act.

Change in Head of Household / Family Composition Prior to Selection or Issuance

The wait for Section 8 assistance is lengthy and it is reasonable to assume that the composition of the applicant-family may change during the waiting period. Members may come to the household through birth, adoption, marriage, etc. Similarly, members may leave the household through divorce, death, maturation, etc. The head of household may request that the PHA add or delete members at any time while the applicant is on the waiting list. The PHA will take appropriate steps to ensure that the person requesting the changes is the head of household.

The head of household may also ask the PHA to delete him/her from the application and designate some other household member *who was accounted for on the original application* as the new head of household. This happens occasionally at the point of selection but could also happen while the applicant is still on the waiting list. If the request is made while the applicant is waiting for assistance, the PHA will verify the identity of the person making the request and, if satisfied that the request is from the head of household (as listed on the application), go ahead and make the change. The PHA will document the circumstances and date the change was made.

If the request to delete the head of household and designate another comes after the date of the Waitlist Selection Letter, the PHA will only grant the request if the person to be designated head of household was *accounted for on the initial application AND can provide proof that he/she was a member of the household prior to the date of the Waitlist Selection Letter.*

Split Households Prior to Voucher Issuance

When a family on the waiting list splits into two otherwise eligible families due to divorce or legal separation, one of the “new families” will retain the original waiting list position while the other must submit a new application. If the new families both claim the same placement on the waiting list, and there is no court determination, the PHA will decide who keeps the original position by considering the following factors:

- Which family retains the children or any disabled or elderly members.
- Whether domestic violence was involved in the split.
- Recommendations of social services staff or qualified professionals from an agency like child protection.
- Which family member originally applied as head of household.

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

If there is a legal determination of custody and both new households include children, both new households may remain on the waitlist as applicants, with the same date and time of application, as long as both families remain eligible.

Multiple Families in the Same Household

When an initial application lists two families living together (such as a mother and father, and a daughter with her own husband or children), they will be considered as one applicant...one family. This family may not split into two families prior to selection from the waiting list, with both new families expecting to retain their place on the waiting list. The applicant will have to decide which part of the family is going to retain their place on the waiting list and which will submit a new application.

Joint Custody of Children

Children who are subject to a joint custody agreement but live with one parent at least 51% of the time will be considered members of that parent's household. "51% of the time" is defined as 183 days of the year, which do not have to run consecutively.

If both parents are on the waiting list and both are trying to claim the child, it is the responsibility of the parent(s) to provide verification as to the percentage of time they have custody. School records may provide acceptable verification of custody; i.e.; which parent's address is listed as the child's address. In any case, only one parent may claim the children for purposes of voucher size and subsidy.

C. INCOME LIMITATIONS

In order to be eligible for assistance, an applicant must have an income at the time of admission that does not exceed the very low income limits for occupancy as established by HUD or be a low-income family in one of the following categories:

“Continuously assisted” under the 1937 Housing Act; (“continuously assisted” means that the family has received assistance under the 1937 Act within 120 days of voucher issuance; public housing, all Section 8 and Section 23 Programs included);

Physically displaced by rental rehabilitation activity under Part 511;

Qualified for voucher assistance as a non-purchasing family residing in a HOPE 1 or HOPE 2 project;

Displaced as a result of the prepayment of a mortgage or voluntary termination of an insurance contract on eligible low-income housing under 24CFR 248.165; in some cases the family may have moderate income as opposed to low income.

Qualified for voucher assistance as a non-purchasing family residing in a project subject to a resident homeownership program under 24 CFR 248.173.

To determine if the family is income-eligible, the PHA compares the Annual Income of the family to the applicable income limit for the family’s size. Families whose Annual Income exceeds the limit will be denied admission and offered an informal review.

The applicable income limit to be used at initial issuance of a voucher is the income limit of the PHA where the family initially leases a unit. Families who exercise portability prior to initial lease-up must be within the very low income limit of the receiving PHA.

Income Targeting

While eligible applicants must have incomes at or below 50% of area median income, the PHA must also meet income targeting requirements stated at 24 CFR 982.201:

At least 75% of the PHA's new admissions each fiscal year (January 1-December 31) be of “extremely low income” (ELI), which is defined by HUD as the higher of 30% of area median income or the federal poverty level.

This means that some applicants must be temporarily returned to the waiting list (RWL) because the income determination shows their income to be greater than 30% of area median income but less than 50% of area median income. These applicants will be re-selected once a sufficient number of “less than 30%” applicants have been assisted.

D. SOCIAL SECURITY NUMBERS

Applicants are required to provide verification of Social Security Numbers (SSN) for all household members prior to admission.

A temporary exception may be made for an applicant-household that includes a member under the age of six whose SSN cannot be verified in a timely manner. It may be that the SSN has not been assigned but it could also be that a SSN was assigned but the head of household doesn't have verification of the SSN (perhaps the child is a foster child or was recently adopted). As long as all other members submit the required SSN verification, the family may be admitted to the Program. The PHA will then provide the family with a 90-day grace period to obtain the required SSN verification. If necessary, the PHA may grant one additional 90-day extension if it determines that the applicant's failure to provide the SSN verification is due to circumstances beyond their control. During these extensions, the child is entitled to all the program benefits afforded to the other family members.

If at the end of the extensions, the family is still unable to provide SSN verification for all members, the PHA must deny eligibility or terminate the family's participation.

The family need not provide the actual Social Security card to meet the verification requirement, but failure to furnish some acceptable form of verification of SSN is grounds for denial or termination of assistance.

Refer to 24 CFR 5.216 for more specific requirements relative to SSN verification

E. CONSENT TO COLLECT AND USE FAMILY INFORMATION

Every adult member of the household, and the head, spouse or co-head regardless of age, must sign HUD-9886 and any other consent/verification form as requested by the PHA.

If any member fails to sign and submit consent/verification forms when requested, the family may be denied admission or have their assistance terminated.

F. CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS

In order to receive assistance, a family member must be a U.S. citizen or eligible immigrant. The immigration status of each individual member of the family is determined before the family's overall status is determined.

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

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

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

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

Verification of Status before Admission

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

G. STUDENTS ENROLLED IN INSTITUTIONS OF HIGHER EDUCATION

Restrictions apply to certain post-secondary students who apply for or are receiving assistance as single persons. The restrictions do not apply to a student who is still a member of a parent's assisted household. The restrictions are intended to ensure that Section 8 assistance goes to those who are truly in need and eligible for such assistance.

The restrictions apply to a student enrolled in an institution of higher education who is under the age of 24, not a veteran, not married, and who does not have a dependent child. The restriction does not apply to the single individual/student if he/she is 24 years of age or older, or a veteran, or married, or the custodial parent of a dependent child (which would mean the student is not a single person).

Applicants determined to be subject to this restriction must pass an additional income eligibility test; the student and the student's parents must be income eligible in order for the student to receive assistance, unless the student can verify his/her independence from the parents.

Definitions

For purposes of determining which students may be subject to these restrictions HUD provided and the PHA adopted the following definitions:

- Dependent Child – (of a student enrolled in an institution of higher education) as defined

in 5.603; a member of the assisted family other than the head or spouse, who is under 18 years of age, is a person with a disability, or is a full-time student; foster children and foster adults are not considered dependents.

- Independent Student - as defined by the Department of Education; a student who meets at least one of these conditions: is at least 24 years of age, was an orphan or ward of the court through 18 years of age, is a veteran of the U.S. military, has a dependent other than a spouse, is a graduate student, or is married.
- Institution of Higher Education - as defined in the Higher Education Act of 1965 at 20 U.S.C. 1001 & 1002. Generally, these are colleges, universities and post-secondary technical and vocational schools.
- Parents - the biological or adoptive parent(s) or guardian(s) of the student.
- Student - any person enrolled full-time or part-time at an institution of higher education; the law does not exempt part-time students.
- Veteran - as defined in 38 U.S.C. 101(2) and used by the Department of Veteran Affairs; a person who served in the active military, naval, or air service, and who was discharged or released therefrom under conditions other than dishonorable.

Independence from Parents

When determination of independence from parents is necessary, the PHA will consider all of the following criteria:

- The student is of legal contract age under state law.
- The student has established a household separate from his/her parents for at least one year prior to application for assistance.
- The student meets the Department of Education's definition of independent student.
- The student was not claimed as a dependent on his/her parents' most recent tax form.

The student who is determined to be independent must provide a certification of the amount of financial assistance that will be provided by his/her parents, even if the amount is zero. The certification must be signed by the individual providing the support.

H. SUITABILITY OF FAMILY

The PHA may take into consideration any of the additional criteria for admission, such as debts to the PHA, drug use, criminal activity, etc., but will not otherwise screen for factors which relate to the suitability of the applicant family as tenants; (see Chapter 15 for details on Denial and Termination). It is the responsibility of the owner to screen the applicants as to their suitability for tenancy.

The PHA will advise families how to file a complaint if they feel they have been discriminated against by an owner. The PHA will advise the family to make a Fair Housing complaint. The PHA may also report the owner to HUD (Fair Housing/Equal Opportunity) or the local fair housing organization.

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

Changes that occur during the period between issuance of a voucher and lease-up may affect the family's eligibility or Total Tenant Payment. For example, if a family's income increases such that it exceeds the applicable income limit prior to lease up, the applicant will no longer be eligible for the program. They will be notified in writing of their ineligible status and their right to an informal review.

J. NOTICE OF INELIGIBILITY

Families who are determined to be ineligible will be notified in writing of the reason for denial and given an opportunity to request an informal review, or an informal hearing if they were denied due to noncitizen status.

See Chapter 19, "Complaints and Appeals" for additional information about reviews and hearings.

Chapter 3

APPLYING FOR ADMISSION

INTRODUCTION

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

All of the PHA's offices are accessible, all staff involved in the application process understand how to conduct tenant selection and eligibility determinations without discriminating on the basis of any protected class, and staff know that they are to refer to a supervisor all requests for reasonable accommodations received from individuals with a disability. The PHA will provide accessible materials for persons with sight and hearing impairments upon request, and will make arrangements to take the application of persons who are unable to come to the office because of a disability. The PHA will provide appropriate auxiliary aids and services to afford an individual with disabilities an equal opportunity to apply for and participate in the Section 8 Program. In determining what aids or services are appropriate, the PHA will give primary consideration to the requests of the individual with the disability, unless doing so would result in a fundamental change to the PHA's policies or procedures or undue financial or administrative burden.

A. HOW TO APPLY

Families who wish to apply for any of the PHA's programs must complete a written application form when application-taking is open. Applications will be made available in an accessible format upon request from a person with a disability. Applicants have an opportunity to request any special assistance they may need in order to communicate effectively with PHA staff.

The application process is accomplished in two stages:

The initial application is used to determine preliminary eligibility and allows an applicant's name to be placed on the waiting list for Section 8 assistance.

The update application is completed by the family once they are selected from the waiting list. The update is used to identify items of information that must be verified on the way to determining final eligibility, total tenant payment and maximum subsidy.

Acceptance of Initial Applications:

Any family asking to be placed on an open waiting list for Section 8 assistance is given the opportunity to complete an initial application. The family may come into the office to complete an application or call to request that an application be mailed to them. When the completed application is returned to Belmont (may be mailed), it is dated and time-stamped (usually by the mail clerk or receptionist). The date and time that an application is received by Belmont is an important consideration in determining the family's placement on the waiting list.

If an application is missing required information or is not signed, it is stamped "Returned Incomplete", dated, logged, and returned to the applicant with a letter explaining what needs to be submitted or completed. When the application is returned completed it is dated and time-stamped and entered on the waiting list.

B. OPENING/CLOSING OF APPLICATION TAKING

If the PHA closes and then reopens its Section 8 waiting list, the PHA will advertise the reopening through public notice in the Tonawanda News, The Buffalo News and Challenger. Notices will also be sent to local agencies that provide services to low income families, people of color and people with disabilities. The re-opening will also be posted on Belmont's website. The notices will specify the program(s) for which applications are being taken and the application place, date and time. The notices will be made in an accessible format if requested. Federal regulations do not require the PHA to announce the closing of the waiting list through public notice.

The open period shall be long enough to achieve a waiting list adequate to cover projected turnover and new allocations over the next 24 months. When the waiting list is open, any family asking to be placed on the waiting list for Section 8 rental assistance will be given the opportunity to complete an application.

C. INITIAL APPLICATION PROCEDURES

The PHA utilizes a preliminary "initial" application form. The application is to be filled out by the applicant whenever possible. To provide specific accommodation to persons with disabilities, the application may be completed by someone other than the applicant as long as it is actually signed by the applicant (the signature serves as a certification by the applicant that the information provided is true and accurate). The PHA will mail initial applications upon request; applicants are not required to visit one of Belmont's offices to complete or file an application.

The purpose of the initial application is to permit the PHA to preliminarily assess family eligibility or ineligibility and to determine placement on the waiting list. The initial application contains questions designed to obtain the following information:

Name, address and phone number of head of household

Total annual income received by all household members

Information related to qualification for targeted vouchers

Social security number of the head of household

Race/ethnicity of head of household

Convictions for drug-related or violent criminal activity

Program integrity questions regarding previous participation in HUD programs

Need for alternate form of communication

The application informs applicants that they will be required to verify their citizenship / immigration status upon selection from the waiting list and prior to receiving assistance.

The information on the initial application will not be verified until the applicant has been selected for final eligibility determination. However, the applicant must certify that the information provided is true and accurate. Final eligibility will be determined when the update application process is completed and all information is verified.

Applicants are advised to inform the PHA by phone or in writing of changes in family composition, income or address. Applicants are required to respond to requests from the PHA to update information on their application, or to determine their continued interest in assistance.

Failure to provide information or to respond to mailings may result in the applicant being removed from the waiting list.

D. NOTIFICATION OF APPLICANT STATUS

If after a review of the initial application the family is determined to be preliminarily eligible, they will be so notified in writing. The notice will explain that their name has been placed on the waiting list and that the wait for assistance is a function of date/time of application, residency, turnover rates, and the availability of new funding.

If the family is determined to be ineligible based on the information provided in the initial application, the PHA will notify the family in writing, state the reason(s), and inform them of their right to an informal review.

E. TIME OF SELECTION

Based on voucher turnover and availability, groups of families will be selected from the waiting list without regard to their family size to form an eligibility “pool”. A family toward the bottom of the pool (based on date of application) may complete its eligibility determination before a family at the top of the pool; it depends how complicated the family’s income is and how aggressively they seek and submit verification.

Applicants will “step out” of the eligibility pool as soon as they complete the verification process. Those determined eligible will receive written notice of the next available orientation, where they will be issued a voucher. Those determined ineligible will be so notified in writing and offered an opportunity for an informal review.

If there is insufficient funding for the family at the top of the list (due to family size, for example), the PHA will not admit any other applicant until funding is available for the first applicant.

Since the PHA must ensure that at least 75% of the applicants admitted on an annual basis have incomes at or below 30% of area median income, it is possible that applicants with incomes above this limit might be returned to the waiting list. These applicants will be re-selected and re-processed as soon as the PHA is sure that the targeting requirement will be met.

No Response to Selection Letter: If an applicant does not respond to the WL Selection Letter or if the Letter is returned “undeliverable”, the PHA will check the applicant’s file to be sure the letter was sent to the correct / most current address on file. If new information is found, the selection letter will be resent to the new address. If there is still no response to the letter, the application is removed from the waiting list and filed as “never housed”.

The applicant may be re-instated to the waiting list with their original date of application if they contact Belmont within 12 months of the date of the WL Selection Letter.

E. COMPLETION OF UPDATE APPLICATION

All income, allowable expenses and preferences claimed will be verified when the family is selected from the waiting list and completes an update application. Staff may question applicants about differences in information on the update application when compared to the initial application.

Applicants may also be required to show proof that they currently live, work or have notice of hire to work in North Tonawanda, or that they lived or worked in North Tonawanda while they were on the Section 8 waiting list.

Applicants who indicate that they are enrolled in an institution of higher education must submit the documents necessary to verify that they meet the student eligibility requirements.

Eligibility for “targeted vouchers” must exist at the time of selection regardless of the length of

time an applicant may have been on the waiting list.

The entire eligibility determination process can be completed through the mail or the applicant may come to the office to complete the paperwork.

G. FINAL DETERMINATION AND NOTICE OF ELIGIBILITY

After the verification process is completed, the PHA will make a final determination of eligibility. This decision is based upon information provided by the family, third party verification, and the eligibility criteria in effect at this time. If the family is determined eligible, the PHA will mail a notification of eligibility and schedule the family for an orientation to the program. If the family is determined ineligible, they will be so notified and offered an opportunity to discuss the determination.

H. APPLICANT FILE RETENTION

Ineligible Applicant Files

These files are for applicants who were not placed on the waiting list due to their ineligibility.

Files consist of:

- 1) Initial Application
- 2) Notice of Ineligibility
- 3) Correspondence to/from Applicant

Files are retained for three years from the date of the Notice and disposed of in January of the fourth year. Example: Files containing Notices dated January 1, 2015 through December 31, 2015 are disposed of in January of 2019.

No Response to Selection Letter

These files are for applicants who did not respond to the Waiting List Selection Letter and therefore were not processed for assistance. These applicants are tagged as Inactive on the WL and are eligible for reinstatement if they contact Belmont within 12 months of the date of the Waitlist Selection Letter. Files consist of:

- 1) Initial Application
- 2) Waiting List Placement Letter
- 3) Waiting List Selection Letter

Files are retained for three years from the date of the Selection Letter and disposed of in January of the fourth year.

Processed Over-Income Files

These files are for applicants who were selected, processed, determined over-income and tagged as Inactive on the waiting list. Files consist of:

- 1) Initial Application
- 2) WL Placement & Selection Letters
- 3) Update Application
- 4) Income Verification
- 5) Over-Income Letter

Files are retained for three years from the date of the Over-Income Letter and disposed of in January of the fourth year.

Processed-Terminated Files

These files are for applicants who did not submit required verification, in spite of numerous requests by the Eligibility Specialist, and therefore were terminated from the process.

- Files consist of:
- 1) Initial Application
 - 2) WL Letters
 - 3) Update Application
 - 4) Correspondence from HA to Applicant
 - 5) Activity Record
 - 6) Pending Termination Letter(s)
 - 7) Final Termination Letter

Files are retained for three years from the date of the Final Termination Letter and disposed of in January of the fourth year.

Processed-Never Housed Files

These files are for applicants who were determined eligible and turned over to a Housing Specialist for orientation and leasing; they failed to comply with program regulations (failed to attend orientation, failed to submit RFLA for acceptable unit, had their certificate/voucher expire, etc.); and they were terminated from the program without ever being assisted. Files consist of:

- 1) Initial Applications
- 2) WL Letters
- 3) Update Application
- 4) Verification
- 5) Confirmation of TN Eligibility & Required Certifications
- 6) Certificate or Voucher (if oriented)
- 7) Any RFLA's submitted
- 8) Reports for any Inspections conducted
- 9) Correspondence, Pending & Final Terms

Files are retained for three years from the date of the Final Termination Letter and disposed of in January of the fourth year.

Chapter 4

ESTABLISHING PREFERENCES AND MAINTAINING THE WAITING LIST

INTRODUCTION

This chapter outlines the organization of the PHA's waiting list and the implementation of its residency preference.

A. RESIDENCY PREFERENCE

This preference is extended to applicants who live, work, or have notice of hire to work in North Tonawanda. The applicant is afforded the preference no matter how long they live or work in the City and regardless of whether or not they are living or working in the City at the point of selection.

B. WAITING LIST MAINTENANCE AND APPLICANT SELECTION

Once the CNT preference is applied, applicants fall into one of two categories on the waiting list:

1. Applicants with a residency preference
2. Applicants without a residency preference

Within each category applicants are ordered by date and time of initial application and virtually all selections are made from the first category. If an applicant's circumstances change such that they qualify for a residency preference when initially they did not, and upon receipt of verification of such change in residency, their application will be moved from the second category to the first, retaining the original date of application.

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

1. Applicants will be placed on the waiting list based on the preference claimed. Applications equal in preference will then be ordered by date and time of application.
2. Applicants must indicate on their initial application that their household income is at or below the very low income limit for their household size in order to be placed on the waiting list. Any exception to the very low income requirement, other than those outlined in Chapter 2, "Eligibility for Admission," must have been approved previously by the HUD Field Office.
3. Applicants with a residency preference who are eligible for non-targeted

assistance will be selected from the waiting list when vouchers are available.

4. Applicants who are selected and determined income-eligible, but are not issued a voucher immediately due to HUD's targeting requirements (i.e., 75% of admissions must be applicants with incomes below 30% of area median income), will be returned to the top of the waiting list. They will be issued vouchers as soon as the PHA is sure that the targeting requirement will be met for the current year.

C. SPECIAL ADMISSIONS

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

Special admissions families will be admitted outside of the regular waiting list process. They do not have to qualify for any preferences, nor are they required to be on the program waiting list. They are not counted when the PHA determines its compliance with the income-targeting requirements. The PHA maintains records of these admissions and can easily identify those applicants so admitted.

The following are examples of families that could be designated by HUD as Special Admissions:

1. A family displaced because of demolition or disposition of a public or Indian housing project;
2. A family residing in a multifamily rental housing project when HUD sells, forecloses or demolishes the project;
3. A family residing in housing covered by the Low Income Housing Preservation and Resident Homeownership Act of 1990;
4. A family residing in a project covered by a project-based Section 8 HAP contract at or near the end of the HAP contract term; and
5. A non-purchasing family residing in a HOPE 1 or HOPE 2 project.

D. TARGETED FUNDING

As of January 2018, the PHA has no targeted vouchers.

E. PREFERENCE CHANGES

Changes in an applicant's circumstances while on the waiting list may affect the family's

entitlement to a preference. Although most changes will be accepted over the phone, applicants are advised to notify the HA in writing when their circumstances change. When an applicant claims a preference, s/he will be placed on the waiting list in the appropriate order determined by the newly-claimed preference and the original date of application.

E. PREFERENCE DENIAL

If the applicant is unable to verify a preference, the HA will notify the applicant in writing of the reasons for the denial and offer the applicant an opportunity for an informal review. If the preference denial is upheld as a result of the review, or the applicant does not request a meeting, the applicant will be placed on the waiting list without benefit of the preference. Applicants may exercise other rights if they believe they have been discriminated against.

If applicants falsify documents or make false statements in order to qualify for a preference, they will be removed from the waiting list and prohibited from re-applying for one year.

G. INCOME TARGETING

In accordance with QHWRA, each year the PHA will reserve a minimum of 75% of its Section 8 new admissions for families whose income does not exceed 30% of area median income. HUD refers to these families as “extremely low income” families.

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

H. UPDATING HCV WAITING LIST

When an application for Section 8 rental assistance is received and placed on the waiting list, a “WL placement letter” is sent to the applicant. This letter advises the applicant to “... help us keep your application accurate by letting us know if you move.” Unfortunately, a significant number of applicants do not keep us apprised of their mailing address and when their time comes to be selected we cannot locate them. We take the time and go to the expense of trying to reach them by mail but to no avail.

Given the significant number of applicants on the waiting list, the task of locating people is burdensome, time-consuming and costly. A periodic / occasional “waitlist update” is our concerted effort to:

- Review every application on the waiting list;
- Contact every applicant through the mail;
- Elicit a written response from every applicant we reach by mail;
- Ensure that we have an up-to-date address for every applicant who wishes to remain on the waiting list;
- Remove those applicants for whom we have no current address; and
- Remove those applicants who respond that they no longer anticipate a need for assistance.

A successful waitlist update should result in an up-to-date, accurate listing of Section 8 applicants and allow us to select and process the remaining applicants much more quickly and efficiently.

This policy only applies when the PHA sends out WL Update Letters.

Applicant Notification

An informational Waitlist Update Letter will be mailed to each applicant at their most recent address on file. The first class letter will be sent through the U.S. Postal Service, with a request that undeliverable letters be returned to Belmont.

The letter will explain in detail the need for a response and the action(s) Belmont will take if no response is received. A postage-paid envelope will be provided for the applicant’s response.

The Waitlist Update Letter will be sent in batches, with the first batch going to applicants who do not claim to be living or working in Erie County (non-residents who do not receive a selection preference).

Once that batch has been processed, attention will turn to applicants who do claim to live or work in Erie County (those who do receive a selection preference). These applicants will be “batched” according to date of application, oldest to newest.

The Waitlist Update Letter will further notify the applicant that they have 14 days from the date of the letter to submit their response.

Applicant Response

The Waitlist Update Letter will require that applicants respond by mail, and that they indicate whether or not they wish to remain on the waitlist.

The “**non-resident**” letter offers the applicant the following responses:

_____ I wish to remain on the waiting list. I now live or work in Erie County and have enclosed verification of my address and/or place of employment.

_____ I wish to remain on the waiting list. All of my information is correct and up to date.

_____ I no longer wish to remain on the waiting list. I understand this means my name will be removed from the list.

The “**resident**” letter offers the applicant slightly different responses:

_____ I wish to remain on the waiting list. Please update my address to:

_____ I wish to remain on the waiting list. All of my information is correct and up to date.

_____ I no longer wish to remain on the waiting list. I understand this means my name will be removed from the list.

As an alternative to using the postal service, an applicant may hand-deliver their written response to any of Belmont’s offices. Staff at the satellite office will be instructed to forward those responses to the Buffalo office.

Phone responses to the Waitlist Update Letter will not be accepted. The caller will be instructed to respond in person or by mail using the postage-paid envelope that was provided with the letter.

Update Actions

Applicant responses will be reviewed and the following actions taken:

1. Applicant (originally listed as non-resident) wishes to remain on the list and provides adequate verification of residence or employment in Erie County.
 - Update address, give residency preference and ensure upgraded placement on waitlist as of original date of application.
2. Applicant (originally listed as non-resident) wishes to remain on the list and provides new address outside Erie County.
 - Update address and ensure proper placement on waitlist.
3. Applicant (originally listed as resident) wishes to remain on the list and provides new address.
 - Update address, check that residency preference has been given and ensure proper placement on waitlist.
4. Applicant wishes to remain on the list and indicates that address is correct.
 - Check that residency preference has been given where appropriate and ensure proper placement on waitlist.
5. Applicant no longer wishes to remain on the list.
 - Send “Confirmation of Withdrawal” letter to the applicant; include notice that applicant is not eligible for reinstatement to the waitlist.
 - Record applicant’s request to withdraw from waitlist – “not eligible for reinstatement”.

- Change applicant’s status to “inactive”.
6. Waitlist Update Letter is “returned to sender” with forwarding address indicated.
 - Enter new address in waitlist database, produce new letter and re-send to applicant.
 - Upon receipt of response, take action in accordance with this section, steps 1-4.
 7. Waitlist Update Letter is “returned to sender” without any forwarding information.
 - Record – “returned to sender; no forwarding address”.
 - Record – “applicant eligible for reinstatement until xx/xx/xxxx”.
 - Change applicant’s status to “inactive”.
 8. Waitlist Update Letter is not “returned to sender” and there is no response from applicant.
 - Record – “no return to sender / no response by applicant”.
 - Record – “applicant eligible for reinstatement until xx/xx/xxxx”.
 - Change applicant’s status to “inactive”.

Where this policy refers to “recording” information, entries will be made and maintained in the agency’s Section 8 (HousingPro) software program.

Reinstatement Rationale

The primary objective of this project is to update the applicant information currently on file so that subsequent applicant selections can be accomplished more quickly and efficiently. There is no intent to remove any applicant who has a bonafide need for Section 8 rental assistance and who can be located at the time of selection. Therefore, every reasonable effort will be made to ensure that no applicant who wants and needs assistance loses the selection opportunity that they had prior to the Waitlist Update. This guarantee will be accomplished by allowing extraordinary reinstatement for those who are removed from the waiting list for failing to respond to the Waitlist Update Letter.

Reinstatement of Applicants w/Residency Preference

While the current policy relative to selection allows reinstatement if a non-responding applicant contacts the agency within one year of their selection date, this policy relative to the WL Update allows reinstatement (in those cases where the applicant is eligible for reinstatement) if an applicant contacts the agency within one year of the estimated date of selection, as indicated in their Waitlist Placement Letter.

For example, in 2007 applicants were advised that they would have to wait at least 5 years for selection. It is reasonable to assume that if the Waitlist Placement Letter is dated February 12, 2007, the applicant would not expect to receive a Waitlist Selection Letter before February 12, 2012, and would therefore see no reason to update their address until that date drew near. Under this reinstatement policy the applicant (who does not respond to the WL Update Letter) would be reinstated if they contact the agency anytime before February 12, 2013; one year following the estimated date of selection.

Reinstatement of Applicants w/o Residency Preference

The reinstatement policy for non-resident applicants (who fail to respond to the WL Update Letter) is slightly different because the typical Waitlist Placement Letter for non-residents does not estimate the time the applicant might wait for selection. Instead the letter states that the agency cannot predict when or if the applicant will be selected (due to their lack of residency preference). In these cases reinstatement will be granted to a non-responding applicant if they contact the agency within five (5) years of the date their application was placed on the waitlist or within one (1) year of the date of their Waitlist Update Letter, whichever is later.

For example, say an application dated January 15, 2010 has been on the waitlist for 6 years. A Waitlist Update Letter sent to the non-resident applicant (on March 1, 2016) at the only address ever on record is returned to the agency with no forwarding address. This applicant who has not contacted the agency in 6 years to update their address or check the status of their application and who has not responded to the Waitlist Update Letter will be removed from the waitlist.

However, if the applicant contacts the agency before March 1, 2017 they will be reinstated to the waitlist.

Record Retention

An applicant's file (hard copy applications, letters, etc.) will be retained for as long as the applicant is eligible for reinstatement. Once the reinstatement period expires, the applicant's file will be destroyed and discarded.

Chapter 5

SUBSIDY STANDARDS

INTRODUCTION

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

A. DETERMINING VOUCHER SIZE

The PHA does not determine who shares a bedroom/sleeping room, but there must be at least one person per bedroom on the voucher. The PHA's subsidy standards for determining voucher size shall be applied in a manner consistent with fair housing guidelines.

All standards in this section relate to the number of bedrooms on the voucher, not the family's actual living arrangements. The unit size on the voucher remains the same as long as the family composition remains the same, regardless of the actual unit size rented.

Generally, the PHA assigns one bedroom for two people. However, the following factors are also taken into consideration in the determination of voucher size:

A family consisting of only the head and spouse/co-head is issued a 1-bdrm voucher.

Families with children are issued a voucher that provides assistance for one additional bedroom for every two children of the same sex, and separate bedrooms for opposite-sex children if at least one of the children is six years of age. When a family has joint rather than sole custody of a child, the child is considered a household member if the family submits verification that the child resides with the family at least 51% of the time.

An unborn child, foster child, or a child in *temporary* foster care is considered an existing family member for purposes of determining voucher size.

A child attending college out of town may be considered a family member for purposes of determining voucher size. In making this determination the PHA will consider whether or not the child has been emancipated for financial aid reasons and whether or not he/she returns to the residence when school is not in session.

A family member who will be absent for an extended period of time, such as a member

who is incarcerated or away in the military, is not considered an existing family member. (Exception: A head of household who is away in the military is considered a household member and his/her income is included in determining total household income.

Live-in attendants will generally be provided a separate bedroom but no additional bedrooms will be provided for the attendant's family members.

An adult is not expected to share a bedroom with a child, and adults of different generations may have separate bedrooms.

GUIDELINES FOR DETERMINING VOUCHER SIZE

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

B. CHANGES IN VOUCHER SIZE

Changes for Applicants

The voucher size is determined prior to the briefing by comparing the reported family composition to the PHA subsidy standards.

If an applicant requires an increase in the voucher size before or after the voucher is issued, the applicant must submit a written request which describes their circumstances. The PHA will grant exceptions to the standards if it determines the exceptions are justified by the relationship, age, sex, health or disability of family members, or other individual circumstances. Requests based on health-related reasons must be verified by a medical professional.

If an applicant’s circumstances change such that they no longer qualify for the voucher size issued, but instead qualify for a lesser voucher size, the applicant must notify the PHA of the change in a timely manner. If the applicant fails to correct the voucher size and proceeds to lease a unit that is unaffordable based on the lesser voucher size, the PHA is under no obligation to approve the request to lease that unit or execute a HAP Contract for the unit. The applicant will be responsible for any rent due on the unit.

If the PHA errs in the bedroom size designation, the error will be corrected upon adequate notice to the family so as to avoid any undue hardship for the family.

Changes for Participants

The members of the household, including a live-in aide, must be approved by the PHA. The family must obtain approval of any additional family member before the person occupies the unit. (Exception: Additions by birth, adoption, or court-awarded custody, in which case the family must inform the PHA at the next recertification). Family should explain their need for a larger voucher and request the change in writing.

If the new member brings income to the household, the change must be reported within 30 days.

C. UNIT SIZE SELECTED

The family may select a different size dwelling than that listed on the voucher. If the family does select a unit with a different number of bedrooms than indicated on the voucher, there are several things that need to be considered:

1. Payment Standard

If the family chooses a unit with fewer bedrooms than the voucher allows, the applicable payment standard is the one which corresponds to the actual unit size.

If the family chooses a unit with more bedrooms than the voucher allows, the applicable payment standard is the one which corresponds to the family’s voucher size.

If the gross rent is less than the applicable payment standard, the gross rent will be used in place of the payment standard to determine the subsidy amount.

2. Utility Allowance

The utility allowance used to calculate the gross rent is based on the number of bedrooms in the actual unit selected by the family or the number of bedrooms on the family’s voucher, whichever is lower.

Where reasonable accommodation has been provided, the PHA will use the utility allowance that corresponds to the size of the unit actually leased by the family.

3. Housing Quality Standards

The standards allow two persons per living/sleeping room and permit maximum occupancy limits (assuming a living room is used as a living/sleeping area) as shown in the table below. The limits may be exceeded if a room in addition to bedrooms and living room is used for sleeping.

<u>Unit Size</u>	<u>Max. Household Size</u>	<u>Unit Size</u>	<u>Max. Household Size</u>
0 Bedroom	1	4 Bedrooms	10
1 Bedroom	4	5 Bedrooms	12
2 Bedrooms	6	6 Bedrooms	14
3 Bedrooms	8		

Chapter 6

FACTORS RELATED TO TOTAL TENANT PAYMENT DETERMINATION

INTRODUCTION

The accurate calculation of annual income and adjusted income will ensure that families are not paying more or less money for rent than their obligation under the regulations. Income and Total Tenant Payment (TTP) are calculated in accordance with 24 CFR Part 5, Subpart E&F. The formula for the calculation of TTP is specific and not subject to interpretation. These policies are meant to ensure the consistent application of discretionary standards with respect to the determination of TTP.

A. INCOME AND ALLOWANCES

For definitions of Income, Annual Income, Adjusted Income, etc, see 24 CFR, Part 5, Subpart F.

B. DISALLOWANCE OF EARNED INCOME FOR PERSONS W/ DISABILITIES

The PHA will take all necessary steps to ensure that disabled families that are eligible for the mandatory earned income disallowance (EID) receive the disallowance. The earned income disallowance is only applied when determining the annual income of disabled families who are participants in the Housing Choice Voucher Program. The disallowance must not be applied in the determination of income for applicants.

HUD's "streamlining" rule (PIH Notice 2016-05, issued April 7, 2016) limits to 24 consecutive months the time period during which a disabled family member is eligible to receive the benefit of the earned income disregard. This is a reduction compared to the previous rule, which provided an EID benefit for a maximum of 24 months over a 48-month period.

The rule also grants the PHA discretion in determining the amount of EID during the second 12 months. This PHA will exclude 100% of earned income during the first 12 months and 50% of the earned income during the second 12 months.

Participants benefiting from EID prior to the effective date of this Administrative Plan revision (estimated to be October 1, 2016), are eligible to receive the EID benefit for 24 months over a 48-month period, as was in effect prior to the effective date of this provision.

C. INCOME CHANGES RESULTING FROM WELFARE REQUIREMENTS

QHWRA established requirements for the treatment of income changes resulting from welfare program requirements. Those requirements direct the PHA to **not** reduce the rental contribution for families whose welfare assistance is reduced specifically because of:

Fraud by a family member in connection with the welfare program; or

Failure to participate in an economic self-sufficiency program; or

Noncompliance with a work activities requirement.

The PHA **will** reduce the rental contribution if the welfare assistance reduction is a result of:

The expiration of a lifetime limit on receiving benefits; or

A situation where a family member has not complied with other welfare agency requirements; or

A situation where a family member has complied with welfare agency economic self-sufficiency or work activities requirements but cannot or has not obtained employment, such as the family member has complied with welfare program requirements, but the durational time limit, such as a cap on the length of time a family can receive benefits, causes the family to lose their welfare benefits.

Imputed welfare income is the amount of annual income not actually received by a family as a result of a specified welfare benefit reduction. That amount is included in the family's income for rental contribution.

Imputed welfare income is **not** included in annual income if the family was not an assisted resident at the time of sanction (if they are just now being admitted).

The amount of imputed welfare income is offset by the amount of additional income a family receives that begins after the sanction was imposed. When additional income is at least equal to the imputed welfare income, the imputed welfare income is reduced to zero.

Verification Before Denying a Request to Reduce Rent

The PHA will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance with economic self-sufficiency or work activities requirements *before* denying the family's request for rent reduction.

The welfare agency, at the request of the PHA, will inform the PHA of the amount and term of specified welfare benefit reduction for the family, reason for the reduction, and subsequent changes in term or amount of reduction.

D. MINIMUM TENANT RENT

The minimum tenant rent in any Section 8 program administered by the PHA is \$50 regardless of

the tenant's lack of income. The minimum tenant rent is the minimum amount a family may pay toward rent and utilities. However, there are certain circumstances under which the family may be excused temporarily from making the minimum tenant rent payment.

Exceptions to Minimum Rent Requirement

The PHA recognizes that in some circumstances even the minimum rent may create a financial hardship for families. The PHA will review all relevant circumstances brought to the PHA's attention regarding financial hardship as it applies to the minimum rent.

Families are notified in the tenant handbook of their right to request a minimum rent hardship exception. Requests for hardship exceptions should be submitted in writing but will be accepted over the phone or in person. The PHA may require proof of the financial hardship that exists.

The PHA will not grant a minimum rent hardship exception if the hardship is determined by the PHA to be temporary. The PHA defines temporary as ninety (90) days or less.

Suspension of Minimum Rent

The PHA will immediately grant the minimum rent hardship exception to all families who request it. The suspension will last until the PHA determines whether the hardship is covered by statute and whether it will be a temporary or long-term hardship. During this suspension the family will not be required to pay the minimum rent and the housing assistance payment will be increased accordingly. If the PHA determines later that the minimum rent hardship exception is not warranted, the PHA will re-impose the minimum rent and seek reimbursement for the time the minimum rent was suspended.

HUD Criteria for Hardship Exception

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

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

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

The income of the family has decreased because of changed circumstances, including loss of employment, death in the family, or other circumstances as determined by the PHA or HUD.

The family must demonstrate that the hardship is of long-term duration. If the family demonstrates that the hardship is of long-term duration, the PHA and HUD must retroactively exempt the family from the minimum rent requirement for a 90-day period. If the family determines that the hardship is temporary, a minimum rent will not be imposed for a period of 90 days from the date of the family's request. At the end of the 90-day suspension period a

minimum rent will be imposed retroactively to the time of suspension.

E. DEFINITION OF TEMPORARILY/PERMANENTLY ABSENT MEMBERS

In determining household income, the PHA must include the income of every family member who is on the lease, including those who are temporarily absent. In addition, the PHA must count the income of a temporarily-absent head or spouse even if that person is not on the lease. If the head or spouse is temporarily absent and in the military, all military pay and allowances are counted except hazardous duty pay for being exposed to hostile fire. Income of persons permanently absent will not be counted in determining household income, nor will these persons be counted for purposes of determining the family's voucher size.

Assuming that the family reports a member's absence to the PHA in a timely manner (within 30 days of the beginning of the absence), the PHA will evaluate the absence from the unit in accordance with the following policies:

Absence of Entire Family

Absence of the entire family means that no person listed on the lease is residing in the unit. The family may have not removed all of its belongings from the unit but it is apparent that the members listed on the lease are no longer using the unit as their sole residence.

Families are required to notify the PHA if the entire family plans to be absent from the unit for more than 30 days. The family will be considered temporarily absent so long as they are absent for no more than 90 days. In the case of a temporary absence, the PHA continues making housing assistance payments on behalf of the family and the family must pay its share of rent

If the family provides no prior notice of absence to the PHA and is then found to be absent from the unit for more than 30 days, or if the family gives notice but is then absent longer than was approved, the family will be considered permanently absent. The unit will be considered vacated (even though the family's belongings may remain in the unit), the owner will be notified of the termination of the HAP Contract, and the family's assistance will be terminated.

In order to determine if the family is absent from the unit, the PHA may write letters to the family at the unit, telephone the family at the unit, interview neighbors, conduct inspections and/or check to see if the utilities are in service.

The PHA may consider absences of up to 180 days as temporary if the family provides prior notice of the absence to the PHA and verifies that the absence is necessary due to the illness or disability of a household member. The PHA will also permit the family to vacate the unit under these circumstances, and will hold the family's voucher for up to 180 days. By the end of the 180 days the family must be back under lease and Contract.

Absence of Any Member

Any member of the household will be considered permanently absent if s/he is away from the unit for more than 90 consecutive days, except as otherwise provided in this chapter.

Absence due to Medical Reasons

If a family member leaves the household to enter a facility such as hospital, rehabilitation center or nursing home to recuperate from an injury or illness, the family will be required to submit an opinion from a qualified source as to the likelihood and timing of the person's return to the assisted unit. If the verification indicates that the family member will be permanently confined to a nursing home, the family member will be considered permanently absent and removed from the assisted household. If the verification indicates that the family member will return in less than 180 days, the family member will be considered temporarily absent and rental assistance payments on behalf of the family and that member will continue.

If a sole member expects to be absent for medical reasons and wishes to vacate the assisted unit during the period of confinement, the PHA will terminate the HAP Contract and re-issue the voucher when the confinement ends, provided the unassisted period does not exceed 180 days.

Absence due to Alcohol or Drug Rehabilitation

A household member who is absent due to in-patient alcohol or drug rehabilitation will be treated in exactly the same manner as the member who is absent for medical reasons. However, this absence will be permitted only once during the person's tenure on the Section 8 program, and only if the PHA receives timely advance notice of the absence. The second time the person enters rehab, they will be terminated from the program for violation of a family obligation.

Absence due to Incarceration

If a household member is incarcerated for fewer than 90 days, s/he will be considered temporarily absent (assuming the incarceration is not due to drug-related or violent criminal activity).

If a household member is incarcerated for more than 90 consecutive days, s/he will be considered permanently absent and removed as a household member. If the incarcerated individual is the sole member of the household and s/he is permanently absent, assistance will be terminated in accordance with the PHA's "Absence of Entire Family" policy.

If the reason for incarceration is drug-related or violent criminal activity, the HA will terminate the family's assistance immediately upon notification due to the violation of a family obligation.

Absence of Children: Foster Care Placement

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

If the agency cannot predict if or when the child/children will be returned to the home, or indicates doubt as to whether the child/children will ever be returned to the home, the child/children will be considered permanently absent. The family's voucher will not include a bedroom for the child/children.

If the agency indicates a likelihood that the child/children will be returned to the home within the next twelve (12) months, they will be considered temporarily absent and the family's voucher will include an extra bedroom(s) for the child/children.

In the case of currently assisted families, if children are removed from the home permanently, the voucher size will be reduced in accordance with the PHA's subsidy standards.

Absence of Adults with Children Remaining

If no adult member of the assisted family remains in the household and an appropriate agency determines that some other adult is to be brought into the assisted unit to care for the children for an indefinite period, the PHA will treat that new adult as a visitor for the first 90 days. Their income will not be added to the household income during this initial period of time.

If by the end of that period, court-awarded custody or legal guardianship has been awarded to the caretaker-adult, the voucher will be transferred to the caretaker and the caretaker's income will be considered (but may be excluded depending upon its source).

If the appropriate agency cannot confirm the guardianship status of the caretaker, the PHA will review the status at 90-day intervals. The caretaker will be allowed to remain in the unit, as a visitor, until a determination of custody is made. If custody or legal guardianship has not been awarded by the court, but the action is in process, the PHA will secure appropriate verification as to the status.

Military Absence

If an adult child enters military service, they will be considered permanently absent. Their income will not be counted nor will they be included on the voucher.

Absence Due to School Attendance

A student (other than head of household or spouse) who attends school away from home but lives with the family during school recesses may, at the family's choice, be considered either temporarily or permanently absent. If the family decides that the student is temporarily absent s/he is counted and considered the same as other household members. If the family decides that the member is permanently absent, income of that member will not be included in total household income, the member will not be included on the lease, and the member will not be included for determination of voucher size. The permanently absent student may reside in the assisted unit during recesses and vacations (not to exceed 90 days a year).

Visitors

An assisted household may include people who the family claims are visitors. In order to meet the definition of visitor (as opposed to household member), the person must have a permanent address elsewhere and may not reside in the assisted unit for more than 30 days at a time or 90 days during any 12-month period.

If requested by the PHA, the family must submit proof of the visitor's permanent address. In the absence of such verification, the visitor may be considered a member of the household and may be required to submit proof of income. The burden of proof that the individual is a visitor rests on the family.

If the visitor stays longer than the time allowed to visitors, they will be considered household members and subject to all program regulations related to income reporting.

The PHA may consider any information obtained from neighbors and/or the owner in determining whether or not a person is a visitor. Use of the unit address as the visitor's current residence for any purpose that is not explicitly temporary shall be considered evidence of permanent residence.

Reporting Additions to Owner and PHA

Reporting changes in household composition to the PHA is required of the family by both HUD and the PHA. Families are required to report in writing any additions to the household (other than births, adoptions, or court-awarded custodies) to the PHA within 30 days of move-in. The family obligations require the family to request PHA approval to add any other family member as an occupant of the unit and to inform the PHA at the next reexam of the birth, adoption or court-awarded custody of a child.

An interim reexamination will be conducted for additions to the household, whether or not those additions bring income to the household. At the very least, the PHA must verify all of the non-income items. In addition, the lease may require the family to obtain prior written approval from the owner when they wish to add people to the household.

Reporting Absences to the PHA

If a family member leaves the household, the family must report this change to the PHA, in writing, within 30 days of the change and certify as to whether the member is temporarily absent or permanently absent.

The PHA will conduct an interim reexamination if the changes effect the family's subsidy standard or TTP, in accordance with the PHA's interim policy.

E. AVERAGING INCOME

When annual income cannot be anticipated for a full twelve months, the PHA may average known sources of income that vary to compute annual income, or annualize current income and conduct an interim exam if income changes.

If there are bonuses or overtime which the employer cannot anticipate for the next twelve months, bonuses and overtime received the previous year will be used. Income from the previous year may be analyzed to determine the amount to anticipate when third-party projections are not available.

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

G. MINIMUM INCOME

While families that report zero, extremely low or unstable income may be assisted, they may not remain in this status indefinitely. The family must report reasonable income within 90 days of the original report or risk termination of assistance. This policy was instituted because it is neither feasible nor believable that a family can exist without income for an extended period of time. When a family's expenses appear to exceed their reported income, the PHA will seek additional information about household income and make changes in assistance accordingly.

H. REGULAR CONTRIBUTIONS AND GIFTS

Regular contributions and gifts received from persons outside the household are counted in the determination of total household income. If the family's expenses exceed its reported income, the PHA has reason to question the family about contributions, gifts and other unreported income.

Any contribution or gift received every 3 months or more frequently will be considered a regular contribution or gift. This includes rent and utility payments made on behalf of the family and other cash or non-cash contributions provided on a regular basis. It does not include casual contributions or sporadic gifts.

I. INCOME OF PERSON PERMANENTLY CONFINED TO NURSING HOME

If a family member is permanently confined to a hospital or nursing home and there is a family member left in the household, the PHA will calculate the household income according to the following methodology:

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

The PHA will use the method that results in the lower adjusted annual income.

In either case, the voucher will not include a bedroom for the person permanently confined to a nursing home.

J. ALIMONY AND CHILD SUPPORT

Regular alimony and child support payments are counted as income for calculation of Total Tenant Payment. If the amount of child support or alimony received is less than the amount awarded by the court, the PHA must use the amount awarded by the court unless the family can provide verification from the agency responsible for enforcement and collection that the family is not receiving the full amount.

K. LUMP-SUM RECEIPTS

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

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

The PHA uses a retroactive calculation methodology to determine the overpayment of subsidy.

Retroactive Calculation Methodology

1. The PHA will go back to the date the lump-sum payment was received, or to the date of admission, whichever is closer.
2. The PHA will determine the amount of income for each certification period, including the

lump sum, and recalculate the tenant rent for each certification period to determine the amount due the PHA.

The family may pay this retroactive amount to the PHA in a lump sum or according to a repayment agreement negotiated by the PHA and family. The offer of a repayment agreement is the PHA's option. The amount owed by the family is a collectible debt even if the family becomes unassisted.

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

L. CONTRIBUTIONS TO RETIREMENT FUNDS - ASSETS

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

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

M. ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE

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

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

The PHA's minimum threshold for counting assets disposed of for less than Fair Market value is \$1,000. If the total value of assets disposed of within a one-year period is less than \$1,000, they will not be considered an asset.

N. CHILD CARE EXPENSES

Child care expenses for children under 13 may be deducted from annual income if they enable an adult to work, attend school full time, or actively seek employment. The PHA will not deny the family this deduction just because there is another adult in the household who appears to be capable of caring for the child(ren).

Deductions for child care expenses are based on the following guidelines:

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

Child care for school: The number of hours claimed for child care may not exceed the number of hours the family member is attending school (including one hour travel time per school day).

Child care for job search: Reasonable child care expenses may be deducted if they coincide with a documented search for employment.

O. MEDICAL EXPENSES

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

P. REDUCTION IN BENEFITS

If a family's Social Security or SSI benefits are reduced due to family error, omission, or misrepresentations, the family's household income will not be adjusted. The family continues to pay the share of rent they were paying prior to the reduction.

If a family's public assistance benefits are reduced specifically because of fraud or failure to participate in an economic self-sufficiency program or failure to comply with a work activities requirement, the family's household income will not be adjusted. The family continues to pay the pre-sanction amount of rent.

The PHA will recalculate household income if the family submits proof that their loss of public assistance was due to the expiration of a lifetime limit on receiving benefits or the family's inability to obtain the required employment.

Q. PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES

Proration of assistance must be offered to any mixed family. A mixed family includes at least

one U.S. citizen or eligible immigrant and any number of ineligible members.

Prorated assistance is calculated by determining the amount of assistance payable if all family members were eligible and multiplying by the percent of the family members who actually are eligible. Total Tenant Payment is the gross rent minus the prorated assistance.

R. UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS

The PHA maintains a utility allowance schedule for tenant-paid utilities (excluding non-essential items such as phone or cable TV), cost of tenant-supplied refrigerator and stove, and other tenant-paid services such as trash collection. The allowance will include an amount for air conditioning in cases where the tenant is responsible for electric and the apartment is equipped with an AC unit or a sleeve where an AC unit may be installed.

The utility allowance schedule, which is prepared and submitted in accordance with HUD requirements on the form prescribed by HUD, is used in all Section 8 programs administered by the PHA. The PHA collects usage and rate data and sends it to an outside agency for compilation. The allowances are 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.

The PHA reviews its schedule of utility allowances each year and revises its allowances for a utility category if there has been a change of 10% or more in the utility rate since the last time the schedule was revised. The PHA maintains data supporting its annual review and revisions.

The PHA uses the utility allowance for the size of the dwelling unit actually leased by the family or for the family size stated on the voucher, whichever is lower. At any reexamination, the PHA uses whatever schedule is current.

In cases where a reasonable accommodation has been provided to a family that includes a person with disabilities, the PHA will use the appropriate utility allowance for the size unit actually leased by the family.

Where the utility allowance exceeds the family's TTP, the PHA will provide a monthly utility reimbursement payment (URP) to the appropriate utility provider (gas, electric, water, etc.) on behalf of the family. If there is no appropriate provider to be paid, the URP will be paid to the family.

Chapter 7

VERIFICATION PROCEDURES

INTRODUCTION

HUD regulations require that the factors of eligibility and Total Tenant Payment be verified by the PHA. The PHA will obtain written verification from independent sources whenever possible and will document tenant files whenever third-party verification is not possible. Applicants and program participants must provide true and complete information to the PHA whenever information is requested. The PHA's verification requirements are designed to maintain program integrity. This chapter explains the PHA's procedures and standards for verification of income, assets, allowable deductions, family status, preferences and changes in family composition. The PHA will obtain authorization from the family before requesting information from independent sources.

A. METHODS OF VERIFICATION AND TIME ALLOWED

The PHA will verify information through the following methods, in the order listed:

- Third-Party Written
- Third-Party Oral
- Review of Documents
- Certification/Self-Declaration

The PHA will allow ample time for return of third-party written verifications before going to the next method. The PHA will not delay the processing of an application beyond 4 weeks because a third-party information provider does not return the verification in a timely manner. Rather the family will be notified of the verification problem and advised of an acceptable alternative.

For applicants, verifications may not be more than 60 days old at the time of voucher issuance. For participants, they are valid for 120 days from date of receipt. Verification may be updated over the phone for an additional 60 days.

EIV System

Used Primarily for Social Security, SSI/SSD, and unemployment benefits, although not available for new admissions.

Third-Party Written Verification

Third-party verification is used to verify information directly with the source. Third-party written verification forms will be sent and returned via first class mail. The family will be required to sign an authorization for the information source to release the specified information.

Verifications received electronically directly from the source are considered third party written verifications. Third party verification forms will usually not be hand-carried by the family. However, there may be times when the family will be allowed to hand-carry the verification due to time constraints. The PHA will accept as valid third-party verification tenant-delivered computerized printouts from Social Security, Veterans Administration, Department of Social Services, Unemployment, Compensation Board, City or County Courts, and Pension Funds, as well as original bank statements and verifiable third-party reports.

Third-Party Oral Verification

Oral third-party verification will be used when written third-party verification is delayed or not possible. When third-party oral verification is used, staff will adequately document the tenant file, noting with whom they spoke, the date of the conversation, and the facts provided. If verification is to be provided by telephone, the PHA will originate the call.

Review of Documents

In the event that third-party written or oral verification is unavailable, or the information has not been verified by the third party within 4 weeks, the PHA may note the file accordingly and utilize documents provided by the family as the primary source, if the documents provide complete information. All such documents will be photocopied and retained in the applicant file, or scanned and stored electronically.

The PHA will accept the following documents from the family provided the document is such that tampering would be easily noted: printed wage stubs, computer print-outs from the employer, signed letters (provided that the information is confirmed by phone), other documents noted in this chapter as acceptable verification

If third-party verification is received after documents have been accepted as provisional verification, and there is a discrepancy, the PHA will utilize the third-party verification.

Self-Certification/Self-Declaration

When verification cannot be made by third-party verification or review of documents, families will be required to submit a self-certification. The certification need not be notarized if completion is witnessed by PHA staff.

B. RELEASE OF INFORMATION

The family will be required to sign specific authorization forms when information is needed that is not covered by the HUD form 9886, Authorization for Release of Information. Each member requested to consent to the release of information will be provided with a copy of the appropriate forms for their review and signature.

Refusal to cooperate with the HUD-prescribed verification system will result in denial of admission or termination of assistance because it is a family obligation to supply any information requested by the PHA or HUD.

C. ENTERPRISE INCOME VERIFICATION (EIV)

The EIV system, which was established to reduce errors in income reporting, provides tenant income information from sources such as Social Security, SSD, SSI, Wages, UIB, etc. for all members of an assisted household. The data can be used as upfront income verification or as a comparison to the income source and amount reported by the tenant and transmitted to PIC via the HUD 50058.

All household members of at least 18 years of age are required to execute HUD form 9886 (Authorization for the Release of Information/Privacy Act Notice), which authorizes HUD and the PHA to obtain and verify income information from the EIV system and other sources.

At this time, the PHA intends to use EIV data primarily in the investigation of unreported or under-reported income. The PHA does not intend to routinely use EIV data as a primary method of verifying tenant income with the exception of Social Security and SSI benefits. Instead, the PHA intends to continue its practice of collecting and utilizing third-party written data as the preferred method of verifying income, with the aforementioned exceptions. The preference for third-party written verification of wages, in particular, is based on the ability to better predict and estimate annual income using that type of verification. The EIV verification is still not as current as third-party and offers no good predictors of future increases in income.

D. ITEMS TO BE VERIFIED

All income, including that which may be excluded by the regulations.

Zero-income status of household.

Student status of household members 18 years of age and older who claim to be enrolled in high school or institutions of higher education.

Financial dependence / independence of certain students enrolled in institutions of higher education.

Current assets including assets disposed of for less than fair market value in preceding two years.

Child care expense where it allows an **adult** member to be employed or to attend school.

Medical expenses of all household members if head or spouse is elderly or disabled.

Cost of attendant care or apparatus which allow an **adult** family member to be employed.

Legal identity and age.

U.S. citizenship/eligible immigrant status.

Social Security numbers for all family members 6 years of age or older.

Preference or disability status.

E. VERIFICATION OF INCOME

Methods of verification that will be employed by the PHA, in order by preference:

Employment Income

1. Employment verification form completed by the employer. If the employer subscribes to and requires that inquiries be made to The Work Number, staff will fax a request for verification of wages to The Work Number.
2. Minimum of four (4) recent consecutive paycheck stubs or earning statements which indicate the employee's gross pay, frequency of pay and year-to-date earnings.
3. Most recent W-9 and income tax return.
4. Self-certifications or income tax returns signed by the family may be used for verifying self-employment income, or income from tips and other gratuities.

Applicants and program participants may be requested to sign an authorization for release of information from the Internal Revenue Service for further verification of income.

Social Security, Pensions, Supplementary Security Income (SSI), Disability Income

1. For participants, PHA must attempt to retrieve verification from TASS or EIV.
2. For applicants or participants for whom the PHA was unable to retrieve documents from TASS or EIV, the PHA will accept a benefit form or letter completed by the appropriate agency.
3. Bank statements showing direct deposit of benefit checks.

Unemployment Compensation

1. Computer printouts or statement from unemployment office.
2. Payment stubs.

Public Assistance

1. Computer-generated budget worksheet.
2. Written statement from payment provider indicating the amount of grant/payment, start date of payments, and anticipated changes in payment in the next 12 months.

Alimony or Child Support Payments

1. Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules.
2. A (notarized) letter from the person paying the support; copy of latest check and/or payment stubs.
3. Print-out from Child Support Collection Unit
4. Family's self-certification of amount received, or that support payments are not being received.

If payments are irregular, the family must provide a statement from the agency responsible for enforcing payments to show that the family has filed for enforcement, or a notarized affidavit from the family indicating the circumstances surrounding the non-payment.

Net Income from a Business

In order to verify the net income from a business, the PHA will view IRS and financial documents from prior years and use this information to anticipate the income for the next 12 months. Acceptable methods of verification include:

1. IRS Form 1040, including: Schedule C (Small Business); Schedule E (Rental Property Income); Schedule F (Farm Income). If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules.
2. Audited or unaudited financial statement(s) of the business.
3. Documents such as manifests, appointment books, cash books, bank statements, and receipts will be used as a guide for the prior six months (or lesser period if not in business for six months) to project income for the next 12 months. The family will be advised to maintain these documents in the future.
4. Self-certification as to net income during previous years.

Child Care Business

If the family is operating a day care business(which may or may not be licensed), the PHA will require that the family complete a form for each customer which indicates: name of person whose child is being cared for, phone number, number of hours child is being cared for, method of payment (check/cash), amount paid, and signature of person. If the family has filed a tax return, the family may be required to provide it.

If child care services are terminated, the family will be required to submit written verification from the parent whose child was cared for stating that child care is no longer being provided.

Recurring Gifts

The family must furnish a self-certification which identifies the person who provides the gifts, and states the value, regularity, and purpose of the gifts. Recurring gifts could take the form of utility payments, phone or cable payments, car payments, cash, food, clothing, etc.

F. VERIFICATION OF ASSETS AND INCOME FROM ASSETS

The PHA must obtain third-party verification of all family assets upon admitting a family to the HCV Program. This PHA opts to not implement the self-certification of assets less than \$5000 and will instead verify all assets at every annual, interim or relocation reexamination.

Assets

When a family indicates that it has an asset, the family must then submit third-party verification of that asset. The PHA prefers completed verification forms or letters from financial institutions and brokers as verification. However, completed forms and letters are becoming increasingly difficult to obtain without a significant expense. So, although this is the preferred form of verification, the PHA is rarely able to obtain it. Therefore, the PHA accepts:

1. Passbook, recent checking account statement, certificate of deposit, bond, or financial statement issued to the client by a financial institution or broker.
2. Quote from a stock broker or real estate agent as to net amount family would receive if they liquidated securities or real estate.
3. Real estate tax statement if the approximate current market value can be deduced from assessment.
4. Financial statement for business assets; Closing documents showing the selling price and distribution of the proceeds; Appraisals of personal property held as an investment; Self-certification of assets or cash held at home or in a deposit box.

Assets Disposed of for Less than Fair Market Value (F.V.) during the two years preceding the effective date of certification or recertification

1. Self-certification as to whether any member has disposed of assets for less than fair market value during the two years preceding the effective date of the certification. If any member has disposed of assets for less than fair market value, verification [or certification] is required that shows: (a) all assets disposed of for less than F.V., (b) the date they were disposed of, (c) the amount the family received, and (d) the market value of the assets at the time of disposition. Third party verification will be obtained wherever possible.

Income from Assets / Dividends

1. Recent account statement, passbook, certificate of deposit, or PHA verification forms completed by the financial institution.
2. Broker's statements showing value of stocks or bonds and the earnings credited

the family. Earnings can be obtained from current newspaper quotations or oral broker's verification.

3. IRS Form 1099 from the financial institution; PHA must enlist the aid of a professional to adjust the information to project earnings for the next 12 months.

Interest Income from Mortgages or Similar Arrangements

1. A letter from an accountant, attorney, real estate broker, the buyer, or a financial institution stating interest due for next 12 months. (A copy of the check paid by the buyer to the family is not sufficient unless a breakdown of interest and principal is shown.)
2. Amortization schedule showing interest for the 12 months following the effective date of the certification or recertification.

Net Rental Income from Property Owned by Family

1. IRS Form 1040 with Schedule E (Rental Income).
2. Copies of latest rent receipts, leases, or other documentation of rent amounts.
3. Documentation of allowable operating expenses of the property: tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.
4. Lessee's written statement verifying rent payments to the family and family's self-certification as to net income realized.

G. VERIFICATION OF ALLOWABLE DEDUCTIONS FROM INCOME

Child Care Expenses

1. Written verification from the person who receives the payments is required. If the child care provider is an individual, s/he must provide a statement of the amount they are charging the family for their services.
2. Verifications must specify the child care provider's name, address, telephone number, the names of the children cared for, the number of hours the child care occurs, the rate of pay, and the typical yearly amount paid, including school and vacation periods.

Medical Expenses

Families who claim medical expenses or expenses to assist a person(s) with disability will be

required to submit a certification as to whether or not any expense payments have been, or will be, reimbursed by an outside source. All expense claims will be verified by one or more of the methods listed below:

1. Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, of (a) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and (b) extent to which those expenses will be reimbursed by insurance or a government agency.
2. Written confirmation from Social Security, the insurance carrier, or the member's employer of the health insurance premiums to be paid by the family.
3. For attendant care:
 - a. A reliable, knowledgeable professional's certification that the assistance of an attendant is necessary as a medical expense and a projection of the number of hours the care is needed.
 - b. Attendant's written confirmation of hours of care provided and amount and frequency of payments received from the family or agency (or copies of canceled checks the family used to make those payments) or stubs from the agency providing the services.
4. Receipts, canceled checks, or pay stubs that verify medical costs and insurance expenses likely to be incurred in the next 12 months.
5. Copies of payment agreements or most recent invoice that verify payments made on outstanding medical bills, which may include purchase of dentures, eye glasses, hearing aids, etc. The PHA will count as a medical expense only that portion of the debt that the family can be reasonably expected to pay in the coming 12 months (based on their past payment record).
6. Receipts or other record of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. PHA may use this approach for general medical expenses and regular visits to doctors or dentists, but not for one-time, nonrecurring expenses from the previous year. The Internal Revenue Service (IRS) Publication 502, *Medical and Dental Expenses*, will be used as the standard for defining what qualifies as a medical expense.
7. The PHA will compute transportation expense using the IRS mileage reimbursement rate, or cab/bus fare, or other public transportation cost for verification of the cost of transportation directly related to medical treatment.

Assistance to Persons with Disabilities

Written certification from a reliable, knowledgeable professional that the person with disabilities requires the services of an attendant and/or the use of auxiliary apparatus to permit him/her to be employed or to function sufficiently independently to enable another family member to be employed.

Family's certification as to whether they receive reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.

Attendant Care:

- (a) Attendant's written certification of amount received from the family, frequency of receipt, and hours of care provided.
- (b) Certification of family and attendant and/or copies of canceled checks family used to make payments.

Auxiliary Apparatus:

- (a) Receipts for purchases or proof of monthly payments and maintenance expenses for auxiliary apparatus.
- (b) In the case where the person with disabilities is employed, a statement from the employer that the auxiliary apparatus is necessary for employment.

H. VERIFICATION OF NON-FINANCIAL FACTORS

Legal Identity

In order to prevent program abuse, the PHA will require applicants to furnish verification of legal identity for all family members. If a document submitted by a family is illegible or otherwise questionable, more than one document may be required.

Acceptable verification: birth certificate, naturalization papers, church-issued baptismal certificate, adoption papers, public assistance ID, school ID, current valid driver's license, U.S. military ID or discharge (DD 214), U.S. passport, voter's registration, company/agency ID, hospital records.

If none of these documents can be provided, a third party who knows the person may, at the HA's discretion, provide verification.

Full-Time Student Status (applies to "traditional" students who are members of an assisted household)

A family member's status as a full-time student must be verified in order for that member's earned income to be excluded from household income. If the family submits verification of the member's full-time student status, only the first \$480 of that member's earned income will count towards household income; (This income exclusion does not apply if the full-time student is the head, co-head or spouse). Financial aid, scholarships and grants received by these full-time students are not considered income for purposes of determining household income.

Acceptable verification of full-time student status includes written verification from the

registrar's office or school records indicating sufficient credit hours to be considered a full-time student.

Student Independence from Parents/Guardians (applies to students seeking assistance on their own)

There are specific rules regarding eligibility and consideration of parental income that only apply to certain students enrolled in institutions of higher education.

If a student is at least 24 years old or a veteran or married or has custody of a dependent child, they are eligible for assistance. When considering this student's income, financial aid (excluding loans) in excess of tuition is counted, as is earned income. However, because this is not a "traditional" student, parental income need not be considered.

If a student meets none of the criteria stated above, they tend to be more of a "traditional" student, one who would likely still be dependent upon a parent or guardian for income. Therefore, the rule directs the PHA to determine if the student is independent from parents/guardians.

To determine independence the PHA may:

- Review verification of previous address to determine if the student has lived apart from parents/guardians for at least a year;
- Review documents to determine whether the individual meets the definition of independent student established by the Department of Education; see Chapter 2.
- Review previous years income tax returns to verify when a parent last claimed the student as a dependent.

If the student meets the independence test, the PHA counts financial aid (excluding loans) in excess of tuition, along with any earned income and compares the total income to the applicable income limit. Parental income is not considered in the eligibility determination, but any contribution made by the parent(s) to the student must be certified and counted. The PHA must test for this individual's (but not the parent's) income eligibility at each re-examination.

If the student does not meet the test for independence, the PHA must determine if the parents meet the low income limit for the jurisdiction in which they live in order for this student to be eligible for assistance on his/her own. In determining the parents' income, the PHA will accept a declaration/certification of income from the parent(s). If the PHA has cause to question the declaration of income, staff may require the submission of third-party verification of income.

If the parents are married and living together, the PHA will require a joint certification of income. If the parent is widowed or single, the PHA will obtain a certification from that parent. If the parents are divorced or separated, each parent is required to submit a certification. If the student has two parents but is estranged from one of them, the student can certify to the circumstances and have the "present" parent submit the certification of income.

If the parents are determined income-eligible (their income is below the low income limit for their jurisdiction) then the PHA will determine the student's eligibility by counting financial aid (excluding loans) in excess of tuition plus any other earned or unearned income of the student. At any reexam, the PHA will retest for parent and student eligibility.

If the student does not meet the independence test and the parent(s) does not meet the income

test, the student must be denied admission to the Section 8 HCV Program.

Zero Income Status

A family cannot maintain a residence, pay utility and rent bills, clothe and feed children, get around town, etc. for any extended period of time without a reasonable amount of income. However, it is certainly possible that a family may find itself without income for a short period of time due to loss of job or benefits. It is the policy of this PHA to provide assistance for up to three months to a family that claims to have no income or one that reports extremely low or sporadic income. During this three month period the family is expected to secure and report reasonable income.

Families claiming to have no income or extremely low income may be required to attend an interview during which they will be asked how they meet their everyday expenses. They may also be required to complete verification forms for unemployment benefits, public assistance, SSI, etc. in order to verify that they are not receiving those benefits. The family will sign a certification that the information they provided regarding their lack of income is true and accurate, that they understand they may only be assisted at zero income for up to three (3) months, and that they will report any change in household income immediately.

A family's income will initially be considered reasonable if it is equal to or greater than a typical public assistance grant. However, the PHA may then consider the family's size and household expenses in determining the long-term reasonableness of household income.

Permanent Absence of Adult Member

If an adult member who was formerly a member of the household is reported permanently absent by the family, the PHA will consider any of the following as verification:

1. Husband or wife institutes legal separation or divorce action.
2. Order of protection obtained by one family member against another.
3. Proof of another home address, such as utility bills, canceled checks for rent, drivers license, or lease or rental agreement, if available.
4. Statements from other agencies such as social services or a written statement from the landlord or manager that the adult family member is no longer living at that location.
5. If no other proof can be provided, the PHA will accept a self-certification.
6. If the adult family member is incarcerated, a document from the Court or prison should be obtained stating how long they will be incarcerated.

Change in Family Composition

The PHA may verify changes in family composition (either reported or unreported) through letters, telephone calls, utility records, inspections, landlords, neighbors, credit data, school or

DMV records, and other sources.

Disability

Verification of disability may be receipt of SSI or SSA disability payments under Section 223 of the Social Security Act or 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7)). In the absence of these payments, an appropriate diagnostician such as physician, psychiatrist, psychologist, therapist, rehab specialist, or licensed social worker, may verify a person's disability, using HUD's language as the verification format.

Marital Status

Marriage certificate, divorce decree, separation agreement, or maintenance agreement.

Verification of Citizenship/Eligible Immigrant Status

To be eligible for assistance, individuals must be U.S. citizens or eligible immigrants. Individuals who are neither may elect not to contend their status. Eligible immigrants must fall into one of the categories specified by the regulations and must have their status verified by Immigration and Naturalization Service (INS). Each family member must declare their status once. Assistance cannot be delayed, denied, or terminated while verification of status is pending except that assistance to applicants may be delayed while the PHA hearing is pending.

- (a) Citizens or Nationals of the United States are required to sign a declaration under penalty of perjury.
- (b) Immigrants who were Participants and 62 or over on June 19, 1995, are required to sign a declaration of eligible immigration status and provide proof of age.
- (c) Noncitizen with eligible immigration status must sign a declaration of status and verification consent form and provide their original immigration documents which are copied front and back and returned to the family. The PHA verifies the status through the INS SAVE system. If this primary verification fails to verify status, the PHA must request within ten days that the INS conduct a manual search.
- (d) Ineligible family members who do not claim to be citizens or eligible immigrants must be listed on a statement of ineligible family members signed by the head of household or spouse.
- (e) Noncitizen students on student visas are ineligible members even though they are in the country lawfully. They must provide their student visa but their status will not be verified and they do not sign a declaration but are listed on the statement of ineligible members.

Failure to Provide. If an applicant or participant family member fails to sign required declarations and consent forms or provide documents, as required, they must be listed as an ineligible member. If the entire family fails to provide and sign as required, the family may be denied or terminated for failure to provide required information.

Time of Verification. For applicants, verification of U.S. citizenship/eligible immigrant status occurs at the same time as verification of other factors of eligibility for final eligibility determination. For participants, it is done at the first regular recertification after June 19, 1995. For family members added after other members have been verified, the verification occurs at the first recertification after the new member moves in. Once verification has been completed for any covered program, it need not be repeated except that, in the case of port-in families, if the initial PHA does not supply the documents, the PHA must conduct the determination.

Extensions of Time to Provide Documents. Extensions will be given for persons who declare their eligible immigration status but need time to obtain the required documents. The length of the extension shall be based on individual circumstances. The PHA will allow up to 30 days to provide the document or a receipt issued by the INS for issuance of replacement documents. The statute prohibits the PHA from granting an extension of more than 30 days.

Acceptable Documents of Eligible Immigration. The regulations stipulate that only the following documents are acceptable unless changes are published in the Federal Register.

- Resident Alien Card (I-551)
- Alien Registration Receipt Card (I-151)
- Arrival-Departure Record (I-94)
- Temporary Resident Card (I-688)
- Employment Authorization Card (I-688B)
- Receipt issued by the INS for issuance of replacement of any of the above documents that shows individual's entitlement has been verified

A birth certificate is not acceptable verification of status. All documents in connection with U.S. citizenship/eligible immigrant status must be kept five years.

If the PHA determines that the family has knowingly permitted an ineligible person to reside in the unit, the family's assistance will be terminated for not less than two years unless the ineligible person has already been considered in prorating the assistance.

Verification of Social Security Numbers

Social security numbers must be provided as a condition of eligibility for all family members. Preferred verification of Social Security number is the actual card issued by the Social Security Administration. If a family member cannot produce a valid card, the documents listed below may be used if they include the SSN:

- Driver's license
- Identification card or benefit notice issued by a Federal, State or local agency
- Case make-up or other documentation from Social Services
- Identification card issued by a medical insurance company or provider
- Identification card issued by an employer or trade union
- Earnings statements or payroll stubs
- Bank Statements
- IRS Form 1099
- Retirement benefit letter
- Life insurance policies

When a participant requests to add a new member who is at least six years of age, or is under the age of six years and has an assigned SSN, the participant must provide verification of SSN at the time of the request.

When a participant requests to add a new member who is under the age of six years and has not been assigned a SSN, the participant must provide verification of SSN within 90 days of the child being added to the household. The PHA will grant an additional 90-day extension if it determines that the inability to provide SSN verification is outside the participant's control.

During the time that the participant is working to obtain SSN verification, the child will be considered a member of the assisted household.

Medical Need for Larger Unit / Higher Subsidy

Written certification of the medical need for a larger unit than the family's size normally warrants or for a higher PS in order for the unit to be affordable must be submitted by a reliable, knowledgeable medical professional.

Residency

Preference in selection is given to applicants who live, work or have notice of hire to work in Erie County. Applicants claiming this preference may submit any of the following as proof:

- Current or previous lease (during the time applicant was on the WL)
- Recently received mail
- Utility or credit card bill
- Statement from employer
- Paycheck stub showing address of employer
- Other reasonable written proof of residency in Erie County

Chapter 8

VOUCHER ISSUANCE AND BRIEFINGS

INTRODUCTION

The PHA's objectives are to assure that families selected to participate are successful in obtaining an acceptable housing, and that they have sufficient knowledge to derive maximum benefit from the program and to comply with program requirements. When families have been determined to be eligible, the PHA will conduct a mandatory briefing to ensure that families know how the program works. The briefing will provide a broad description of owner and family responsibilities, PHA procedures, and how to lease a unit. The family will also receive a briefing packet which provides more detailed information about the program. This chapter describes how briefings will be conducted, the information that will be provided to families, and the policies for how changes in the family composition will be handled.

A. ISSUANCE OF VOUCHERS

When funding is available, the PHA will issue vouchers to applicants whose eligibility has been determined. The number of vouchers issued must ensure that the PHA stays as close as possible to 100% lease-up without exceeding the dollar limitations set by the HUD-approved budget.

B. BRIEFING ATTENDANCE

A HUD-required briefing will be conducted for applicants who are determined to be eligible for assistance. The briefing is intended to explain how the voucher program works. This should enable families to utilize the program to their advantage, and will prepare them to discuss the program with potential owners and property managers. Relocating participants may attend a briefing if they wish; however, they are not required to do so.

The PHA will issue a voucher to an eligible family as soon as the family representative attends a briefing. Applicants who provide prior notice of inability to attend a briefing will be scheduled for a subsequent briefing. Applicants who fail to attend two scheduled briefings, without prior notification and approval of the PHA, may be denied admission based due to their failure to attend the required briefing. The PHA usually conducts group briefings but will conduct individual briefings for families with disabilities, upon request, if required as reasonable accommodation. During group briefings, applicants have an opportunity to meet privately with a housing specialist to ask questions and receive information regarding their subsidy.

Families who require assistance in their search for affordable housing are invited to call upon their housing specialist or the housing resource specialist, who may be able to refer them to newly-listed vacancies. Staff will direct housing seekers to visit the Housing Resource Center, check newspaper listings, community bulletin boards, apartment complexes that tend to have vacancies on a regular basis, etc. Belmont's staff will also assist families in negotiating rents. The person conducting the briefing will describe how the program works and the relationship

between the family and the owner, the family and the PHA, and the PHA and the owner. The briefing presentation emphasizes family and owner responsibilities, and explains to all voucher-holders where a family may lease a unit, how portability works, advantages to living in non-impacted neighborhoods (low concentration of low-income families), and the Family Self Sufficiency Program and its advantages.

Every briefing includes an explanation of how portability may affect a family's assistance due to rescreening, changes in subsidy standards and payment standards, and any other elements of the portability process which may affect the family's assistance.

The information packet that families receive at the briefing includes "A Good Place to Live" and meets the requirements of 982.301(b). In addition to these printed materials, the presenter speaks to the topic of selecting a good housing unit.

C. ENCOURAGING MOVES TO AREAS OF OPPORTUNITY

During the briefing families are encouraged to search for housing in non-impacted areas. Additional help with the housing search will be provided to those families that request it. The assistance might include staff making direct contact with landlords to explain the program, counseling the family, and/or providing community profiles which list major employers, schools, recreational opportunities, services, etc. in various non-impacted areas.

The PHA encourages local landlords to list their available rentals at www.NYHousingSearch.gov

The units listed with NYHousingSearch, as well as area newspapers, are available to clients in the Housing Resource Center. Many housing resources are also available through Belmont's website and may be mailed to clients upon request.

The PHA continues to conduct outreach to landlords with rental units located outside areas of poverty and minority concentration.

D. ASSISTANCE TO FAMILIES WHO CLAIM DISCRIMINATION

If a family reports to the PHA that they have been denied housing in violation of Fair Housing Laws, the PHA will provide the family with a complaint form and the location of the local Fair Housing office. If HUD or the Fair Housing agency finds that discrimination did occur, the PHA will restrict the owner from future participation. The PHA will assist the family in reporting suspected discrimination.

E. SECURITY DEPOSIT REQUIREMENTS

Security deposits charged by owners may not exceed private market practice or amounts charged to unassisted tenants or the maximum prescribed by State or local law.

F. TERM OF VOUCHER

During the briefing session, each household will be issued a voucher which represents a contractual agreement between the PHA and the family specifying the rights and responsibilities of each party. It does not constitute admission to the program which occurs when the lease and contract become effective. The initial term of the voucher is 60 days.

Expirations

The voucher is valid for a period of sixty (60) calendar days from the date of issuance. The family must submit a Request for Tenancy Approval and Lease within the sixty-day period unless an extension has been requested by the family and granted by the PHA.

If the voucher has expired, and has not been extended by the PHA or expires after an extension, the family will be denied assistance, and is not entitled to a review or hearing. If the family is currently assisted, they may remain as a participant in their current unit if there is an assisted lease/contract in effect; (occurs when a family requests that the PHA issue a voucher for relocation and then fails to submit an RFTA for a new unit.)

Suspensions

When a Request for Tenancy Approval is received by the PHA, the PHA will "stop the clock" or suspend the term of the voucher. The suspension will be in effect during the time it takes to process the request, schedule and conduct the inspection, make repairs, and reinspect the unit. Once the unit passes inspection, the family will be notified in writing that their request has been approved and the suspension of the voucher term will end.

If thirty (30) days pass from the date of the initial inspection and the repairs have not yet been made, the inspection scheduler will return the inspection report to the housing specialist with instructions to contact the tenant. The HS should determine if the TN still wants to lease the unit, and if the answer is yes, the HS must explain to the voucher-holder that the voucher term will no longer be suspended. This should then be confirmed in writing to the voucher-holder. The clock will start up again to ensure that the leasing process continues to move along and that the assistance doesn't go unused. If the voucher-holder indicates their reluctance to wait any longer for the owner to make repairs, the HS will re-issue the voucher and let inspections know that the unit should be rejected.

Extensions

A family may request an extension of the voucher time period. All requests for extensions must be received prior to the expiration date of the voucher. Two 30-day extensions are permissible at the discretion of the PHA. Extensions are generally permitted for the following reasons:

Extenuating circumstances such as hospitalization or a family emergency for an extended period of time which has affected the family's ability to find a unit within the initial sixty-day period. Verification is required.

The PHA is satisfied that the family has made a reasonable effort to locate a unit,

including seeking the assistance of the PHA, throughout the initial sixty-day period. A completed search record is required.

Extensions as Reasonable Accommodation

If a family with a disabled member needs and requests an extension of the original voucher term as a reasonable accommodation, the PHA will extend the term of the voucher so that the family has at least 180 days to secure housing. If at the end of the 180 days, the family has still not located suitable housing, they may request additional search time. The request must be in writing and must provide specific details related to their search and the difficulties they experienced. The PHA will review each request in light of the person's particular situation and the details they provide and extend the term accordingly. The PHA believes that the 180-day term should be sufficient in most cases. However, the PHA will consider requests for up to an additional 180 days. No voucher will be extended for a period that exceeds one year.

G. VOUCHER ISSUANCE FOR SPLIT HOUSEHOLDS

In those instances when a family assisted under the Section 8 program becomes divided into two otherwise eligible families due to divorce, legal separation, or the division of the family, and the new families cannot agree as to which new family unit should continue to receive the assistance, and there is no determination by a court, the PHA shall consider the family that remains in the assisted unit to be the holder of the voucher. If the two families are leaving the assisted unit, the PHA will consider the following factors to determine which of the families will continue to be assisted:

1. Which of the two new families has custody of dependent children.
2. Which family member was the head of household when the Voucher was initially issued (listed on the initial application).
3. Which of the two new family units has elderly or disabled members.
4. Whether domestic violence was involved in the breakup.
5. Recommendations of social service professionals.

Documentation of these factors will be the responsibility of the requesting parties. If documentation is not provided, the PHA will terminate assistance on the basis of failure to provide information necessary for a recertification.

Where the breakup of the family also results in a reduction of the size of the voucher, the family may have to move to a smaller unit if they cannot afford the new higher rent.

H. REMAINING MEMBER OF TENANT FAMILY

To be considered the remaining member of the tenant family, the person must have been previously approved by the PHA to be living in the unit.

A live-in attendant, by definition, is not a member of the family and will not be considered a remaining member of the Family.

In order for a minor child to continue to receive assistance as a remaining family member:

1. The court has to have awarded emancipated minor status to the minor, or
2. The PHA has to have verified that social services and/or the Juvenile Court has arranged for another adult to be brought into the assisted unit to care for the child(ren) for an indefinite period.

A reduction in family size may require a reduction in the voucher size and subsidy.

Chapter 9

REQUEST FOR TENANCY APPROVAL AND CONTRACT EXECUTION

INTRODUCTION

After families are issued a voucher, they may search for a unit anywhere within the jurisdiction of the PHA, or outside of the PHA's jurisdiction if they qualify for portability. The family must find an eligible unit under the program rules, with an owner/landlord who is willing to enter into a Housing Assistance Payments Contract with the PHA. This chapter defines the types of eligible housing, the PHA's policies which pertain to initial inspections, lease requirements, owner disapproval, and the processing of Requests for Tenancy Approval (RFTA).

A. REQUEST FOR TENANCY APPROVAL

The Request for Tenancy Approval (RFTA) and a copy of the proposed lease must be submitted by the family during the term of the voucher. The PHA will not permit the family to submit more than one RFTA at a time. The RFTA must be signed by both the owner and voucher-holder.

The PHA will review the proposed lease and RFTA to determine whether or not they are approvable. The PHA will also determine the percentage of income that the family will have to pay toward rent and utilities; the family's maximum initial rent burden may not exceed 40% of adjusted monthly income. The maximum initial rent burden requirement is applicable each time a participant moves to a new unit.

The request will be approved if:

1. The unit is an eligible type of housing
2. The rent is reasonable
3. The proposed lease complies with HUD and PHA requirements
4. The owner is approvable, and there is no conflict of interest.
5. The unit meets HUD's Housing Quality Standards

Disapproval of RFTA

If the PHA determines that the RFTA cannot be approved for some reason, the housing specialist will call the landlord to discuss the steps that are necessary to approve the request. The family will also be informed of the problems that exist. The owner will be given 5 calendar days to decide whether or not to make the necessary changes.

If an RFTA is not approved and the owner is unwilling to make the changes necessary to gain approval, the PHA will notify the tenant, give them another Landlord Handbook and advise them to continue their search for eligible housing. The clock is stopped on the voucher (the term is suspended) while the RFTA is being processed.

B. ELIGIBLE TYPES OF HOUSING

The PHA will approve all structure types, including manufactured homes. The PHA may be able to assist a family that owns a manufactured home and rents the space on which it is situated.

The PHA will approve the following special housing types as a reasonable accommodation for families with members who have disabilities: SRO, Congregate Housing, Group Home, Shared Housing or Cooperative. In accordance with PIH 2000-41, issued September 1, 2000, vouchers may also be used in assisted living situations.

The PHA will not approve:

A unit occupied by the owner or by any person with an interest in the unit, other than manufactured homes as described above, or shared housing.

Nursing homes or other institutions that provide care.

School dormitories and institutional housing.

Any other types of housing prohibited by HUD.

The PHA will not approve a single family's request to rent an entire two-family home. In cases where the owner and/or tenant disagree with the inspector's determination that the unit is not a single family home, the PHA will rely on the municipality to make the final decision. If the TN/LL can submit a certificate of occupancy that shows the unit to be a single family home rather than a double, the PHA will approve the request to rent that unit.

The PHA cannot approve a unit if the owner is the parent, child, grandparent, grandchild, brother or sister (including any step-relations) of any member of the assisted household, unless the PHA determines that approving the unit is necessary as a reasonable accommodation to make the program accessible to and usable by a person with disabilities. HAP Contracts entered into prior to 6/17/98 with owners so-related to the tenant-family, will be honored during the term of the Contract

A family can own real estate but cannot reside in it while receiving rental assistance, except in

the case where the family owns a manufactured home and receives assistance to rent the pad. Any real estate owned by the family must be counted as an asset for purposes of determining income.

C. LEASE REVIEW

The PHA will review the lease, particularly noting the approvability of optional charges and compliance with regulations. Responsibility for utilities, appliances and optional services must correspond to those provided on the RFTA.

Owners must submit a copy of their own lease; the PHA does not furnish the lease.

Regardless of the form of lease used, the HUD tenancy addendum must be attached to the lease. House rules of the owner may be attached to the lease as an addendum, provided they are approved by the PHA to ensure they do not violate any fair housing or HUD provisions.

At a minimum, the lease must specify:

The names of the owner and tenant,

The address of the rental unit,

The amount of the monthly rent to owner,

The date the lease begins,

The utilities and appliances to be supplied by the owner, and

The utilities and appliances to be supplied by the tenant.

Separate Agreements

Separate agreements are not necessarily illegal side agreements. Families and owners will be advised of the prohibition of illegal side payments for additional rent, or for items normally included in the rent of unassisted families, or for items not shown on the approved lease.

Owners and families may execute separate agreements for services, appliances (other than range and refrigerator) and other items that are not included in the lease if the agreement is in writing and approved by the PHA. For there to be a separate agreement, the family must have the option of not utilizing the service, appliance or other item.

If the family and owner have come to a written agreement on the amount of allowable charges for a specific item, so long as those charges are reasonable and not a substitute for higher rent, they will be allowed. All agreements for special items or services must be attached to the lease approved by the PHA. If agreements are entered into at a later date, they must be approved by the PHA and attached to the lease. The PHA is not liable for unpaid charges for items covered by separate agreements and nonpayment of these agreements cannot be cause for eviction.

Any appliances, services or other items which are routinely provided to unassisted families as part of the lease (such as air conditioning, dishwasher or garage) or are permanently installed in the unit, cannot be put under separate agreement and must be included in the lease.

D. RENT LIMITATIONS

Rents must be reasonable when compared to similar unassisted units.

While there is no absolute limit (like the FMR) to the amount an owner can charge for rent, the family is limited as to the amount it can pay for rent and utilities, at least initially. The family's initial rent burden cannot exceed 40% of its adjusted income. After the initial term of the lease, the family may opt to pay more than 40% of its adjusted income for rent and utilities.

E. NEGOTIATING THE RENT WITH THE OWNER

If the PHA determines that the proposed rent is not reasonable, or if the rent is reasonable but the family's initial rent burden would exceed 40% of its adjusted income, the PHA will, at the family's request, attempt to negotiate a decrease in rent with the owner. If the PHA is unable to negotiate a lower rent, the RFTA must be disapproved.

E. INFORMATION TO OWNERS

The PHA is required to provide a prospective owner with the current address of the family and the names and addresses of the current and previous landlord, if known. This information will be provided to the owner as soon as the PHA is notified that the owner intends to lease a unit to the assisted family, which might be prior to submission of the RFTA. For example, an owner may contact the PHA by phone to say that he is considering renting to a particular family but wishes to check references before completing the RFTA. The current and previous landlord information will be released at this point.

No information about the family other than that required by program regulations will be provided to owners.

The PHA will inform owners that it is their responsibility to determine the suitability of prospective tenants. Owners will be encouraged to screen applicants for rent payment history, eviction history, damage to units, and other factors related to the family's suitability as a tenant.

G. OWNER DISAPPROVAL

The PHA will disapprove the owner for the following reasons:

HUD has informed the PHA that the owner has been disbarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.

HUD has informed the PHA that the federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other federal equal opportunity requirements and such action is pending.

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

The owner is the parent, child, grandparent, grandchild, brother or sister of any member of the assisted household; (exceptions may be made if the PHA determines that approval of the owner, and his/her unit, provides reasonable accommodation for a person with disabilities.)

The PHA may disapprove the owner for the following reasons:

The owner has violated obligations under a housing assistance payments contract under Section 8 of the 1937 Act (42 U.S.C.1437f).

The owner has committed fraud, bribery or any other corrupt act in connection with any federal housing program.

The owner has engaged in drug trafficking.

The owner fails to submit definitive proof of ownership for the subject property when requested by the PHA.

The owner owes any money to the PHA in connection with current or previous participation in a Section 8 Program.

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

The PHA has received and substantiated complaints from tenants about the owner's behavior (e.g., owner enters unit w/o prior notice or permission, owner is verbally abusive to the tenant, owner sexually harasses the tenant, etc.) and has no reason to believe that the owner is going to change his behavior.

H. CHANGE IN TTP PRIOR TO HAP CONTRACT EFFECTIVE DATE

When the family reports changes in factors that will affect the Total Tenant Payment (TTP) prior to the effective date of any HAP Contract, the information will be verified and the TTP will be recalculated. If the family does not report any change, the PHA need not obtain new verifications before signing the HAP Contract, even if verifications are more than 60 days old.

I. CONTRACT EXECUTION PROCESS

The PHA prepares the Housing Assistance Payments (HAP) Contract for execution. The family and the owner will execute the Lease and Tenancy Addendum, and the owner and the PHA will execute the HAP Contract. A copy of the HAP Contract will be sent to the owner after it has been executed by a representative of the PHA.

The HAP Contract may not be executed until the unit passes inspection, and may not be executed more than 60 days after the effective date of the lease. No payments will be made until the contract is executed.

HAP Contracts and leases are generally effective the first day of the month following the month in which the unit passes inspection. However, upon request from the owner or tenant, the PHA may enter into a HAP Contract any day of the month once the unit passes inspection, provided these conditions are met:

- Tenant occupies the unit or intends to occupy the unit within a day or two,
- Lease and HAP Contract have the same effective date, and
- No other owner has been paid a subsidy on behalf of the tenant for the same time period.

The PHA will pay a pro-rated subsidy for the partial month and expects the tenant to pay a pro-rated portion of the tenant rent. Partial month payments are calculated using a 30-day calendar regardless of the actual number of days in the month.

J. CHANGE IN OWNERSHIP

A change in ownership does not require execution of a new contract. Instead the new owner will execute an amendment to the HAP Contract.

The PHA will process a change of ownership upon the written request of the new or old owner, when accompanied by a copy of the escrow statement or other document showing the transfer of title. The new owner must provide the PHA with their Employee Identification Number or Social Security number, Direct Deposit Authorization and mailing address before payments can be made by the PHA.

Chapter 10

HOUSING QUALITY STANDARDS AND INSPECTIONS

INTRODUCTION

Housing Quality Standards (HQS) are HUD's minimum quality standards for tenant-based housing programs. HQS standards are required both at initial occupancy and during the tenancy. HQS standards apply to the building and premises, as well as the unit.

These minimum standards may be enhanced by the PHA, provided that by doing so, the PHA does not overly restrict the number of units available for lease under the program. This chapter describes the PHA's procedures for performing HQS and other types of inspections and standards for the timeliness of repairs. It also explains the responsibilities of the owner and family, and the consequences of non-compliance with HQS requirements for both families and owners.

The chapter is organized as follows:

Part I. Physical Standards. This part explains HUD's HQS and includes any additional PHA-established standards.

Part II. The Inspection Process. This part describes the types of inspections the PHA will make and the steps that will be followed when units do not meet HQS.

PART I. PHYSICAL STANDARDS

A. GENERAL HUD REQUIREMENTS

HUD Performance and Acceptability Standards [24 CFR § 982.401]

The following lists HUD's 13 acceptability standards:

- (A) Sanitary facilities.
- (B) Food preparation and refuse disposal.
- (C) Space and security.
- (D) Thermal environment.
- (E) Illumination and electricity.
- (F) Structure and materials.
- (G) Interior air quality.
- (H) Water supply.
- (I) Lead-based paint.
- (J) Access.

- (K) Site and neighborhood.
- (L) Sanitary condition.
- (M) Smoke detectors.

B. ADDITIONAL LOCAL REQUIRMENTS

Thermal Environment

HUD requires the PHA to define a “healthy living environment” for the local climate.

PHA Policy

The heating system in any HCV-assisted unit must be capable of maintaining an interior temperature of 68 degrees Fahrenheit between October 1 and May 31.

Clarifications of HUD Requirements

As permitted by HUD, the PHA has adopted the following specific requirements that elaborate on HUD standards:

Walls

In areas where plaster or drywall is sagging, severely cracked, or otherwise damaged, it must be repaired or replaced.

Windows

Window sashes must be in good condition, solid and intact, and properly fitted to the window frame. Damaged or deteriorated sashes must be replaced.

Windows must be weather-stripped as needed to ensure a weather-tight seal.

Window screens must be in good condition (applies only if screens are present).

Doors

All exterior doors must be weather-tight to avoid any air or water infiltration, be lockable, have no holes, have all trim intact, and have a threshold.

All interior doors must have no holes, have all trim intact, and be openable without the use of a key.

Floors

Any loose or warped boards must be resecured and made level. If they cannot be leveled, they must be replaced.

All floors must be in a finished state. Raw wood or unsealed concrete is not permitted.

Sinks

All sinks and commode water lines must have shut-off valves unless faucets are wall-mounted.

Toilets

All worn or cracked toilet seats and tank lids must be replaced and the toilet tank lids must fit properly.

Security

If window security bars or security screens are present on windows, they must be equipped with a quick-release system. The owner is responsible for ensuring that the family is instructed on the use of the quick-release system.

GFCI

PHA Policy

All receptacles within 4 feet of a water source must be equipped with properly installed GFCI outlets.

Lead-Based Paint

Deteriorating paint as defined at 24 CFR 35.110 in a unit built before 1978 is to be occupied by a family with a child under six years of age if it would prevent the family from moving into the unit. The PHA must determine the age of the building and the presence of any children under the age of six.

The PHA assumes that a child under six occupies or will occupy the unit if that child was listed as a household member during the most recently completed certification or if the child is reported on the most recent application submitted by the family.

Furthermore, the inspector will verify household members at the beginning of each inspection. If the tenant reports that a child under six is in the unit or intends to be in the unit, the inspector will implement and enforce the LBP regulations.

Once the determination is made that a child under six is or intends to be a member of the household, any defective paint cited during the inspection must be repaired in accordance with LBP regulations regardless of any subsequent change in household composition, ie, child leaves the household. A change in the household will not negate the finding of defective paint, nor the implementation of the LBP regulation.

Inspection/Visual Assessment

A visual assessment to look for deteriorated paint, visible dust, paint chips or debris is performed at initial and annual/biennial inspections for properties built prior to 1978 and occupied or intended to be occupied by residents with children under six years of age.

The visual assessment is conducted on the entire exterior of the building, including any garage, or shed, interior common hallways and stairs, basement and attic, if accessible to any of the building tenants, and interior of the family's unit. If the inspector sees deteriorated paint, the deterioration is documented on the HQS inspection form, like any other HQS violation. Once cited, defective paint must be corrected even if the owner later decides to restrict tenant access to that portion of the property, ie; basement, attic. The owner is required to correct all cited defective paint in the same time frames as any other HQS violation (unless weather-deferred).

Defective Paint above de-minimus

The inspector also documents if the amount of defective paint exceeds HUD- established de minimus levels. If the amount of defective paint exceeds de-minimus, the owner must use trained workers and safe work practices. Once the correction of defective paint has been completed, the owner must obtain a lead clearance exam. The clearance test must be performed by an EPA Certified LBP Risk Assessor who was not involved in the correction of the defective paint. The owner must notify the residents of the clearance test results.

If defective paint above de-minimus is cited during an annual inspection (and not weather- deferred) and the owner wishes to make the repairs himself, the owner may be granted an extension to allow time to attend the next available lead maintenance training course prior to completing the repairs and clean-up.

If defective paint above de-minimus is cited (and not weather-deferred) during an original inspection, the owner may also be granted an extension to allow time to attend the next available training course. However, the HAP Contract will not become effective until the defective paint is repaired and the unit passes inspection. The owner always has the option to hire a certified professional to test deteriorated paint for lead and then stabilize only the deteriorated paint that contains lead.

Note: Because a unit is supposed to be in move-in condition when the owner requests an initial inspection, the inspector has the authority to reject the unit on the basis of an excessive amount of defective paint. The determination of "an excessive amount of defective paint" is at the discretion of the inspector.

Elevated Blood Lead Levels

PHA Policy

For Housing Choice Voucher (HCV) units, when a child under 6 is identified with an EBLL, the PHA or the owner, as described below, must take certain steps. For the HCV program, the regulations identify the PHA as the designated party for ensuring compliance with all the regulations.

The Owner is responsible for:

- 1) **Initial notification of a confirmed case to HUD:** Notifying the HUD field office and the HUD Office of Lead Hazard Control and Healthy Homes of the case – that is, the child’s address – within 5 business days.
- 2) **Initial notification of the public health department, when necessary:** When the owner is notified of the case by any medical health care professional other than the public health department, the owner shall notify the public health department of the name and address of the child within 5 business days.
- 3) **Verification of the case, when necessary:** When the owner receives information from a person who is not a medical health care provider that a case may have occurred, the owner should immediately convey the information to the PHA so the PHA may notify the public health department,

The PHA is responsible for:

- 1) **Verification of the case, when notification is not from a medical health care provider:** The PHA may wish to collaborate with the owner on this verification of an EBLL case, such as by agreeing with the owner to receive the information about the possible case. The PHA shall immediately verify the information with the public health care provider.
- 2) **Environmental Investigation:** Conducting an environmental inspection of the child’s unit and the common areas servicing that unit.
- 3) **Monitoring of owner’s compliance with LSHR(Lead Safe Housing Rule):** Monitoring the owner’s compliance with the LSHR in accordance with the Housing Assistance Payments (HAP) contract between the PHA and owner.

C. LIFE-THREATENING CONDITIONS [24 CFR 982.404(a); FR Notice 1/18/17]

HUD requires the PHA to define life-threatening conditions.

PHA Policy

The following are considered life-threatening conditions:

- Any condition that jeopardizes the security of the unit
- Major plumbing leaks or flooding, waterlogged ceiling or floor in imminent danger of falling or collapsing.
- Natural or LP gas or fuel oil leaks
- Any electrical problem or condition that could result in shock or fire
- Absence of a working heating system between October 1 and May 31
- Utilities not in service, including no running hot water
- Conditions that present the imminent possibility of injury
- Obstacles that prevent safe entrance or exit from the unit
- Absence of a functioning toilet in the unit
- Inoperable or missing smoke detectors
- Missing or inoperable carbon monoxide detector
- Missing, damaged, discharged, overcharged, or expired fire extinguisher (where required)

Deteriorating paint as defined at 24 CFR 35.110 in a unit built before 1978 that is to be occupied by a family with a child under six years of age if it would prevent the family from moving into the unit.

If an owner fails to correct life-threatening conditions as required by the PHA, the PHA will enforce the HQS in accordance with HUD requirements. See 10- II-G.

If a family fails to correct a family-caused life-threatening condition as required by the PHA, the PHA will enforce the family obligations. See 10- II.H.

Smoke and Carbon Monoxide Detectors

PHA Policy

Carbon Monoxide (CO) alarms must be installed in all new and existing one- and two-family dwellings, multifamily dwellings, and rentals with a fuel-burning appliance, system or attached garage. Carbon Monoxide detectors are required to be located within 15 feet of all sleeping rooms and within 15 feet of the fuel-burning source. Smoke detectors are required in every sleeping room, within 21 feet of sleeping rooms and on every level of the dwelling unit, including the basement.

Inoperable smoke and carbon monoxide detectors are a serious health threat and will be treated as an emergency (24-hour) fail items. If the smoke and/or carbon monoxide detectors are not operating properly, the PHA will contact the owner by phone or email/electronically and request the owner to repair or replace the smoke and/or carbon monoxide detector within 24 hours. The PHA will reinspect the unit the following day.

If the PHA determines that the family has disconnected the smoke and/or carbon monoxide detector (by removing batteries or other means), the family will be required to repair or replace the smoke and/or carbon monoxide detector within 24 hours.

The PHA will issue a written warning to any family determined to have purposely disconnected one or both detectors. The warning will state that deliberate disconnection of the unit's smoke or carbon monoxide detector is a health and fire hazard and is considered a violation of HQS.

Staff Training/Certification

PHA Policy

All inspectors complete HUD's Visual Assessment training prior to conducting inspections.

D. OWNER AND FAMILY RESPONSIBILITIES [24 CFR 982.404]

PHA Policy

HQS deficiencies that cause a unit to fail must be corrected by the landlord unless it is a failed item for which the family is responsible. The family can only be held responsible for breaches of HQS that are caused by:

- Non-payment of utilities that are supposed to be paid by the family,
- Not providing or failing to maintain appliances that are supposed to be provided and maintained by the family, and

- Damages to the unit or premises, beyond normal wear and tear, that were caused by a household member or guest.

The owner is responsible for all other HQS violations.

The owner is responsible for vermin infestation even if caused by the family's living habits. However, if the infestation is serious and repeated, it may be considered a lease violation and the owner may evict for serious or repeated violation of the lease.

PART II. THE INSPECTION PROCESS

A. OVERVIEW [24 CFR 982.405]

Note: This overview section is intended to cover general policies that apply to all types of inspections. Using the overview makes it unnecessary to repeat the information under each type of inspection. Policies that do not apply to all types of inspections are found later in this chapter under the appropriate inspection type.

Types of Inspections

There are five types of inspections the PHA will perform:

1. **Original / Relocation:** Conducted upon receipt of Request for Tenancy Approval.
2. **Annual/Biennial:** Conducted within 12-24 months of the original inspection or previous annual/biennial inspection.
3. **Priority:** Conducted at owner's or family's request for safety or maintenance.
4. **Damage:** Available on a limited basis; conducted at landlord's request to document tenant-caused damages. The damage inspection is generally only conducted under the Mod Rehab Program.
5. **Supervisory:** A quality control inspection conducted on a percentage of all units.

Note: Units assisted under the Mod Rehab Program are usually inspected annually by project rather than in conjunction with a tenant's recertification. Mod Rehab units receive a move-out inspection when a family vacates which then becomes the basis for the move-in inspection.

Inspection of PHA-owned Units [24 CFR 982.352(b)]

The PHA as per regulation will utilize an independent entity to perform HQS inspections for PHA-owned units and has standing MOUs in place to do such.

Inspection Costs [Notice PIH 2016-05]

The PHA may not charge the owner for the inspection of the unit prior to the initial term of the lease or for a first inspection during assisted occupancy of the unit. However, the PHA may charge a reasonable fee to owners for reinspections in two situations: when the owner notifies the PHA that a repair has been made but the deficiency has not been corrected, and when the time for repairs has elapsed and the deficiency has not been corrected. Fees may not be imposed for tenant-caused damages, for cases in which the inspector could not gain access to the unit, or for new deficiencies discovered during a re-inspection.

The owner may not pass the cost of a reinspection fee to the family. Reinspection fees must be added to the PHA's administrative fee reserves and may only be used for activities related to the provision of tenant-based assistance.

PHA Policy

The PHA may impose a \$25.00 reinspection fee to the owner for the first reinspection when:

- The owner reports that an HQS deficiency has been repaired, but reinspection reveals that the deficiency has not been repaired; or
- When the time for repairs has elapsed and the deficiency has not been repaired.

The PHA may waive the fee if repairs for non-life-threatening items were delayed due to circumstances beyond the owner's control.

Remote Video Inspections (RVIs) [Notice PIH 2020-31]

The PHA may, but is not required to, perform required HQS inspections through RVIs.

PHA Policy

The PHA will not conduct any HQS inspections using RVI.

Notice and Scheduling

The family must allow the PHA to inspect the unit at reasonable times and after reasonable notice [24 CFR 982.551(d)].

PHA Policy

The family will be given reasonable notice of all inspections. Except in the case of a life-threatening emergency, reasonable notice is considered to be not less than 48 hours. Inspections may be scheduled between 8:00 a.m. and 7:00p.m. Generally, inspections will be conducted on business days only. In the case of a life-threatening emergency, the PHA will give as much notice as possible, given the nature of the emergency.

If the family fails to permit an inspection twice and does not give the PHA prior notice of their inability to make the inspection, the PHA will consider the family to have violated a family obligation, and their assistance may be terminated.

Owner and Family Inspection Attendance

HUD permits the PHA to set policy regarding family and owner present at the time of inspection.

PHA Policy

When a family occupies the unit at the time of inspection an authorized adult must be present for the inspection. The presence of the owner or the owner's representative is encouraged but is not required.

If the inspector is offered access by a minor member of the household and there is no adult present, the inspector will not enter the unit nor conduct the inspection, and the inspection will be considered a “no-show”.

At the initial inspection of a vacant unit, the PHA will inspect the unit in the presence of the owner or owner’s representative. The presence of a family representative is permitted but is not required.

B. INITIAL HQS INSPECTION [24 CFR 982.401(a)]

Initial Inspections [FR Notice 1/18/17]

The PHA may, but is not required to, approve assisted tenancy and start HAP if the unit fails HQS inspection, but only if the deficiencies identified are non-life-threatening. Further, the PHA may, but is not required to, authorize occupancy if a unit passed an alternative inspection in the last 24 months.

PHA Policy

The PHA will approve assisted tenancy and start HAP for any unit that fails HQS inspection if the deficiencies identified during the inspection are non- life-threatening.

Non-life threatening conditions are defined as any conditions that would fail to meet the housing quality standards under 24 CFR 982.401 and do not meet the definition of *life-threatening* as defined in Section 10-I.C., Life- Threatening Conditions. Prior to approving assisted tenancy and executing the HAP contract, the PHA will ensure that the unit does not have any life- threatening deficiencies.

The PHA will send written notice to the owner listing any non-life-threatening deficiencies and providing the owner with 30 calendar days, or a PHA- approved extension, to comply with HQS. If the non-life-threatening conditions are not corrected within notice period. The HAP contract will be entered into.

If the initial inspection identifies more than one non-life-threatening deficiency, the PHA will notify the family in writing within 10 business days of the inspection of the deficiencies and offer the family the opportunity to decline to enter into an assisted lease without losing their voucher. The notice to the family will also state that, if the owner fails to correct the non-life- threatening deficiencies, the PHA will not enter into contract, and the family will need to submit a RTA for different unit.

PHA Policy

The PHA will not rely on alternative inspections and will conduct an HQS inspection for each unit prior to executing a HAP contract with the owner.

Timing of Initial Inspections

There are three decisions the PHA must make regarding the timing of inspections: the timeframe for conducting initial inspections, the turnaround time for reinspections, and the number of reinspections the PHA is willing to do.

PHA Policy

To the extent practicable, the PHA will complete the initial inspection, determine whether the unit satisfies HQS, and notify the owner and the family of the determination within 15 days of submission of the Request for Tenancy Approval (RTA).

In cases where the PHA is not able to complete the inspection within 15 days, the file will be documented as to the reason it was not practicable.

Inspection Results and Reinspection

PHA Policy

If any HQS violations are identified, the owner will be notified of the deficiencies and be given a time frame to correct them. If requested by the owner, the time frame for correcting the deficiencies may be extended by the PHA for good cause. The PHA will reinspect the unit within five to ten business days of the date the owner notifies the PHA that the required corrections have been made.

If the time period for correcting the deficiencies (or any PHA-approved extension) has elapsed, or the unit fails HQS at the time of the reinspection, the PHA will notify the owner and the family that the unit has been rejected and that the family must search for another unit. The PHA may agree to conduct a second reinspection, for good cause, at the request of the family and/or owner.

Following a failed reinspection of an unoccupied unit, the family may submit a new Request for Tenancy Approval after the owner has made repairs, if they are unable to locate another suitable unit.

Appliances [Form HUD-52580]

PHA Policy

If the family is responsible for supplying the stove and/or refrigerator, the PHA will allow the stove and refrigerator to be placed in the unit after the unit has met all other HQS requirements. The required appliances must be in place before the HAP contract is executed by the PHA. The PHA will execute the HAP contract based upon a certification from the family that the appliances have been installed and are working. A confirmatory inspection will be scheduled within 30 days of HAP contract approval.

C. ANNUAL/BIENNIAL HQS INSPECTIONS [24 CFR 982.405 and 982.406; Notice PIH 2016-05]

Effective July 1, 2014, PHAs may establish a policy for performing unit inspections biennially rather than annually. This policy could apply to some or all assisted units. PHAs still have the option to inspect every unit annually.

PHA Policy

Each unit under HAP contract must be inspected annually within 24 months of the last full HQS inspection. The PHA reserves the right to assign biennial inspections of any unit or owner at any time.

In order to ensure the safety of our clients, Belmont will continue to conduct annual inspections on properties that have not been maintained in accordance with HQS. That means a unit that does not pass its initial inspection (needs a reinspection) will next be inspected within 12 months (not 24 months). Only units that pass the initial inspection in any given year will be considered for a biennial inspection the next time. This option is far more likely to be employed for units that are part of a well-managed, well-maintained apartment complex.

Exceptions to this policy may be made as a reasonable accommodation for a person with disabilities. Furthermore, inspectors or the inspections supervisor may determine that a unit warrants a biennial inspection in spite of three (3) or fewer minor fail items on an initial inspection, and as

long as those minor repairs are cleared within the 30-day compliance period.

The PHA will conduct an HQS inspection at least biennially and send both the landlord and tenant a list of required repairs and compliance dates. The owner will have 30 days to complete all non-life-threatening required repairs and will be informed that payments will be abated beginning the first day of the month following the 30-day compliance date. The owner and family are advised to contact the PHA for a reinspection as soon as repairs have been completed.

If the unit fails the reinspection, the owner will be notified that all future payments will be abated effective the first day of the next month, and remain abated until all repairs are made and re-inspected. If a unit remains in abatement for 60 days, the Contract will be terminated. Abated HAP will not be paid retroactively; the payments are lost for every day that the unit remains in abatement.

Units assisted under the Mod Rehab program will continue to be inspected annually, on a project-wide basis, with all or most of the units being inspected at the same time.

Scheduling the Inspection

PHA Policy

If an adult cannot be present on the scheduled date, the family should request that the PHA reschedule the inspection.

If the family misses the first scheduled appointment without requesting a new inspection date, the PHA will automatically schedule a second inspection. If the family misses two scheduled inspections without PHA approval, the PHA will consider the family to have violated its obligation to make the unit available for inspection. This may result in the termination of the family's assistance in accordance with Chapter 15.

D. SPECIAL INSPECTIONS [24 CFR 982.405(g)]

The PHA will conduct a special inspection if the owner, family, or another source reports HQS violations in the unit. If a participant or government official reports a life-threatening condition which the owner would be required to repair within 24 hours, the PHA must inspect the unit within 24 hours of notification. If the reported condition is not life-threatening, the PHA must inspect the unit within 15 days of notification.

PHA Policy

During a special inspection, the PHA generally will inspect only those deficiencies that were reported. However, the inspector will record any additional HQS deficiencies that are observed and will require the responsible party to make the necessary repairs.

If the annual/biennial inspection has been scheduled or is due within 90 days of the date the special inspection is scheduled the PHA may elect to conduct a full annual/biennial inspection.

E. DAMAGE INSPECTIONS

PHA Policy

Damage inspections are conducted on Mod Rehab units at the owner's request to document damage to the unit and eventually to document the condition of the unit prior to the next tenant taking possession. The Mod Rehab Contract provides for damage reimbursements to owners.

F. QUALITY CONTROL INSPECTIONS [24 CFR 982.405(b); 24 CFR 985.3(e)]

The PHA must conduct supervisory quality control Housing Quality Standards (HQS) inspections. These inspections are performed to ensure that all inspectors are accurately and consistently complying with federal HQS inspection standards but more importantly, and systemically, to ensure safe, sanitary, and quality living environments for participants. The results of these inspections shall not only be the basis for the ongoing training, coaching and evaluation of inspectors, but also for improving the PHA's ability to support tenant and owner understanding and response to HQS standards.

PHA Policy:

Supervisory Quality Control (QC) inspections shall be conducted by a qualified HQS trained professional independent of field inspectors, and in a manner that first meets the

Section Eight Management Assessment Program (SEMAP) certification standards, and second builds the PHA's capacity to improve performance of inspectors. With respect to the former, the PHA shall conduct random (to the extent possible) QC inspections with a sample size based on a universe of over 2000, and minimum inspections of 30 plus 1 for each 200 (or part of 200) over 2000 annually. (For example: based on admissions of 5100, the sample size shall be $30+15+1=46$.) The universe shall be based on the previous fiscal year's number of admissions. Sample selection will consider various factors such as initial/previous inspector(s), geographical location, existence of threatening and non- life-threatening violations, and unit size. Scheduling letters for these inspections shall be sent giving both tenant and landlord adequate notice of the QC inspection. The letter explains that this is an extra inspection that is intended to monitor the work of Belmont's inspectors as well as the tenant's and owner's respective regulatory requirements to facilitate the inspection.

The PHA shall also conduct QC inspections near proximity to completion of field inspectors' inspections. These QC inspections shall be selected in an unbiased manner to the extent possible while considering the likelihood both the field and QC inspections can occur contemporaneously. The PHA shall conduct a minimum of two of these QC inspections per month/per inspector. Inspection scheduling notices shall include information that the respective unit may be selected for a QC inspection at the of time as other scheduled types of inspections.

Results of QC inspections shall be communicated to landlords and tenants consistent with other chapters herein.

G. INSPECTION RESULTS AND REINSPECTIONS FOR UNITS UNDER HAP CONTRACT

Notification of Corrective Actions

The owner and the family will be notified in writing of the results of all inspections. When an inspection identifies HQS failures, the PHA will determine (1) whether or not the failure is a life-threatening condition and (2) whether the family or owner is responsible.

PHA Policy

When life-threatening conditions are identified, the PHA will immediately notify both parties by telephone or email. The notice will specify who is responsible for correcting the violation. The corrective actions must be taken within 24 hours of the PHA's notice.

When failures that are not life-threatening are identified, the PHA will send the owner and the family a written notification of the inspection results within five business days of the inspection. The written notice will specify who is

responsible for correcting the violation, and the time frame within which the failure must be corrected. Generally, not more than 30 days will be allowed for the correction.

The notice of inspection results will inform the owner that if life-threatening conditions are not corrected within 24 hours, and non-life-threatening conditions are not corrected within the specified time frame (or any PHA- approved extension), the owner's HAP will be abated in accordance with PHA policy (see 10-II.H.).

Likewise, in the case of family caused deficiencies, the notice will inform the family that if corrections are not made within the specified time frame (or any PHA-approved extension, if applicable) the family's assistance will be terminated in accordance with PHA policy (see Chapter 15).

Extensions

For conditions that are life-threatening, the PHA cannot grant an extension to the 24-hour corrective action period. For conditions that are not life-threatening, the PHA may grant an exception to the required time frames for correcting the violation, if the PHA determines that an extension is appropriate

PHA Policy

Extensions will be granted in cases where the PHA has determined that the owner has made a good-faith effort to correct the deficiencies and is unable to for reasons beyond the owner's control. Reasons may include, but are not limited to:

A repair cannot be completed because the required parts or services are not available.

A repair cannot be completed because of weather conditions.

A reasonable accommodation is needed because the family includes a person with disabilities.

The length of the extension will be determined on a case-by-case basis, but will not exceed 90 days, except in the case of delays caused by weather conditions. In the case of weather conditions, extensions may be continued until the weather has improved sufficiently to make repairs possible. The necessary repairs must be made within 15 calendar days, once the weather conditions have subsided. Any further extension need approval from VP of Housing.

Reinspection

PHA Policy

The PHA will conduct a reinspection immediately following the end of the corrective period, or any PHA-approved extension.

The family and owner will be given reasonable notice of the reinspection appointment. If the deficiencies have not been corrected by the time of the reinspection, the PHA will send a notice of abatement to the owner, or in the case of family-caused violations, a notice of termination to the family, in accordance with PHA policies. If the PHA is unable to gain entry to the unit in order to conduct the scheduled reinspection, the PHA will consider the family to have violated its obligation to make the unit available for inspection. This may result in the termination of the family's assistance in accordance with Chapter 15.

Self-certification of Repairs

PHA Policy

Self-certification of the completion of repairs may be accepted in lieu of a physical reinspection for annual/biennial and priority inspections in situations where there are fewer than five (5) citations, unless the unit fails an inspection for:

- defective paint,
- items that are a tenant responsibility, or
- electrical issues other than missing cover plates or junction boxes,

When a unit fails certain annual/biennial inspections or priority inspections, the landlord may receive a Certification of Completed Repairs (CCR) form with the fail letter and Unit Inspection Summary. The landlord will be informed that he/she may use this form to certify that owner responsible HQS failure items have been corrected. The landlord and tenant will be informed that the CCR must be signed by both parties to be considered complete. The landlord will also be informed that Belmont reserves the right to conduct a physical reinspection. If the CCR form is not completed and returned to the office within the 30-day compliance period, the unit will be subject to a physical reinspection.

H. ENFORCING OWNER COMPLIANCE

If the owner fails to maintain the dwelling unit in accordance with HQS, the PHA must take prompt and vigorous action to enforce the owner obligations.

HAP Abatement

PHA Policy

When an owner does not make timely repairs, the PHA sends a Notice of Abatement which states that no further payments will be made until

the unit passes inspection. The PHA will inspect abated units as soon as possible following the owner's request for inspection. In cases where the PHA cannot reinspect the unit on a timely basis, consideration will be given to the date the repair was actually made as opposed to the reinspection date.

If the owner makes repairs during the abatement period, payment will resume on the day the unit passes inspection. Retroactive payments will not be made to the owner for the period of time the rent was abated and the unit did not comply with HQS. The Notice of Abatement states that the tenant is not responsible for the PHA's portion of rent that is abated.

The PHA will inspect abated units within five-ten business days of the owner's notification that the work has been completed. Payment will resume effective on the day the unit passes inspection.

HAP Contract Termination

The PHA must decide how long any abatement period will continue before the HAP contract will be terminated. The PHA should not terminate the contract until the family finds another unit, provided the family does so in a reasonable time and must give the owner reasonable notice of the termination.

PHA Policy

If the owner is responsible for repairs and fails to correct all the deficiencies cited prior to the end of the abatement period (60 days), the HAP Contract will be terminated.

If repairs are completed after the effective termination date, the termination may be rescinded by the PHA if the tenant chooses to remain in the unit. Only one inspection will be conducted after the HAP Contract is terminated.

I. ENFORCING FAMILY COMPLIANCE WITH HQS [24 CFR 982.404(b)]

Families are responsible for correcting any HQS violations listed in paragraph 10.1.E. If the family fails to correct a violation within the period allowed by the PHA (and any extensions), the PHA will terminate the family's assistance, according to the policies described in Chapter 15

Chapter 11

OWNER RENTS, RENT REASONABLENESS, AND PAYMENT STANDARDS

INTRODUCTION

The PHA is responsible to ensure that the rents charged by owners are reasonable based upon objective comparables in the rental market. When the PHA has determined that the unit meets the minimum HQS, that the lease is approvable, and that the rent is reasonable, it will execute a HAP contract. This chapter explains the PHA's procedures for determination of rent-reasonableness, payments to owners, adjustments to the Payment Standards, and rent adjustments.

A. PAYMENT TO OWNER FOR A VOUCHER TENANCY

The maximum subsidy is determined by taking the Payment Standard for the voucher size issued to the family, minus the greater of:

- 1) 30% of the family's monthly adjusted income;
- 2) 10% of the family's monthly income;
- 3) the minimum rent; or
- 4) the maximum shelter allowance (if applicable)

The subsidy may be a lesser amount if the rent to owner is less than the payment standard, or if the family selects a unit with fewer bedrooms than the number indicated on the voucher.

B. MAKING PAYMENTS TO OWNERS

The PHA must pay HAP promptly when due to the owner in accordance with the HAP contract. The PHA defines "promptly" as... on or about the first business day of the month or, in the event HAP funds are not transferred from HUD to the PHA prior to the first of the month, not later than one day after the PHA is notified that the HAP funds for the month have been transferred.

Once the HAP Contract is executed, the PHA begins processing payments to the landlord. The effective date and the amount of the PHA payment is communicated in writing to the owner via the contract. A HAP Register will be used by Finance and Administration (F&A) as a basis for monitoring the accuracy and timeliness of payments.

In the vast majority of cases, HAP payments are made by electronic transfer to the owner's bank account. There may be cases where the PHA agrees to make the HAP payment by check.

C. RENT REASONABLENESS DETERMINATIONS [24 CFR 982.4]

Rent reasonableness determinations are made prior to a unit being placed under HAP Contract for the first time, before owners are granted any rent increases, if and when there is a 5% decrease in FMR, or if required by HUD.

The PHA will determine and document on a case-by-case basis that the approved rent does not exceed rents currently charged by the same owner for an equivalent assisted or unassisted unit in the same building or complex, and is reasonable in relation to rents currently charged by other owners for comparable unassisted units in the market. At least three (3) comparable units will be used for each rent determination.

The market areas for rent reasonableness are defined by census tracts to the extent possible and are never larger than a zip code area. Subject units within a defined housing market area will be compared to similar units within the same area.

In making rent reasonableness determinations the PHA will consider unit location, quality, number of bedrooms, building type, amenities, services, and utilities provided by the owner. Whenever possible the subject property and surrounding blocks will be viewed via the internet.

The PHA maintains a database which includes data on unassisted units for use by staff in making rent reasonableness determinations. The data is updated on an ongoing basis and generally purged when it is more than 2 years old.

D. PAYMENT STANDARDS FOR THE VOUCHER PROGRAM

The Payment Standard (PS), which is based on HUD-published Fair Market Rents (FMR), is used to calculate the housing assistance payment for a family. Currently HUD sets the FMRs for Erie & Niagara Counties at the 40th percentile of area median rents. The PHA may change the PSs periodically but they will always be set between 90% and 110% of the Section 8 Fair Market Rent.

The PHA employs two Payment Standard (PS) Schedules within the City of North Tonawanda:

- The Regular PS Schedule is used for properties located in CT#22901, 22902, 23001, 23100, 23200 and 24600.
- The Exception PS Schedule is used for properties located in CT#22803, 22804 and 23300.

If a participant selects a property located in Erie County, they may be ported to the Erie County PHA Consortium at which point their voucher will be subject to that PHA's Payment Standards.

If a participant selects a property located in Niagara County outside the City of North Tonawanda, they may be ported to the HCV Program funded by NYSHCR at which point they will be subject to that PHA's Payment Standards.

The Payment Standard for the family is the lower of the PS for the family size or the PS for the

actual unit leased by the family.

During the HAP Contract term, and in the absence of any significant changes in family size or composition, the PS for the family is the higher of the initial PS or the PS in effect at the most recent annual recertification.

In accordance with the Housing Opportunity Through Modernization Act (HOTMA), passed on July 29, 2016, this PHA elects the option of NOT reducing a family's PS when the FMR is reduced to a point where the PHA must reduce its PS. A family under HAPC at the time PSs are reduced will keep the higher PS so long as they remain in that assisted unit. If the PS increases, they receive the benefits of that higher PS, but if the PS decreases, they keep the benefits of the higher PS. When the family relocates, they become subject to the PSs in effect at that time.

If after the beginning of the term of the lease the family has a change in income, size or composition that would require or allow for an interim adjustment, the PHA may do the interim adjustment but will not adjust (neither increase nor decrease) the PS until the next regular reexamination or the next move, whichever occurs first.

At the next annual reexamination following a change in family size that causes a change in subsidy standard, the new family size must be used to determine the PS.

The only exception to this policy is that the PS may be changed at any time if the PHA has evidence that the family intentionally misrepresented its household composition in order to increase its subsidy.

E. EXCEPTION PAYMENT STANDARDS; REASONABLE ACCOMMODATION

When requested, in writing, as a reasonable accommodation, the PHA will consider granting an "exception" payment standard of up to 110% of FMR for a family that includes a person with disabilities. The request must state how and why the selected housing meets the family's needs and the need must be verified by a professional who has knowledge of the family's issues.

These exception PSs are usually necessary because the family's initial rent burden would otherwise exceed the regulatory limit of 40% of adjusted monthly income. In some cases the family reports that moving would be a hardship while in other cases the family states a desire to remain in place because they've resided there for a number of years, they are safe and comfortable there, the unit is accessible, the housing is close to family members who provide supportive services, etc.

Based on the circumstances of each case, the PHA must decide whether to grant the family an Exception PS. Once the Exception PS is granted it cannot be reduced in subsequent year unless the family size changes or the family moves to a different unit.

In making the determination as to the duration of the exception PS, the PHA will consider:

1. The availability of other housing that would meet the family's needs. For example, wheelchair-accessible housing is very hard to find while there may be a good number of first-floor units available.
2. Whether the unit size matches the family's voucher size. Over-housed families will generally not be granted an Exception PS.
3. Whether the unit might be considered luxury or "high end" housing.

It is the PHA's intent to help persons with disabilities to access decent, suitable housing. However, the PHA must also ensure that a family does not receive more subsidy than is necessary for them to rent suitable housing.

If the family requests a PS that is more than 120% of FMR, the PHA will refer the request to HUD field staff.

F. ADJUSTMENTS TO THE PAYMENT STANDARD SCHEDULE

The PHA reviews its Payment Standards annually and revises them as necessary. In determining whether or not a change is necessary the PHA will consider a number of factors, including the rent burdens of assisted families. If more than 40% of assisted families in any particular unit size are paying more than 35% of income for rent, the PHA will give serious consideration to an increase in that Payment Standard.

The purpose of adjusting Payment Standards is to keep rents affordable for families. However, the PHA has to be careful not to raise the Payment Standards so high that the number of families that can be assisted under available funding is substantially reduced. Furthermore, the PHA will not raise the Payment Standards solely to make "high end" units available to voucher-holders.

Payment Standards are reviewed annually by senior housing programs staff. They collect, organize and interpret all available data regarding the necessity/ feasibility of adjusting the current Payment Standards. Their recommendations are submitted to the President and CFO for review and adjustments deemed necessary are implemented.

Payment Standard adjustments are limited by the availability of program funds. Payment Standards can be set no lower than 90% of the current FMR and no higher than 110% of FMR. When considering the affordability adjustments, full consideration will be given to all relevant market factors including, but not limited to, the following:

- a) participant rent burdens;
- b) participant rent burden relative to the quality of units;
- c) actual gross rents for specific bedroom sizes;
- d) actual rent increase for participating households;

- e) average time it takes families to find eligible housing; and
- f) rent reasonableness data.
- g) local vacancy rate.

Exception Payment Standards (Bold Type) in Erie County and CNT by Census Tract #
Revised March 1, 2017

Grand Island: (All) 07302, 07303, 07304

Tonawanda (Town): CTs North of Sheridan Drive; 07901, 07902, 07903, 07904, 07905, 08101, 08201
 Exclude City of Tonawanda; 07600, 07700, 07800, 17200 Exclude Village of Kenmore; 08500-08800
 Exclude Sheridan Parkside; 08300
 Exclude CTs South of Sheridan Drive; 08001, 08002, 08003, 08102, 08202, 08400

Amherst/W'ville: 08900, 09004, 09006, 09007-09010, 09104, 09106, 09107, 09109, 09112-09116, 09200, 09302, 09401, 09402, 09501, 09502, 09600
 Exclude Allenhurst/Princeton Area;
 09301 Exclude UB Area; 09110

Cheektowaga: 10001, 10002, 10003, 10101, 10103, 10600, 10700 East of Harlem, 10803, 10804, 10805, 10807, 10808, 10809, 10901, 10902
 Exclude CTs West of Harlem; 09900, 10201, 10202, 10300, 10400, 10500, 11000, 11100, 10700 West of Harlem
 Exclude Cedargrove; 10102

West Seneca: 11200, 11600, 11700, 11800, 12001, 12002, 12003, 17300, 11300 East of Harlem
 Exclude 11300 West of Harlem, 11400, 11500

Hamburg: 12901, 12902, 13001, 13002, 13101, 13102, 13201, 13202, 13300, 13400
 Exclude Village of Blasdell; 12800

Orchard Park: (All) 13501, 13502, 13600, 13701, 13702

East Aurora/Elma: 13800, 13900, 14000, 14101, 14102

Lancaster/Depew: 09701, 09702, 09800, 14204, 14206, 14207, 14208, 14209, 14300, 14501
 Exclude 14400, 14502

Clarence: (All) 14601, 14604, 14605, 14701, 14702

Boston/N.Boston: 15201, 15202

Evans/Derby: CTs North of Eden-Evans Ctr. Rd.; 15401, 15402
 Exclude 15501, 15503, 15504

North Tonawanda: 22803, 22804, 23300
 Exclude CTs West of Twin Cities Hwy; 22901, 22902, 23001, 23100, 23200, 24600

Chapter 12

RECERTIFICATIONS

INTRODUCTION

The PHA recertifies the income and household composition of all families at least annually, usually to coincide with the anniversary of the lease date, and considers any rent increase request submitted by the owner. These activities are closely monitored to ensure that they are completed in accordance with the regulation.

Participants are required to report all changes in household composition and income, and the PHA then determines when the change must be implemented. This chapter defines the PHA's policy for conducting annual recertifications. It also explains the implementation of owner rent increases, interim reporting requirements for families and the standards for timely reporting.

A. ANNUAL ACTIVITIES

The PHA will conduct an annual recertification of income and family composition. If the owner requests a rent increase, and if the PHA finds it to be reasonable, the rent increase may be implemented along with the annual recertification of income. However, there is no requirement that the owner request an increase concurrent with the family's recertification. The owner may request an increase at any time as long as it is in accordance with the lease

The PHA produces a monthly recertification list to ensure the timely review of the family's income, allowable expenses, rents, and other factors related to TTP.

B. ANNUAL RECERTIFICATION/REEXAMINATION

Families are required to participate in a reexamination of their income at least annually. If a family intends to move to another dwelling unit, the reexamination of their income may occur sooner than 12 months after the last regular reexamination.

Income limits are not used as a test for continued eligibility at reexamination.

Reexamination Notice and Application

The PHA maintains a reexamination tracking system and the household receives a recertification letter and application approximately 120 days in advance of the anniversary date. This allows ample time to obtain verification and notify the owner and family of changes in rent and housing assistance payments. If requested as an accommodation by a person with a disability, the PHA will provide the application and/or subsequent notices of change to a third party.

Procedure

The PHA's procedure for conducting annual recertifications is much the same as the original determination of eligibility. Since most if not all of the verification can be obtained through the mail, it is usually not necessary for a participant to visit Belmont's office to complete the process. Participants are given two weeks to respond to requests for information; third parties are given up to 4 weeks to respond. If no response is received within that time frame, the pending termination/ final termination process begins. If the participant fails to complete the recertification prior to their anniversary date, their assistance may be terminated in accordance with Chapter 19.

Tenant Rent Increases

If the tenant share of rent increases, a thirty day notice of the change is mailed to the family. If less than thirty days are remaining before the anniversary date (through no fault of the tenant), the tenant rent increase will be effective on the first of the month following the thirty day notice.

If there has been a misrepresentation or a material omission by the family, or if the family causes a delay in the reexamination processing, the family may not receive a 30-day notice of the change. It is also possible in cases where the family delays processing that the PHA may implement a retroactive increase or require the tenant to repay certain amounts of assistance.

Tenant Rent Decreases

If the tenant share of rent decreases, it will be effective on the anniversary date of the lease, with or without 30-day notice. If the family causes a delay so that the processing of the reexamination is not complete by the anniversary date, rent change will be effective on the first day of the month following completion of the reexamination processing by the PHA.

C. INTERIM CHANGES

The PHA requires participants to report all changes in household income and composition regardless of when they occur. Reports must be made within 30 days of the occurrence with the exception of changes due to birth, adoption and court-awarded custody, which can be reported during the next annual recertification. The family must obtain owner and PHA approval prior to all other additions to the household. Once the PHA has been notified of a change, staff will conduct either a hard or soft interim recertification.

A hard interim will occur when adding or deleting any household member. The participant must complete an interim recertification application and submit verification of all income and expenses as well as all documents necessary for the addition of a household member.

A soft interim will occur when there is a change in income or allowances, not relating to the addition or removal of household members. The participant will not be required to complete an interim recertification application. They will be asked to submit verification of the change itself.

All interims will occur in accordance with the following policies:

An Interim Reexamination MUST Be Conducted:

1. When a participant reports a significant increase in income, a change in employment or adds a household member.
2. When a participant reports a change in income that is likely to produce a decreased TTP, and they request a reexamination. However, if the family requests an interim reexamination because of a decrease in one source of income, but had an increase in another source of income, the PHA is going to consider both changes.
3. When a participant reports an increase in income due to an additional person in the household. If a participant reports an additional adult in the household but claims they have no income, the participant must sign a temporary certification due to the report of no income for the new (adult) member.
4. When a participant-household with an EID comes to the end of the disregard period.
5. When the PHA discovers an error or omission in household income or composition.

If the TTP increases as a result of the reexamination, the participant is entitled to a 30-day notice of the increase. If the TTP decreases, the PHA will implement the change as soon as practical; may be implemented retroactive to the date of change or date of notice.

In the situation described at #3 above, if the additional person comes to the household through birth, adoption or court-awarded custody and has no income, the interim exam is not required.

Participants are not required to report additions due to birth, adoption or court-awarded custody until their next scheduled recertification, unless the additional member brings income. The participant can voluntarily report these types of additions and request an interim exam if they think the change will cause a decrease in tenant rent. However, if the family's sole source of income is PA, the PHA will not conduct an interim for the addition of a dependent.

The participant must be timely in reporting changes and providing verification. Otherwise they may not be entitled to 30-day notice of an increase or retroactive implementation of a decrease.

An Interim Reexamination Is NOT Conducted:

1. When a participant reports a "simple" increase in income.

A simple increase in income may occur when a family gets a raise or works more hours than their employer had originally anticipated, etc. A simple increase in income may be thought of an insignificant change in household income.

When the family reports a simple increase in income, staff must review the participant's current certification before deciding whether or not the report is in fact one of a simple increase in income. If it is a simple increase, thus requiring no action on the part of the PHA, staff will document that the participant reported the change and take no further action until the next annual exam or relocation.

The exception to this rule is when the family is subject to a temporary certification; for example, they have been reporting no income or extremely low income. In this case any increase in household income will trigger an interim recertification.

Use of a Temporary Certification Is Appropriate:

1. When a family's income is zero or extremely low.

If the family reports no income or income lower than a typical public assistance grant, the PHA will have the participant sign a temporary certification and inform them that they can only be assisted for up to three (3) months at this level of income. By the end of the three months they must report reasonable income or risk termination of assistance. The resolution of these lack-of-income situations will include an "income vs expenses" interview.

2. When a family's income is sporadic, seasonal or subject to change.

The PHA will put these families on notice that their recertification is temporary, that they are required to notify the PHA immediately if anything changes, and that their subsidy is subject to change at any time. This method of reviewing a family's circumstances takes time and close oversight. However, the PHA feels that it is the best way to handle these types of cases.

This category of interim recertification might include a situation where a family member receives unemployment insurance benefits, workman's compensation, disability benefits, holds employment with a temporary agency, or is a seasonal employee. Furthermore, a household member may be sanctioned by DSS or perhaps the family is supposed to receive child support or alimony but has not gotten payments in the last few months. Finally, the family might include an adult member who is not reporting any income at the present time.

The difference between Category #1 and Category #2 is that the first group has insufficient income while the second group's income might be sufficient but not apt to remain as is for the next twelve months. Both situations warrant a temporary certification and follow-up.

D. INCOME CHANGES RESULTING FROM WELFARE REQUIREMENTS

The PHA will not reduce the family share of rent for a family whose public assistance is reduced specifically because of fraud, failure to participate in an economic self-sufficiency program, or non-compliance with a work activities requirement. The PA income will be imputed in these cases.

The PHA will reduce the family share of rent if the public assistance is reduced due to the expiration of a lifetime limit on receiving benefits..

The PHA will make every effort to obtain written verification from DSS stating that the family's benefits have been reduced for fraud or non-compliance before denying the family's request for a rent reduction.

E. TIMELY REPORTING OF CHANGES IN INCOME (AND ASSETS)

Standard for Timely Reporting of Changes

The PHA requires that families report changes to the PHA within 30 days of when the change occurs. Any information, document or signature from the family which is needed to verify the change must also be provided within 30 days of the change. If the change is not reported within the required time period, or if the family fails to provide documentation or signatures, it will be considered untimely reporting.

Procedures when the Change is Reported in a Timely Manner

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

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

Decreases in the Tenant Rent are effective the first of the month following the month in which the change has been verified. However, no tenant rent reductions will be implemented until all of the tenant's claims have been verified, even if a retroactive adjustment results.

Procedures when the Change is Not Reported by the Tenant in a Timely Manner

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

Increase in Tenant Rent will be effective retroactive to the date it would have been effective had it been reported on a timely basis. The family will be liable for any overpayment of assistance.

Decrease in Tenant Rent will be effective on the first of the month following completion of processing by the HA and not retroactively.

Procedures when the Change is Not Processed by the HA in a Timely Manner

“Processed in a timely manner” means that the change goes into effect on the date it should when the family reports the change in a timely manner. If the change cannot be made effective on that date, the change is not processed by the PHA in a timely manner.

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

If the change resulted in a decrease, the overpayment by the family will be calculated retroactively to the date it should have been effective, and the family will be credited for the amount.

F. REPORTING OF CHANGES IN FAMILY COMPOSITION

All changes in family composition, except births, adoptions and court-awarded custodies, must be reported within 30 days of the occurrence.

Increases in Family Size

Increases other than by birth, adoption or court-awarded custody must have the prior approval of the owner and the PHA. If an addition would result in overcrowding according to HQS maximum occupancy standards, the PHA will issue a larger voucher if the family wishes to relocate to a larger unit.

G. CONTINUANCE OF ASSISTANCE FOR “MIXED” FAMILIES

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

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

1. The head of household or spouse is a U.S. citizen or has eligible immigrant status; and
2. All members of the family other than the head, the spouse, parents of the head, parents of the spouse, and children of the head or spouse are citizens or eligible immigrants. The family may change the head of household to qualify under this provision.

The PHA implemented the non-citizen rule prior to November 29, 1996. Mixed families who qualify for continued assistance after that date may receive pro-rated assistance only.

If they do not qualify for continued assistance, the member(s) that cause the family to be ineligible for continued assistance may move, the family may choose prorated assistance (See Chapter 6, “Factors Related to Total Tenant Payment Determination”), or the PHA may offer temporary deferral of termination (See Chapter 15, “Denial or Termination of Assistance”).

H. FILE RETENTION FOR PARTICIPANTS

Because the PHA began scanning tenant files in 2014, more documents are being maintained. However, those documents are apt to be stored electronically.

Housed (Active) Files Participants are currently being assisted.

Files consist of:

- 1) Initial Application
- 2) WL Letters
- 3) Birth Certificates & SSN Verification
- 4) Current Certificate or Voucher
- 5) RFLA for current unit
- 6) Initial Insp Report/RRT for current unit
- 7) All HAP Contracts & Notices of change
- 8) Current Lease & Addendum
- 9) Current Recert (incl. Appl., Verif., Insp., RRT)
- 10) Recerts, Insp Reports, RRTs for Previous 2 years

Housed Out Files Participants either withdrew or were terminated from the program after having been assisted.

Files consist of:

- 1) Items listed for Housed (Active) Files
- 2) Pending & Final Terms or Withdrawal Letter

Files are retained for three years from the date of FT and disposed of in January of the 4th year. However, electronic records may exist after the physical file has been destroyed.

Over-income at Recertification Files

At recertification, it was determined that 30% of the participant's adjusted monthly income exceeded the FMR/PS and that rental assistance payments could no longer be paid on behalf of the family. The participant is notified in writing of his/her right to reinstatement should circumstances change within 180 days of the last housing assistance payment.

Files consist of:

- 1) Items listed for Housed (Active) Files
- 2) Over-Income Letter

File is placed in Over-Income file cabinet (organized by month of last HAP). If not reinstated within 12 months, the file is moved to the Housed Out area, retained for three years from the date of the last HAP, and disposed of in January of the fourth year.

Note: Regarding FSS participants...File must contain recertifications for the entire time that the family is enrolled in FSS; do not purge anything associated with income determination. Inspection reports that are more than 3 years old may be purged.

Chapter 13

RELOCATIONS / PORTABILITY

INTRODUCTION

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

A. ALLOWABLE MOVES

A family may move to a new unit if:

1. The assisted lease for the old unit has terminated because the PHA has terminated the HAP contract for owner breach, or the lease was terminated by mutual agreement of the owner and the family.
2. The owner has given the family a notice to vacate, or has commenced an action to evict the tenant, or has obtained a court judgment allowing the owner to evict the family (unless assistance to the family will be terminated).
3. The family has given proper notice of lease termination (if the family has a right to terminate the lease on notice to owner).

B. RESTRICTIONS ON MOVES

Families will be permitted to move within or outside the PHA's jurisdiction during the initial year of assisted occupancy provided they terminate their lease in accordance with program regulations and the lease. Families will be permitted to move more than once in a 12-month period provided they terminate their lease in accordance with program regulations and the lease.

The PHA will not deny a family the right to move, regardless of possible lease violations, if the family is moving to escape domestic violence. For further detail, see VAWA Chapter.

The PHA may deny the family permission to move if there is insufficient funding for continued assistance. If the PHA claims insufficient funding, the PHA must notify the local HUD office, in writing, before denying a family's request to move.

- If HUD determines that the PHA's funds are insufficient to support the family's move,

the PHA will explain the determination in a letter sent to the family at the time the move is denied. The letter will state that the family's request to move will be open/active for up to 12 months, that funds will most likely be available beginning January 1st of the coming year, and that they will be contacted during December of the current year to see if they still wish to move. (For further detail on insufficient funds, see PIH 2016-09 (HA); Section 7.)

The PHA may also deny the move if there is sufficient evidence that the tenant has violated a family obligation, owes money to a PHA, or owes rent or damages under the current lease and contract. If the tenant owes rent or damages to the owner, the tenant will be required to settle up with the owner in order to continue receiving assistance in a new unit.

The PHA may deny the family permission to move if the family reports to have no income or extremely low income. This denial is based on the fact that there are real expenses associated with relocation and the family is not reporting enough income to cover the expenses.

The PHA may deny a non-resident applicant's request to port out of the jurisdiction prior to admission. Non-resident applicants have no right to move under portability for 12 months from the date of admission. They must lease up in the initial PHA's jurisdiction first.

The PHA policies will be consistent with civil rights laws and regulations, and the PHA may make exceptions to any of these restrictions for extenuating circumstances.

C. PORTABILITY

Under portability, families are eligible to receive assistance to lease a unit outside of the initial PHA's jurisdiction. The unit may be located anywhere in the United States where there is a PHA administering a tenant-based assistance program. The initial PHA must determine the family's eligibility to move in accordance with 982.353 and 982.354.

Families must be in good standing to relocate or to exercise portability. Families will not be permitted to exercise portability if they are in violation of a family obligation or if they owe money to the PHA or Landlord. In the case of a family owing the PHA money, the debt must be paid in full before they can port to another jurisdiction.

The family must give their current owner the required number of days written notice of intent to vacate specified in the lease and must give a copy to the PHA simultaneously. Only then will the PHA begin the portability process.

D. OUTGOING PORTABILITY

When a family requests a move outside of the PHA's jurisdiction, the request must specify the area to which the family wants to move. The initial PHA will determine if one or more PHAs operates in that area, inform the family, and allow the family to choose the PHA they wish to contact. If the family asks the initial PHA to choose or recommend a receiving PHA, the initial PHA may do so. The initial PHA then sends the required information to the chosen PHA.

- If a participant wishes to lease a unit in Erie County, the participant and the PHA will decide whether to port the voucher to the Erie County PHA Consortium or leave the voucher with the North Tonawanda PHA.
- If a participant wishes to lease a unit in Niagara County outside the City of North Tonawanda, the participant and the PHA will decide whether to port the voucher to the NYSHCR-funded program or leave the voucher with the North Tonawanda PHA.
- These decisions will be made based on what is best for the participant in terms of subsidy standards, payment standards and/or ease of service.

If the family plans to port prior to initial lease-up to a jurisdiction where their household income exceeds the applicable income limit, the receiving PHA must use the initial PHA's income limit. The initial PHA will help the family determine whether or not they will meet the income guidelines, knowing that the receiving PHA will do the same.

If the family wishing to port is already a participant in the initial PHA's program, income eligibility is not re-determined when the family ports to another PHA's jurisdiction.

Prior to actually approving the move, the initial PHA will notify the receiving PHA that the family wishes to relocate into its jurisdiction, determine if the receiving PHA will absorb or administer the voucher, and advise the family how to contact and request assistance from the receiving PHA.

The initial PHA must make families aware that the receiving PHA may have different policies that can impact their rental assistance such as subsidy standards, payment standards, etc. While the initial PHA is responsible for explaining these differences in general, the initial PHA is under no obligation to research the receiving PHA's specific policies, etc. unless it is to make reasonable accommodation for a person with disabilities.

The voucher will be administered in accordance with the receiving PHA's policies. However, the receiving PHA must contact the initial PHA if the family's voucher expires before the family arrives at the receiving PHA, to determine whether the initial PHA will extend the voucher.

The Initial PHA will provide the following documents and information to the receiving PHA:

1. A copy of the family's voucher, with issue and expiration dates, formally

acknowledging the family's ability to move under portability.

2. Most recent HUD 50058 form and verifications.
3. Declarations and verifications of U.S. citizenship/eligible immigrant status.
4. HUD form 52665; Family Portability Information.

The initial PHA must also submit any Special Purpose Voucher (SPV) codes for the Family Report (HUD-50058). The receiving PHA must maintain such codes as long as it is billing for the ported voucher.

Both initial and receiving PHAs must administer SPVs in accordance with HUD-established policy in cases where HUD has established alternative program requirements of such SPVs.

E. INCOMING PORTABILITY

This PHA will absorb incoming families, to the extent that funds permit. In the event the PHA's utilization exceeds available funds, the PHA will temporarily administer the family's voucher and bill the initial PHA. As soon as funds become available the family will be absorbed into the PHA's program and the initial PHA will be so notified. It is the intent of this PHA to absorb incoming families concurrent with their initial contract and lease. Once this occurs, the PHA ceases being a receiving PHA.

In most cases the PHA may not refuse to assist an incoming voucher-holder, nor may the PHA direct the voucher-holder to a neighboring PHA for assistance. However, under certain circumstances (such as, the area has been declared a disaster area) HUD may determine that the PHA is not in a position to assist incoming voucher-holders. In a case such as this, the PHA must have HUD's approval in writing before refusing an incoming family.

Once the receiving PHA informs the initial PHA that the voucher will be absorbed, the receiving PHA may not change its decision; the voucher must be absorbed.

Income Determinations

As a first step to on-boarding a port, the receiving PHA will determine the family's current household income. This is necessary due to the changes that are inevitable when a family relocates from one PHA's jurisdiction to another's.

If the family has not yet made initial use of the voucher, they must meet program income limits. If the family's household income exceeds the applicable income limit of the receiving PHA, the receiving PHA must use the income limit of the initial PHA to determine eligibility. If the family was previously assisted in another jurisdiction, they need not meet the income limit of the receiving PHA. However, if the family's income is such that a \$0 subsidy amount is determined prior to lease-up in the receiving PHA's jurisdiction, the receiving PHA cannot enter into a contract on behalf of the family.

Voucher Size

Regardless of the decision to absorb or administer a voucher, the receiving PHA determines the family's voucher size based on its own subsidy standards.

Voucher Issuance, Extension and Expiration

Once form HUD-52665, HUD-50058 and the supporting documentation is received, the receiving PHA will promptly (within 2 weeks) issue the incoming family a voucher.

The term of the voucher will not expire until at least 30 days after the expiration date of the initial PHA's voucher. For example, if the initial PHA's voucher expires on 11/30/XX, the newly-issued voucher will not expire prior to 12/30/XX. The receiving PHA may extend the voucher beyond this date as well. The receiving PHA will notify the initial PHA of any voucher extensions it grants.

If the initial PHA's voucher has expired by the time the family arrives, the receiving PHA will contact the initial PHA to determine if it will extend the voucher term. If the initial PHA extends the term, the receiving PHA will issue a voucher with this extended term in mind. If the initial PHA denies an extension, the family is not entitled to an informal hearing and they cannot be admitted to the receiving PHA's program.

If the family decides not to lease up in the receiving PHA's jurisdiction, the receiving PHA will notify the initial PHA that the family is returning to its jurisdiction. The initial PHA then determines whether or not to extend the family's voucher.

Requests for Tenancy Approval

As a first step for all families porting into the PHA's jurisdiction, an orientation is conducted during which the family is informed of the PHA's leasing process. When the family submits a Request for Tenancy Approval, it is processed using the receiving PHA's policies.

There is a mandatory suspension of the voucher term when a RFTA is received. The suspension ends when the PHA notifies the family in writing of the approval or denial of the RFTA.

If the family does not submit a Request for Tenancy Approval, does not request an extension of their voucher, or does not execute a lease, the initial PHA will be notified of the voucher expiration within 30 days of the expiration.

If the family leases up successfully, the PHA will notify the initial PHA within 30 days of the execution of the HAP contract that the family has been leased up.

If the receiving PHA denies the family assistance, the family will be offered a hearing and the PHA will notify the initial PHA within 30 days if the denial is upheld.

Second Moves

If the PHA is *administering* an incoming voucher and the family wishes to relocate (inside or outside the receiving PHA's jurisdiction), the receiving PHA will notify the initial PHA of the family's intent. If the initial PHA approves the relocation, the initial PHA issues the voucher.

If the family locates a unit outside the receiving PHA's jurisdiction, the initial PHA will contact the new receiving PHA and the old receiving PHA is no longer involved in the administration of the portable voucher.

If the family has already been absorbed by the receiving PHA, the second move holds no particular significance.

Terminations

If the PHA is *administering* an incoming voucher and the family's assistance is terminated, the receiving PHA will so notify the initial PHA in writing within 30 days of the termination. If an informal hearing is required and requested by the family, the hearing will be conducted by the receiving PHA, using the regular hearing procedures of the receiving PHA. A copy of the hearing decision will be furnished to the initial PHA.

If the family has already been absorbed, a termination would be handled the same as it would be for any other participant.

Required Documents

The initial PHA is required to furnish the receiving PHA with the following documents:

1. A copy of the family's voucher, with issue and expiration dates, formally acknowledging the family's ability to move under portability.
2. Most recent HUD 50058 form and verifications.
3. Declarations and verifications of U.S. citizenship/eligible immigrant status.
4. HUD form 52665; Family Portability Information.

The initial PHA must also submit any Special Purpose Voucher (SPV) codes for the Family Report (HUD-50058). The receiving PHA must maintain such codes as long as it is billing for the ported voucher.

Both initial and receiving PHAs must administer SPVs in accordance with HUD-established policy in cases where HUD has established alternative program requirements of such SPVs.

The receiving PHA will notify the initial PHA within 30 days of the following:

When the family leases up or is terminated for failing to submit a Request for Tenancy

Approval by the required date.

When the receiving PHA grants the family any extensions.

When assistance to a portable family is terminated by the receiving PHA.

When the family requests to move to an area outside the receiving PHA's jurisdiction.

Billing Procedures

If the receiving PHA is *administering* a portable voucher, the initial PHA is expected to reimburse the receiving PHA on a monthly basis for Housing Assistance Payments. The payment schedule for other amounts, including Administrative Fees and contributions to FSS escrow accounts (if applicable) will also be monthly unless the two PHAs agree to some other schedule of payments.

The receiving PHA will submit its original billing by sending HUD form 52665 and HUD form 50058 to the initial PHA once a HAP contract has been executed on behalf of the family. The form contains the monthly amount due on behalf of the portable family and automatically requisitions the monthly amount due for subsequent months that the billing arrangement is in effect. The receiving PHA will not submit the billing form each month unless the monthly amount due changes or both PHAs agree to a different schedule for submitting the billing form.

The receiving PHA will notify the initial PHA of changes in subsidy amounts and will expect the initial PHA to notify the receiving PHA of changes in the Administrative Fee amount to be billed.

The initial PHA will reimburse the receiving PHA the lesser of:

1. 80% of the initial PHA's Column A fee, or
2. 100% of the receiving PHA's Column B fee.

The administrative fee in effect on the port move-in date (HAPC date) will be used for the entire calendar year unless otherwise instructed by HUD.

The initial PHA is not required to pay the receiving PHA any increased HAP amounts if the receiving PHA fails to notify the initial PHA of the increased amounts until the first of the next month.

If there is a decrease in the HAP amount and the receiving PHA fails to notify the initial PHA in a timely manner, the initial PHA may reduce future HAP payments to recover the over-payment.

If the receiving PHA does not submit an initial billing within 6 months from the date the voucher was issued to the family, this PHA reserves the right to require that the receiving PHA absorb that family into its own program.

The PHA will make every effort to make the initial payment to the receiving PHA within 30 days of receipt of HUD form 52665. Subsequently the PHA will make timely payments each month that the billing arrangement is in effect, unless both PHA's agree to a different schedule.

Chapter 14

CONTRACT AND LEASE TERMINATIONS

INTRODUCTION

The Housing Assistance Payments (HAP) Contract is the contract between the owner and the PHA which defines the responsibilities of both parties. This chapter describes the circumstances under which the contract can be terminated by the PHA or the owner, circumstances under which the lease may be terminated by the landlord or tenant, and the policies and procedures for such terminations.

A. CONTRACT TERMINATION

The term of the HAP Contract is the same as the term of the lease. The Contract between the owner and the PHA may be terminated by the PHA or the owner. The owner may effectively terminate the Contract by terminating the lease, since one is linked to the other.

No future subsidy payments on behalf of the family will be made by the PHA to the owner after the month in which the Contract is terminated. The owner must reimburse the PHA for any subsidies paid by the PHA for any period after the contract termination date. If the family continues to occupy the unit after the Section 8 contract is terminated, the family is responsible for the total amount of rent due to the owner.

B. CONTRACT TERMINATION BY PHA

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

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

1. The owner has violated any obligation under the HAP contract for the dwelling unit, including the owner's obligation to maintain the unit to HQS standards, including any standards the PHA has adopted in this policy.
2. The owner has violated any obligation under any other housing assistance payments contract under Section 8 of the 1937 Act (42 U.S.C. 1437f).
3. The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.
4. The owner has failed to comply with regulations, the mortgage, or the regulatory agreement for projects with HUD-insured mortgages or loans.
5. The owner has engaged in drug trafficking.

The PHA may also terminate the contract if the PHA terminates assistance to the family, the

family is required to move from a unit which is under-occupied or overcrowded, or funding is no longer available under the ACC.

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

Notice of Termination

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

C. TERMINATION OF TENANCY BY THE FAMILY

After the first year of the lease (initial term), the family may terminate the lease as long as they give notice in accordance with their lease. The family is prohibited from relocating with assistance during the first year of the lease unless the owner agrees to terminate the lease before the initial term expires. This is called a *mutual termination*.

D. TERMINATION OF TENANCY BY THE OWNER:

If the owner wishes to terminate the lease during the initial term and the tenant does not wish to do so, the owner must obtain a court-ordered eviction as a means of terminating the lease. Once the initial term has expired the owner may terminate the lease by giving notice to the tenant in accordance with the lease. Owner must provide proper notice as stated in the lease.

During the term of the lease the owner may bring an eviction for:

Serious or repeated violations of the lease, including but not limited to failure to pay rent or other amounts due under the lease, or repeated violation of the terms and conditions of the lease;

Violations of Federal, state or local law that imposes obligations on the tenant in connection with the occupancy or use of the premises; or criminal activity by the tenant, any member of the household, a guest or another person under the tenant's control that threatens the health, safety or right to peaceful enjoyment of the premises by the other residents, or persons residing in the immediate vicinity of the premises or any drug-related criminal activity on or near the premises.

Other good cause.

During the initial term of the lease, the owner may not terminate the tenancy for *other good cause* unless the owner is terminating the tenancy because of something the family did or failed to do (see 982.310)

Evidence of Criminal Activity

The owner may terminate tenancy and evict by judicial action a family for criminal activity by a covered person if the owner determines they have engaged in the criminal activity regardless of arrest or conviction and without satisfying the standard of proof used for a criminal conviction.

Termination of Tenancy Decisions

If the law and regulation permit the owner to take an action but don't require action to be taken, the owner can decide whether to take the action. Relevant circumstances for consideration include:

The seriousness of the offense

The effect on the community

The extent of participation by household members

The effect on uninvolved household members

The demand for assisted housing by families who will adhere to responsibilities

The extent to which leaseholder has shown personal responsibility and taken all reasonable steps to prevent or mitigate the offending action

The effect on the integrity of the program

Exclusion of culpable household member

The owner may require a tenant to exclude a household member in order to continue to reside in the assisted unit.

Consideration of Rehabilitation

When determining whether to terminate the tenancy for illegal drug use or alcohol abuse, the owner may consider if the offending member:

Is no longer living in the assisted unit

Has successfully completed a supervised drug or alcohol rehab program

Has otherwise been successfully rehabilitated

The owner may require the tenant to submit evidence of any of the three (above).

Actions of termination by the owner must be consistent with the fair housing and equal opportunities as stated in 24 CFR 5.105.

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

The PHA will continue housing assistance payments until the family moves or is evicted from the unit. If the eviction is ordered by the court, the PHA asks that the owner submit documentation of the eviction.

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

E. TERMINATIONS DUE TO INELIGIBLE IMMIGRATION STATUS

For families who were participants on June 19, 1995, terminations due to the ineligible immigration status of all members of the family, or because a “mixed” family chooses not to accept proration of assistance, may be temporarily deferred for intervals not to exceed six months (up to a maximum of three years) if necessary to permit the family additional time for transition to affordable housing.

Deferrals may be granted for intervals not to exceed six months, up to an aggregate maximum of three years for deferrals granted prior to 11/29/96, or 18 months for those granted after 11/26/96.

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

- a) granting another deferral will result in an aggregate deferral period of longer than the statutory maximum, or
- b) a determination has been made that other affordable housing is available.

Chapter 15

DENIAL OR TERMINATION OF ASSISTANCE

INTRODUCTION

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

A. GROUNDS FOR DENIAL/TERMINATION

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

1. Denying placement on the PHA waiting list
2. Denying or withdrawing a voucher
3. Refusing to enter into a HAP contract or approve a lease
4. Refusing to process or provide assistance under portability procedures

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

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

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

Mandatory Denial and Termination

The PHA must deny assistance to an applicant if the family's share of rent and utilities exceeds the payment standard; the PHA may not enter into a HAP Contract when the subsidy is zero.

The PHA must terminate assistance for a participant if the family is under contract and 180 days have elapsed since the PHA's last housing assistance payment was made (meaning...the family's share of rent and utilities exceeds the payment standard...zero HAP).

The PHA must permanently deny assistance to applicants and terminate the assistance of participants convicted of manufacturing or producing methamphetamines on the premises of federally assisted housing.

The PHA must deny admission to the program for applicants and terminate assistance for program participants if the PHA determines that any household member is currently engaging in illegal sale or use of a drug.

The PHA must deny admission to the program for applicants and terminate assistance for program participants if the PHA has reasonable cause to believe that a household member's illegal drug use or pattern of illegal drug use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.

The PHA must deny admission to an applicant and terminate assistance for program participants if the PHA determines that any member of the household is subject to lifetime registration under a sex offender registration program.

The PHA must terminate program assistance for a family evicted from housing assisted under the program for serious violation of the lease.

The PHA must deny admission to the program for an applicant or terminate program assistance for a participant if any member of the family fails to sign and submit consent forms for obtaining information in accordance with Part 5, subparts B and F.

The PHA must deny admission or terminate assistance when required under the regulations to establish citizenship or eligible immigration status. (see Part 5 of federal regulations)

The PHA must deny or terminate assistance if any family member fails to meet the eligibility requirements concerning individuals enrolled at an institution of higher education as specified in 24CFR 5.612.

Discretionary Denial and Termination

The PHA may at any time deny program assistance for an applicant, or terminate program assistance for a participant, for any of the following reasons:

1. The family violates any family obligation under the program.
2. Any member of the family has been evicted from federally assisted housing within the past five years for any reason.
3. If the family has ever been terminated from this or any other Section 8 Program.
4. If any member of the family has committed fraud, bribery or any other corrupt or criminal act in connection with an Federal housing program
5. Family moves during the first term of the lease without obtaining a written mutual termination of lease from the owner.
6. Family moves without giving owner notice in accordance with lease.
7. Family vacates assisted unit prior to notifying Belmont of intent to vacate.
8. Court finds family responsible and awards owner payment for rent, damages, etc.
9. The family currently owes rent or other amounts to the PHA or to another PHA in connection with Section 8 assistance or public housing; debts must be paid in full prior to admission to the Section 8 HCV Program
10. The family has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease. If records indicate that the family owes a debt to another PHA, the family must submit proof from that PHA that the debt has been paid in full and that the PHA considers the family to be in “good standing.”
11. The family breaches an agreement with any PHA to pay amounts owed to a PHA, or amounts paid to an owner by a PHA.
12. The family fails to report reasonable income for more than three months.
13. The family has engaged in or threatened abusive or violent behavior toward PHA personnel.

“Abusive or violent behavior towards PHA personnel” includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language, written or oral, that is customarily used to insult or intimidate, may be cause for termination or denial.

“Threatened” refers to oral or written threats or physical gestures that communicate an intent to abuse or commit violence.

Actual physical abuse or violence will always be cause for termination.

Family Self Sufficiency (FSS)

The PHA will not terminate assistance for FSS families who fail to comply with the FSS Contract of Participation (unless the participant is enrolled in the FUP-FSS Demonstration Program, in which case compliance with the FSS Contract is a requirement for continued assistance). Instead, the family will be terminated from the FSS Program for their non-compliance, and forfeit any escrowed funds.

VASH / FUP / HMLS

If an applicant for one of the set-aside programs is denied assistance for not meeting the special selection criteria, the applicant's name will be placed on the regular waiting list (if it is open to new applications) as of the original date of application. If an applicant is denied assistance for any other reason, or if the C/V expires, the applicant must submit a new application to the waiting list (when the list is open to new applications).

If an applicant or participant is denied admission or terminated from the regular Section 8 voucher program due to their actions or failure to act, they may not be admitted to one of these set-aside programs. Each case will be considered based on the circumstances leading to the previous termination.

Moderate Rehabilitation

If an applicant or participant is denied admission or terminated from a Moderate Rehabilitation Program unit due to their actions or failure to act, they will not be admitted to another Moderate Rehabilitation Program unit for one (1) year from the effective date of the termination. Each case will be considered based on the circumstances leading to the previous termination.

B. FAMILY OBLIGATIONS

1. The family must supply any information that the PHA or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status. "Information" includes any requested certification, release or other documentation.
2. The family must supply any information requested by the PHA or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.
3. The family must disclose and verify Social Security Numbers (as provided by 24 CFR 5.216) and must sign and submit consent forms for obtaining information in accordance with 24 CFR 5.230.
4. All information supplied by the family must be true and complete.
5. The family is responsible for an HQS breach caused by the family as described in 982.404(b).

6. The family must allow the PHA to inspect the unit at reasonable times and after reasonable notice.
7. The family may not commit any serious or repeated violation of the lease.
8. The family must notify the owner and, at the same time, notify the PHA before the family moves out of the unit or terminates the lease on notice to the owner.
9. The family must promptly give the PHA a copy of any owner eviction notice.
10. The family must use the assisted unit for residence by the family. The unit must be the family's only residence.
11. The composition of the assisted family residing in the unit must be approved by the PHA. The family must promptly inform the PHA of the birth, adoption or court-awarded custody of a child. The family must request PHA approval to add any other family member as an occupant of the unit.
12. The family must promptly notify the PHA if any family member no longer resides in the unit or if the family or any member will be absent from the unit for an extended period of time.
13. The family must supply any information or certification requested by the PHA to verify that the family is living in the unit, or relating to family absence from the unit, including any PHA-requested information or certification on the purposes of family absences.
14. Members of the household may engage in legal profit-making activities in the unit, but only if such activities are incidental to primary use of the unit as a residence by members of the family.
15. The family must not sublease the unit, assign the lease, or transfer the unit to another.
16. If the PHA has given approval, a foster child or a live-in aide may reside in the unit. If the family does not request approval or PHA approval is denied, the family may not allow a foster child or live-in aide to reside with the assisted family.
17. The family must not own or have any interest in the unit unless the family is being assisted under the PHA's homeownership program.
18. The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program.
19. The household members may not engage in drug-related criminal activity or violent criminal activity or any other criminal activity that threatens the health, safety or right to peaceful enjoyment of other persons residing in the immediate vicinity of the premises.
20. The members of the household must not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents or persons residing in the

- immediate vicinity of the premises.
21. An assisted family, or members of the family, may not receive Section 8 tenant-based assistance while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative (as determined by HUD or in accordance with HUD requirements) federal, State or local housing assistance program.

Housing Agency Discretion

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

The PHA may impose, as a condition of continued assistance for other family members, a requirement that family members who participated in or were culpable for the action or failure will not reside in the unit. The PHA may permit the other members of a family to continue.

Enforcing Family Obligations: Explanation of Terms

Promptly: When used with the Family Obligations always means “within 30 days.”

Denial or Termination of assistance is always optional except where this Plan or the regulations state otherwise.

HQS Breach: The inspector and the inspections supervisor will determine if an HQS breach as identified in 24 CFR 982.404 (b) is the responsibility of the family. Families may be given time to cure HQS breaches.

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

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

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

Notification of Eviction: If the family requests assistance to move and they did not notify the PHA of an eviction within 7 days of receiving the Court's determination, the move will be denied, and assistance may be terminated due to the eviction.

Additions to Household: Proposed additions to the family may be denied to:

Persons who have been evicted from public housing.

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

Persons who have been part of a family whose assistance has been terminated under the Voucher program.

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

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

Persons who currently owe rent or other amounts to the PHA or to another PHA in connection with Section 8 or public housing.

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

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

The date the family member moved out.

The member's new address, if known.

Whether the member is temporarily or permanently absent.

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

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

Drug-Related Criminal Activity: The illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute, or use a controlled substance. Drug-related criminal activity means on or off the premises, not just on or near the premises.

Drug Rehabilitation: Inpatient or outpatient program intended to assist an individual in overcoming their drug dependency. Applicants and participants will be given one opportunity to rehabilitate themselves without losing their assistance. If they do not succeed and “graduate” or if they go back to using drugs once they have been through a program, assistance will be denied or terminated based on violation of a family obligation.

Violent Criminal Activity: Any criminal activity that has as one of its elements the use,

attempted use, or threatened use of physical force against a person or property, and the activity is being engaged in by any family member.

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

Ineligibility if Evicted for / Convicted of Drug-Related Criminal Activity

Persons evicted from public housing, Indian housing, Section 23, or any Section 8 program because of drug-related criminal activity are ineligible for admission to Section 8 programs for 3 years beginning on the date of such eviction.

The PHA will waive this requirement if the person demonstrates successful completion of a rehabilitation program or if the circumstances leading to the eviction no longer exist. For example, the person involved in drugs is no longer part of the household due to incarceration or the person is participating in a drug rehabilitation program. The PHA may require ongoing verification of attendance and success as a condition of continued assistance.

Applicants will also be denied assistance if they have been convicted of drug-related or violent criminal activity within 3 years of the date of their selection from the waiting list.

Participants will be terminated if they are convicted of drug-related or violent criminal activity. The PHA may permit the family to continue receiving assistance provided that family member(s) determined to have engaged in the proscribed activities will not reside in the unit, or will be enrolled in a rehabilitation program. If the violating member is a minor, the PHA may consider individual circumstances with the advice of Juvenile Court officials.

Proof of drug-related or violent criminal activity will be an admission by the individual or a conviction on the criminal charge. The PHA may pursue fact-finding efforts as needed to obtain credible evidence.

Screening Out Illegal Drug Users and Alcohol Abusers

The PHA will not provide Section 8 assistance to a person if the PHA determines that there is reasonable cause to believe that the person is illegally using a controlled substance, or abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. This includes cases where the PHA determines there is a pattern of illegal use of a controlled substance or abuse of alcohol.

The PHA will consider the use of a controlled substance or alcohol to be a pattern if there is more than one incident during the previous three months.

The PHA will waive this policy if the person demonstrates to the PHA's satisfaction that he/she is no longer engaging in the illegal use of a controlled substance or the abuse of alcohol, and is

participating in or has successfully completed a supervised drug or alcohol rehabilitation program.

Notice of Termination of Assistance

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

The reason(s) and effective date for the proposed termination,

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

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

The PHA will simultaneously provide written notice of the contract termination to the owner so that it will coincide with the Termination of Assistance.

C. PROCEDURES FOR NON-CITIZENS

Termination due to Ineligible Immigrant Status

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

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

Temporary Deferral of Termination of Assistance

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

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

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

Criteria for Approving Temporary Deferral of Termination of Assistance

The PHA will grant temporary deferral so long as the family makes reasonable efforts to find

affordable housing.

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

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

Calculate Total Tenant Payment plus 25% for the family, and compare this amount to the data in its rent reasonableness survey for the unit size. If the PHA's data indicates that units are not available at the affordable rent, the deferral will be renewed.

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

Length of Deferral

The initial temporary deferral is granted for an interval not to exceed six months. Additional deferrals can be made up to a maximum of three years. A notice is sent to the family at the beginning of each deferral period reminding them of their ineligibility for full assistance and their responsibility to seek other housing.

The family will be notified in writing 60 days before the end of the three year deferral period that there cannot be another deferral, and will be offered the option of prorated assistance if they are a mixed family and have made a good-faith effort to locate affordable housing.

False or Incomplete Information

When the PHA has clear, concrete, or substantial documentation (such as a permanent resident card or information from another agency) that contradicts the declaration of citizenship made by an applicant or participant, an investigation will be conducted and the individual given an opportunity to present relevant information.

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

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

Procedure for Denial or Termination

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

After the PHA has made a determination of ineligibility, the family will be notified of the determination and informed of the option for prorated assistance (if applicable) or, for participants who qualify, for Temporary Deferral of Termination of Assistance.

D. ZERO HAP TENANTS

The family may remain a participant at zero HAP for up to 180 days after the last HAP payment. If the family is still in the unit after 180 days, the Contract is cancelled and the voucher is terminated.

If within the 180-day time frame an owner rent increase, or a decrease in the Total Tenant Payment causes the family to be eligible for a housing assistance payment, the PHA will resume assistance payments for the family.

In order for a family to move to another unit with their assistance during the 180 day period, the rent for the new unit would have to be high enough to necessitate a housing assistance payment because the PHA will not enter into a Zero HAP Contract.

E. OPTION NOT TO TERMINATE FOR MISREPRESENTATION

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

F. MISREPRESENTATION IN COLLUSION WITH OWNER

If the family willingly and knowingly commits fraud or is involved in any other illegal scheme with the owner, the PHA may deny or terminate assistance. In making this determination, the PHA will carefully consider the possibility of overt or implied intimidation of the family by the owner and the family's understanding of the events.

G. MISSED APPOINTMENTS AND DEADLINES

It is a Family Obligation to supply information, documentation, and certification as needed for the PHA to fulfill its responsibilities. The PHA schedules appointments and sets deadlines in order to obtain the required information. The Obligations also require that the family allow the PHA to inspect the unit and appointments are made for this purpose. The family will be given information about the requirement to keep appointments, and the number of times appointments will be rescheduled as specified in this Plan.

An applicant or participant who fails to keep an appointment, or to supply information required by a deadline without notifying the PHA may be sent a Pending Termination or Final Termination for failure to provide required information, or for failure to allow the PHA to inspect the unit.

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

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

Procedure when Appointments are Missed or Information not Provided

Families are given ample time and several opportunities to comply with program requirements before being issued a notice of termination or denial for breach of a family obligation. After issuance of the termination notice, if the family offers to correct the breach within the time allowed to request a hearing, the termination will be rescinded after the family cures the breach.

Notice of Termination of Assistance

In any case where the PHA determines that termination or denial of assistance is the next logical step, the PHA will give the family written notice which states:

The reason(s) for the proposed

termination, The effective date of the

proposed termination,

The family's right, if they disagree, to request an informal hearing to be held prior to termination of assistance, and

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

The PHA will simultaneously provide written notice of the contract termination to the owner so that it will coincide with the termination of assistance.

Chapter 16

OWNER DISAPPROVAL AND RESTRICTION

INTRODUCTION

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

A. DISAPPROVAL OF OWNER

No owner has a *right* to participate in the program. For purposes of this section, “owner” includes a principal or other interested party.

Program regulations state that the PHA must disapprove the owner for the following reasons:

HUD has informed the PHA that the owner has been disbarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.

HUD has informed the PHA that the federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other federal equal opportunity requirements and such action is pending.

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

The PHA may disapprove the owner or terminate a HAP Contract for the following reasons:

The owner has violated or indicates an intention to violate obligations under a HAP Contract under Section 8 of the 1937 Act (42 U.S.C. 1437f).

The owner has committed fraud, bribery or any other corrupt act in connection with any federal housing program.

The owner has engaged in drug trafficking, drug-related criminal activity or violent criminal activity, or the owner is incarcerated.

The owner has a history or practice of failing to terminate the tenancy of families who participate in drug-related or violent criminal activity or who behave in ways that threaten the right to peaceful enjoyment of the premises by other residents or threaten the health and safety of other residents and/or neighbors.

The owner has indicated through his/her words or actions that he/she intends to illegally discriminate in the selection of tenants.

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

The owner fails to submit definitive proof of ownership of the subject property upon the request of the PHA.

The owner owes any money to the PHA in connection with some previous or current Section 8 participant.

The PHA has received and substantiated complaints from tenants regarding the owner's inappropriate behavior (e.g., owner enters unit without prior notice or permission, owner is verbally abusive to the tenant, owner harasses tenant sexually or otherwise, etc.) and there is no reason to believe that the owner's behavior is going to change.

B. OWNER RESTRICTIONS AND PENALTIES

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

If an owner indicates to a staff person by his words or actions that he intends to illegally discriminate in the selection of tenants, that intention will be reported to the Vice President for Housing Programs. If upon review the VP substantiates an intention to discriminate, the owner will be barred from participating in the Section 8 programs until such time as the owner demonstrates an understanding of and intention to comply with fair housing laws.

Before imposing any penalty against an owner the PHA will review all relevant factors pertaining to the case, and will consider such factors as the owner's record of compliance and the number of violations. The PHA will notify the owner in writing if their participation is to be restricted or if they are going to be penalized for some action.

C. REMEDY FOR OVERPAYMENT TO OWNER

If the landlord has been overpaid as a result of fraud, misrepresentation or violation of the Contract, the PHA will arrange for restitution to the PHA and/or family as appropriate, and may terminate the contract. If the overpayment resulted from PHA or owner error, the owner may still be required to make restitution but contract termination may not be warranted.

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

D. DELINQUENT OWNERS

A delinquent owner is one who is not in good standing due to fraud, abuse, or program violation.

The PHA will not approve a lease submitted by a delinquent owner nor enter into any new HAP Contracts with a delinquent owner.

Owners identified as delinquent will be barred from participation for a period of time commensurate with their offense. As a general rule:

Owners identified by HUD as barred, suspended or otherwise denied participation will be considered delinquent until HUD informs the PHA that the debarment has been lifted.

Owners convicted of or admitting to drug-trafficking, drug-related criminal activity or violent criminal activity will be considered delinquent owners for three (3) years from the date of conviction or admission.

Owners who violate the HAP Contract, commit fraud, bribery or any other corrupt act under any federal housing program, or have a history of non-compliance with HQS will be considered delinquent for a minimum of one (1) year from the date of the violation. Maximum delinquency will be based on owner's demonstration of willingness to comply in the future and repayment of any overpaid subsidy.

Owners who indicate through their words or actions that they intend to illegally discriminate in the selection of tenants will be considered delinquent and barred for an indefinite period of time. Owners so identified and barred may submit evidence of their understanding of and intention to comply with fair housing laws, and request that they be reinstated to good standing and permitted to participate.

In cases where delinquent owners received subsidies to which they were not entitled, restitution must be made prior to reinstatement. If the owner has a debt with the PHA as a result of previous participation in the Section 8 Program as a tenant, that debt must be paid prior to being approved to participate as a landlord. The owner may be offered a repayment agreement (as opposed to paying the debt in full) at the discretion of the PHA.

Chapter 17

CLAIMS AND MOVE-OUT INSPECTIONS (Moderate Rehabilitation Program)

INTRODUCTION

This chapter describes the PHA's policies, procedures and standards for conducting move-out inspections and paying certain claims to owners of units assisted under the Moderate Rehabilitation Program.

A. OWNER CLAIMS

Under Mod Rehab Contracts, owners may make "special claims" for damages, unpaid rent, and vacancy loss after the tenant has vacated the unit. There are no such "claims" available to owners participating in the Housing Choice Voucher Program.

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

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

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

B. UNPAID RENT/DAMAGE

When a tenant vacates his apartment, if the security deposit is insufficient to reimburse the owner for amounts owed under the Lease, the owner may claim additional payment from the PHA for:

1. Unpaid Rent (incl. late charges if specified in lease)
2. Tenant-Caused Damages

Additional payments are limited to the amount owed to the owner or two months Contract Rent, whichever is less, minus the security deposit collected or the amount that should have been collected under the HUD regulations--whichever is greater.

In order to receive payment for damages and/or unpaid rent the owner must:

1. Notify Belmont immediately after the tenant vacates (no later than 5 days after the tenant vacates) to schedule an inspection. A damage claim will not be approved unless the damage inspection is requested and conducted prior to any repair work being done.
2. Supply proof that the damage was caused by the assisted tenant and submit estimates or receipts for work done to correct damages.
3. Supply proof of efforts to collect past due rent from tenant.
4. Pursue payment from the tenant first. If the tenant denies doing any of the damage, owner must pursue payment from the tenant in small claims court.
5. If court decides in owner's favor, owner may submit copy of judgment to PHA for reimbursement.

Unpaid rent only applies to the tenant's portion of rent while the tenant is in residence under the assisted lease. It does not include the tenant's obligation for rent beyond move-out.

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

The owner or owner's representative must be present during the move-out inspection and only damages claimed during the inspection are reimbursable. Eligible items to be included on the damage claim must have been a tenant responsibility under the lease or State law.

The landlord may not bill the PHA for his/her own labor since that is not considered by the PHA to be an "actual cost". However, the actual cost of "handyman labor" may be included

Reasonableness of costs (as submitted by the owner) will be determined by the Housing Programs Manager in charge of Inspections or the Chief Inspector. Reimbursement for replacement of items such as carpets, drapes, or appliances, is based on generally accepted depreciation schedules.

Unpaid utility bills cannot be approved as part of a claim.

Claims for normal wear and tear, previously existing conditions, and routine turnover preparation will not be paid.

C. VACANCY LOSS

If the tenant vacates the unit in violation of the Lease or is evicted for violation of the Lease, and the owner is unable to rent the unit for the following month, the owner may claim payment for vacancy loss.

In order to receive payment for vacancy the owner must:

1. Notify Belmont Shelter Corp. within 5 days of when the vacancy occurs.
2. Take all feasible action to fill the vacancy.
3. Have the apartment inspected, cleaned/repaired and reinspected within 30 days of the date the vacancy occurred.

The owner may not receive payment for vacancy if:

1. The owner neglects to follow the steps outlined above.
2. The vacancy is the result of action by the owner in violation of the Lease, the Contract, or local laws.
3. The owner will receive or has received payment for the vacancy from other sources.
4. The owner and the tenant agreed to a mutual termination of the Lease.

The owner may keep the Housing Assistance Payment for the month in which the Tenant vacates. For example, the owner receives HAP check for August and the tenant vacates on August 15. The owner may keep the entire HAP received for the month of August. If the unit remains vacant beyond that month, the owner may claim 80% of the Contract Rent for one additional month, or until the unit is re-rented, whichever occurs first.

Owners may receive vacancy payments even when the tenant gives proper notice. This is because Mod Rehab owners must rent to eligible families and therefore may need more time to fill their vacant units.

D. PROCESSING CLAIMS

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

If the owner claims vacancy loss, the security deposit that s/he collected or could have collected will not be deducted from the vacancy loss claim.

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

The PHA will offer the family 10 business days to contest the claim. If the family disputes the claim, the PHA advises the owner to pursue the matter in small claims court and submit the court's decision to the PHA for reimbursement. If the tenant fails to respond to the claim, the PHA will reimburse the owner and require reimbursement from the tenant.

In any event, the tenant is ultimately responsible for amounts paid to the owner by the PHA and will be notified that they may not receive assistance under any Section 8 Program until they reimburse the PHA as required.

Other Requirements for Claims Processing

Costs of filing for an eviction to remove the tenant or any other legal fees may not be claimed.

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

All unpaid rent, damage, and vacancy loss claims must be submitted to the PHA in a timely manner and in writing.

Chapter 18

FAMILY AND OWNER DEBTS TO THE PHA

INTRODUCTION

This chapter describes the PHA's policies for the recovery of monies which have been overpaid to owners on behalf of families. It describes the methods that will be utilized for collection of monies and the guidelines for different types of debts.

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

- Repayment Agreement
- Request for lump sum payments
- Abatement
- HAP Reduction
- Civil suit

A. DEBT OWED DUE TO PARTICIPANT'S FAILURE TO ACCURATELY REPORT HOUSEHOLD INCOME AND/OR HOUSEHOLD COMPOSITION

The most common method of recouping funds from a tenant-participant is a lump-sum down payment coupled with a Repayment Agreement. Repayment Agreement, as used in this Plan, refers to an Agreement entered into by the PHA and (most often) a Section 8 participant who owes a debt to the PHA. The Agreement details the nature of the debt, the terms of repayment, any special provisions of the Agreement and other remedies available to the PHA should the debtor not make the required payments.

The PHA will enter into one Repayment Agreement with a debtor at a time. The monthly payment and term of the Agreement will be determined in accordance with the following chart. The PHA's intent is to recoup the money owed by the family in a reasonable amount of time without placing an unaffordable financial burden on the family. However, in no case may the term of the Agreement exceed 36 months.

AMOUNT DUE (after down-payment)	MAXIMUM TERM
\$600 or less	6 Months
\$601 - \$1,200	12 Months
\$1,201 - \$1,800	18 Months
\$1,801 - \$2,400	24 Months
\$2,401 or more	36 Months

- **Guidelines for Repayment Agreements**

In order to qualify for a Repayment Agreement (and continue to receive rental assistance), the participant must be willing and able to make a lump-sum down payment of ten percent (10%) of the debt. The participant can choose to pay more than 10% of the debt upfront but is required to pay at least 10 % of the debt prior to entering into a Repayment Agreement.

The participant must decide whether or not to accept the offer of a Repayment Agreement (as opposed to accepting termination) within ten (10) business days of the determination of the debt. Once that decision has been made, the participant will have 10 business days to make the lump-sum down payment. Failure to meet these deadlines will result in termination from the program.

Monthly repayment amounts must meet an affordability standard; the repayment amount when added to the tenant rent and utility allowance cannot exceed sixty percent (60%) of adjusted monthly income (AMI). If the total monthly payment does exceed 60% of AMI, the participant has the option of reducing the debt by paying a larger portion of it upfront as a down payment, thus bringing the monthly payments in line with the affordability standard. The PHA can also extend the term to 36 months in order to make the payment affordable.

The very nature of public assistance will make it difficult for welfare recipients to negotiate a Repayment Agreement that meets the affordability standard. Therefore, in cases where the participant's only income is public assistance, the PHA may waive the affordability test and accept any reasonable repayment plan proposed by the participant. However, the repayment must be completed within 36 months and, should the participant fail to make the agreed upon payments each and every month, their assistance will be terminated.

If the participant has an existing Repayment Agreement and incurs an additional debt to the PHA, additional amounts owed by the family may be added to the existing Agreement, as long as payments are current and the additional debt does not cause payments to exceed the affordability standard. If the affordability standard is triggered, a lump-sum payment will have to be made in order to bring subsequent payments in line with the standard.

If the participant has an existing Repayment Agreement that is already in arrears when additional debt is incurred, the participant will be required to pay the entire debt in full in order to continue receiving assistance.

Repayment Agreements may be adjusted in cases of verified hardship. These requests will be reviewed and documented by the VP for Housing Programs.

- **Late Payments**

A payment will be considered late if it has not been received by the close of business on the day it is due, which is clearly stated in the Repayment Agreement. If the due date is on a weekend or holiday, payment is due by 5:00 pm the next business day.

The participant is encouraged to notify the PHA prior to the due date if they anticipate difficulty making their upcoming payment.

If the participant's Repayment Agreement falls into arrears, the PHA may require payment in full. If the participant fails to pay the balance in full, the PHA may terminate their assistance.

The PHA will provide the participant with the opportunity for a hearing and consider extenuating circumstances prior to terminating their assistance for failing to fulfill a Repayment Agreement.

- **Relocation**

If the participant requests a move to another unit, has a Repayment Agreement in place and the Repayment Agreement is not in arrears, they will be permitted to move.

If the participant requests a move to another unit and is in arrears on a Repayment Agreement, they will be required to pay the balance in full before they are issued a voucher to relocate.

B. DEBT OWED DUE TO DAMAGE / UNPAID RENT CLAIMS

If an individual owes money to the PHA because the PHA paid an owner's claim for that person's unpaid rent or damages (usually under the Moderate Rehabilitation Program), and the individual is subsequently selected for a voucher, they must pay their debt in full prior to issuance of the voucher.

C. DEBT OWED DUE TO FRAUD

HUD's definition of program fraud and abuse is a single act or pattern of actions that constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead, and that results in payment of Section 8 program funds in violation of Section 8 program requirements.

The PHA is not obligated to offer any participant a Repayment Agreement. In cases of egregious or repeated fraud, the PHA may opt for program termination rather than offer a Repayment Agreement. The debt still stands and remains an obligation of the participant, but the participant will not be offered the option of staying on the Section 8 Program.

D. OWNER DEBT TO THE PHA

If the PHA determines that an owner has retained Housing Assistance or Claim Payments to which they are not entitled, the PHA may recoup those amounts from future Housing Assistance or Claim Payments owed to the owner for other units under HAP Contract.

If future Housing Assistance or Claim Payments are insufficient to recoup the amounts owed, the PHA may require the owner to pay the amount in full within 30 days, enter into a Repayment Agreement with the owner for the amount owed, or pursue collection through the local court. If the PHA is unsuccessful in recouping amounts owed by the owner, the owner will be placed on the Delinquent Landlord List and barred from further participation until such time as the debt is paid in full.

E. RIGHTS OF PHA IF OWNER BREACHES HAP CONTRACT

Any of these actions constitute a breach of contract:

1. Owner violates any obligation under this or any other HAP Contract.
2. Owner commits fraud, bribery or any other corrupt or criminal act in connection with any Federal housing assistance program.
3. For projects with mortgages insured by HUD or loans made by HUD, if the owner fails to comply with the regulations for the applicable mortgage insurance or loan program, with the mortgage or mortgage note, or with the regulatory agreement; or if the owner has committed fraud, bribery or any other corrupt or criminal act in connection with the mortgage or loan.
4. If the owner has engaged in drug-trafficking.

If a breach of contract occurs, the PHA may exercise any of its rights or remedies under the HAP Contract. The PHA shall notify the owner of such determination including a brief statement as to the reason. The notice may ask for corrective action within a prescribed time limit.

The PHA's rights and remedies include suspension, abatement or termination of Housing Assistance Payments and/or termination of the HAP Contract.

Chapter 19

COMPLAINTS AND APPEALS

INTRODUCTION

The informal hearing requirements defined in the federal regulations are applicable to participating families who disagree with an action, decision, or inaction of the PHA; an informal review is available to an applicant who similarly disagrees with the PHA. This chapter describes the policies, procedures and standards to be used when families disagree with a PHA decision. It is the policy and intent of the PHA to ensure that all families have the benefit of all protections due to them under the law.

A. COMPLAINTS TO THE PHA

All complaints will be referred to a housing programs manager. The PHA will respond promptly to complaints from tenants, owners, employees, and members of the public. Although the PHA may suggest that a complaint be put in writing, it is not required.

B. PREFERENCE DENIALS

When the PHA denies a preference (usually a residency preference) to an applicant, the family will be notified in writing of the specific reason for the denial and offered the opportunity for a meeting with PHA staff to discuss the reasons for the denial and to dispute the PHA's decision.

C. INFORMAL REVIEW FOR APPLICANTS

Informal reviews are provided for applicants who are denied assistance. The exception is that when an applicant is denied assistance for citizen or eligible immigrant status, the applicant is entitled to an informal hearing as opposed to a review.

When the PHA determines that an applicant is ineligible for the program, the family must be notified of their ineligibility in writing. The notice must contain the reason(s) they are ineligible, the procedure for requesting a review if the applicant does not agree with the decision, and the deadline for requesting a review.

If an applicant is denied admission based on information received from a criminal background check, the PHA will provide the applicant with a copy of the report. Applicants must be given an opportunity for informal review of decisions related to an applicant's placement on the waiting list, the issuance of a voucher, or their admission to the program.

Informal reviews are not required for application of established policies and procedures nor for

PHA determinations such as:

1. Discretionary administrative determinations by the PHA
2. General policy issues or class grievances
3. A determination of the family unit size under the PHA subsidy standards
4. Refusal to extend or suspend a Voucher
5. Disapproval of lease
6. Determination that unit is not in compliance with HQS
7. Determination that unit is not in accordance with HQS due to family size or composition

Procedure for Review

A request for an Informal Review must be received in writing by the close of the business day, no later than 14 days from the date of the PHA's notification of denial of assistance. The informal review will be scheduled as soon as possible after the request is received.

The Informal Review may be conducted by an employee of the PHA but not by the person who made or approved the decision under review, nor a subordinate of such person. The review will be conducted by a Housing Programs Manager, Senior HPM, Vice-President or President.

The applicant will be given the option of presenting oral or written objections to the decision. Both the PHA and the family may present evidence and witnesses. The family may use an attorney or other representative to assist them at their own expense.

If the family or PHA plans to present any documents during the review, those documents must be provided to the other party for examination prior to the review. If either party does not make the documents available, they may not rely on them during the review.

A Notice of the Review findings will be provided in writing to the applicant within a reasonable time after the review, usually within a week. It shall include the decision of the review officer, and an explanation of the reasons for the decision.

All requests for a review, supporting documentation, and a copy of the final decision will be retained in the family's file.

D. INFORMAL HEARING FOR PARTICIPANTS

Informal hearing procedures are included in the family briefing packet. When the PHA makes a decision regarding the eligibility and/or the amount of assistance, participants must be notified in writing. The PHA will give the family prompt notice of such determinations which will include:

- Proposed action or decision of the PHA;
- Date the proposed action or decision will take place;
- Family's right to an explanation of the basis for the PHA's decision.
- Procedures for requesting a hearing;
- Time limit for requesting the hearing.

If a participant's assistance is terminated in response to information received from a criminal background check, the PHA will provide the participant with a copy of the report.

The PHA must provide participants with the opportunity for an Informal Hearing for decisions related to any of the following PHA determinations:

1. Determination of the family's annual or adjusted income and the computation of the housing assistance payment
2. Appropriate utility allowance used from schedule
3. Family unit size determination under PHA subsidy standards
4. Decision to terminate assistance for any reason.
5. Decision to terminate a family's FSS Contract, withhold supportive services, or propose forfeiture of the family's escrow account.

The PHA must provide the opportunity for an Informal Hearing before actual termination.

Informal Hearings are not required for established policies and procedures and PHA determinations such as:

1. Discretionary administrative determinations by the PHA
2. General policy issues or class grievances
3. Establishment of the PHA schedule of utility allowances
4. Not to approve an extension or suspension of a voucher term
5. Not to approve a unit or lease
6. An assisted unit is not in compliance with HQS (PHA must provide hearing for family breach of HQS because that is a family obligation determination)
7. The unit is not in accordance with HQS because of the family size
8. To exercise or not exercise any right or remedy against the owner under a HAP

contract

Notification of Hearing

It is the PHA's objective to resolve disputes at the lowest level possible, and to make every effort to avoid the most severe remedies. However, if this is not possible, the PHA will ensure that participants receive all of the protections and rights afforded by the law and the regulations.

When the PHA receives a request for an Informal Hearing, a hearing shall be scheduled as soon as possible. The notification of hearing will contain:

1. The date and time of the hearing
2. The location where the hearing will be held
3. The family's right to bring evidence, witnesses, legal or other representation at the family's expense
4. The right to view any documents or evidence in the possession of the PHA upon which the PHA based the proposed action and, at the family's expense, to obtain a copy of such documents prior to the hearing
5. A notice to the family that the PHA will request a copy of any document or evidence the family plans to use during the hearing.

Hearing Procedures

After a hearing date is agreed to, the family may request to reschedule only upon showing "good cause", which is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family.

If the family does not appear at the scheduled time, and did not make arrangements in advance, the family forfeits its right to a hearing and the PHA's decision stands.

Families have the right to:

Present written or oral objections to the PHA's determination.

Examine the documents in the file which are the basis for the PHA's action, and all documents submitted to the Hearing Officer;

Copy any relevant documents at their expense;

Present any information or witnesses pertinent to the issue of the hearing;

Be represented by legal counsel, advocate, or other representative at their own expense.

In addition to other rights contained in this chapter, the PHA has a right to present evidence and any information pertinent to the issue of the hearing; be notified if the family intends to be represented by legal counsel, advocate, or another party; examine and copy any documents to be used by the family prior to the hearing; have its attorney present; and have staff persons and other witnesses familiar with the case present.

The informal hearing will be conducted by a hearing officer appointed by the PHA, who is neither the person who made or approved the decision, nor a subordinate of that person. The informal hearing will be conducted by a Housing Programs Manager (HPM), Senior HPM, Vice president or President. The hearing shall concern only the issues for which the family has received the opportunity for hearing. Evidence presented at the hearing may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

The Hearing Officer may ask the family for additional information and/or adjourn the hearing in order to reconvene at a later date, before reaching a decision. Documents that are presented as evidence during the hearing must also be provided to the other party.

The Hearing Officer will determine whether the action, inaction or decision of the PHA is in accordance with HUD regulations and this Administrative Plan based upon the evidence and testimony provided at the hearing. Factual determinations relating to the circumstances of the family will be based on a preponderance of the evidence presented at the hearing.

A notice of the Hearing Findings shall be provided in writing to the PHA and the family within a reasonable time period and shall include a clear summary of the decision and reasons for the decision, the amount of any money owed, and the date the decision goes into effect.

The PHA is not bound by hearing decisions which concern matters in which the PHA is not required to provide an opportunity for a hearing, conflict with or contradict HUD regulations or requirements, conflict with or contradict Federal, State or local laws; or exceed the authority of the person conducting the hearing.

All requests for a hearing, supporting documentation, and a copy of the final decision will be retained in the family's file.

E. HEARING AND APPEAL PROVISIONS FOR RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS

Assistance to the family may not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of the decision on the INS appeal.

Assistance to a family may not be terminated or denied while the PHA hearing is pending but assistance to an applicant may be delayed pending the PHA hearing.

INS Determination of Ineligibility

If a family member claims to be an eligible immigrant and the INS SAVE system and manual search do not verify the claim, the PHA notifies the applicant or participant within ten days of their right to appeal to the INS within thirty days or to request an informal hearing with the PHA

either in lieu of or subsequent to the INS appeal.

If the family appeals to the INS, they must give the PHA a copy of the appeal and proof of mailing or the PHA may proceed to deny or terminate. The time period to request an appeal may be extended by the PHA for good cause.

The request for a PHA hearing must be made within fourteen days of receipt of the notice offering the hearing or, if an appeal was made to the INS, within fourteen days of receipt of that notice.

After receipt of a request for an informal hearing, the hearing is conducted as described in section D of this chapter for both applicants and participants. If the hearing officer decides that the individual is not eligible, and there are no other eligible family members the PHA will:

- Deny the applicant family

- Defer termination if the family is a participant and qualifies for deferral

- Terminate the participant if the family does not qualify for deferral

If there are eligible members in the family, the PHA will offer to prorate assistance or give the family the option to remove the ineligible members.

All other complaints related to eligible citizen/immigrant status:

- If any family member fails to provide documentation or certification as required by the regulation, that member is treated as ineligible. If all family members fail to provide, the family will be denied or terminated for failure to provide.

- Participants whose termination is carried out after temporary deferral may not request a hearing since they had an opportunity for a hearing prior to the termination.

- Participants whose assistance is pro-rated (either based on their statement that some members are ineligible or due to failure to verify eligible immigration status for some members after exercising their appeal and hearing rights described above) are entitled to a hearing based on the right to a hearing regarding determinations of Tenant Rent and Total Tenant Payment.

Families denied or terminated for fraud in connection with the non-citizens rule are entitled to a review or hearing in the same way as terminations for any other type of fraud.

Chapter 20

SPECIAL HOUSING TYPES

INTRODUCTION

The PHA will permit a family to use their assistance to rent a manufactured home that is owned by someone else. The PHA will also permit a family to use their assistance toward the lot rent in cases where the family owns the manufactured home. However, at the present time the lot rent payment standard is not high enough in most cases to afford any assistance to a family seeking help with a lot rent.

Families may use their assistance in other types of special housing if they demonstrate that the special housing is needed as a reasonable accommodation for a household member with a disability. The requested special housing must be approvable by all other HUD standards and HQS requirements, in accordance with 24 CFR 982 (m), Special Housing Types.

Families may also use their voucher to assist with homeownership costs. Homeownership policies and procedures are detailed in Chapter 21 of this Plan.

A. SINGLE ROOM OCCUPANCY

SRO housing is not common in WNY. However, should an eligible family request approval to lease an SRO, the PHA will consider such request as reasonable accommodation.

The SRO payment standard and utility allowance will be set at 75% of the zero bedroom payment standard and utility allowance.

B. CONGREGATE HOUSING

A person with disabilities may be approved for tenancy in a congregate housing unit. The PHA may also approve tenancy for a family member or live-in aide to reside with the person with disabilities. The PHA will approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

For congregate housing there will be a separate lease and HAP contract for each assisted family. The payment standard for a family that resides in a congregate housing unit is the zero-bedroom payment standard, unless there are two or more rooms in the unit (not including kitchen or sanitary facilities), in which case the payment standard used is the one-bedroom payment standard. If there is a live-in aide, the live-in aide will be counted in determining the family unit size.

C. GROUP HOMES

A group home must be licensed, certified, or otherwise approved in writing by the State, or the State's licensing department. No more than twelve persons may reside in a group home. This limit covers all persons who reside in the unit, including assisted and unassisted residents and any live-in aides.

A person with disabilities may reside in a State-approved group home. If approved by the PHA, a live-in aide may reside with a person with disabilities. The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. Except for live-in aides, all residents of a group home must be elderly persons or persons with disabilities.

The PHA will not approve assistance for a person to live in a group home if there is evidence that the person is in need of continual medical or nursing care.

There will be a separate HAP contract and lease for each assisted person living in a group home.

The rent to owner for an assisted person may not exceed the pro-rata portion of the reasonable rent for the group home. "Pro-rata portion" is derived by dividing the number of persons in the assisted household by the total number of residents (assisted and unassisted) residing in the group home. In determining reasonable rent the PHA will consider whether sanitary facilities, and facilities for food preparation and service, are common facilities or private.

Unless there is a live-in aide, the family unit size is one bedroom. If there is a live-in aide, the live-in aide will be counted in determining the family unit size.

The payment standard for a person who resides in a group home is the lower of the payment standard for the family unit size; or the pro-rata portion of the payment standard for the group home size.

The utility allowance for each assisted person residing in a group home is the pro-rata portion of the utility allowance for the group home unit size.

D. SHARED HOUSING

An assisted family may reside in shared housing as a reasonable accommodation for a member with disabilities. In shared housing, an assisted family may share a unit with other assisted or unassisted persons, including the owner of the shared housing.

The PHA may approve a live-in aide to reside with a family in order to care for a person with a disability. The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

A resident owner may enter into a HAP contract with the PHA. However, housing assistance may not be paid on behalf of an owner. The PHA will not approve assistance for a person or family that is related by blood or marriage to a resident owner.

There will be a separate housing assistance payment contract and lease for each assisted family residing in a shared housing unit.

The rent to owner for the family may not exceed the pro-rata portion of the reasonable rent for the shared housing dwelling unit. For shared housing, the term "pro-rata portion" means the ratio derived by dividing the number of bedrooms in the private space available for occupancy by a family by the total number of bedrooms in the unit. For example, for a family entitled to occupy three bedrooms in a five bedroom unit, the ratio would be 3/5.

The payment standard is the lower of the payment standard for the family unit size or the pro-rata portion of the payment standard for the shared housing unit size. If the PHA approves a live-in aide, the live-in aide will be counted in determining the family unit size.

The utility allowance for an assisted family living in shared housing is the pro-rata portion of the utility allowance for the shared housing unit.

E. COOPERATIVE HOUSING

The PHA will approve a family living in cooperative housing if it is determined that the housing is needed as a reasonable accommodation for a person with disabilities and that assistance under the program will help maintain affordability of the cooperative unit for low-income families. The PHA will not approve assistance for a family in cooperative housing until the PHA has also determined that the cooperative has adopted requirements to maintain continued affordability for low-income families after transfer of a cooperative member's interest in a cooperative unit (such as a sale of the resident's share in a cooperative corporation).

For cooperative housing, the rent to owner is the monthly carrying charge under the occupancy agreement/lease between the member and the cooperative. The carrying charge consists of the amount assessed to the member by the cooperative for occupancy of the housing. It includes the member's share of the cooperatives debt service, operating expenses, and necessary payments to cooperative reserve funds. However, the carrying charge does not include down-payments or other payments to purchase the cooperative unit, or to amortize a loan to the family for this purpose. Gross rent is the carrying charge plus any utility.

The lease and other appropriate documents will stipulate that the monthly carrying charge is subject to Section 8 limitations on rent to owner.

E. MANUFACTURED HOMES

The PHA will approve a family's request to lease a manufactured home. The PHA will also approve a family's request to lease a manufactured home space (pad) when the family owns the manufactured home.

Leasing a Manufactured Home

Leasing a manufactured home is just like leasing any other type of housing. The rent must be

reasonable and the payment standard corresponds to the family size or number of bedrooms, whichever is lower.

A manufactured home must meet all the HQS requirements stated at 24 CFR 982.401, including the requirement that the home is placed on the site in a stable manner, free from hazards such as sliding or wind damage. A manufactured home must be securely anchored by tie-down devices that distribute and transfer the loads imposed by the unit to appropriate ground anchors to resist wind and sliding.

Manufactured Home Space Rental

Effective April 18, 2017, the separate (lower) payment standard for lot rent was eliminated. The payment standard used to calculate the HAP for a manufactured home owner family is now the same payment standard that is used for an ordinary rental unit of the same bedroom size under the PHA's HCV Program.

Section 112 of HOTMA changed the calculation for manufactured home space rentals to include the monthly payments made by the family to amortize the cost of purchasing the home (including any required insurance and property taxes). The family must submit verification of these expenses. The rent also includes the actual charge for the space and the applicable allowance for the tenant-paid utilities.

Staff should refer to Notice PIH 2017-18 when calculating housing expense and subsidy in these cases.

G. HOMEOWNERSHIP OPTION

The PHA will offer this option to currently-assisted families. Policies and procedures are covered in detail in the next chapter of this Plan.

Leasing a Manufactured Home

Leasing a manufactured home is just like leasing any other type of housing. The rent must be

Chapter 21

Section 8 Homeownership Program

INTRODUCTION

The Homeownership Program provides Section 8 tenant-based assistance to eligible participants in order to purchase, rather than rent a home. Offering housing choice voucher families a homeownership option expands the available affordable housing opportunities for voucher families. In addition to the many individual benefits, it will provide the families the opportunity to build equity and create stability in their housing.

A. GENERAL

A family assisted under this homeownership option must be an existing participant in the Housing Choice Voucher Program; applicants are not eligible for this option. Furthermore, the family is required to participate in the Family Self-Sufficiency Program for a minimum of six (6) months prior to commencement of Homeownership Assistance. Families that have already graduated from FSS are considered as having met the FSS participation requirement. Elderly and disabled families may request that the FSS requirement be waived. The PHA's decision to waive or not waive the FSS participation requirement will be based on whether or not there are adults other than the elderly or disabled member in the household.

FSS participants, who were not successful while enrolled in the FSS Program, but have since met or exceeded their FSS goals, be allowed to participate in the homeownership program. A determination of eligibility will be made by a review committee made up of FSS Coordinators and management staff.

The PHA does not intend to limit the number of vouchers that may be used under the homeownership option and will allow any otherwise eligible program participant who meets the minimum criteria to participate.

A family interested in being considered for the homeownership option must complete a financial education course, including budget and credit seminars, as well as HUD-prescribed pre-purchase homeownership counseling. If the family is accepted into the program and eventually purchases a home, they will then be strongly encouraged to attend a post-purchase counseling session covering home maintenance and financial management issues. Those families enrolled in FSS must attend post-purchase counseling in order to complete their FSS Contract and receive any remaining escrow funds.

The PHA has the capacity to offer and administer a Section 8 homeownership option, as evidenced by the fact that its agent, Belmont Housing Resources for WNY, has established programs and relationships with local municipalities and area lenders, administers a successful Family Self-Sufficiency Program, and is a HUD-approved Housing Counseling Agency.

Belmont has established a minimum down payment requirement using standard and government underwriting guidelines. Belmont also requires that the homebuyer's financing be provided, insured or guaranteed by the state or federal government, and that it complies with secondary mortgage market or generally accepted private sector underwriting requirements.

Although HUD's original program design included a recapture provision, that provision has now been eliminated for all participants in the Section 8 Homeownership Program regardless of the commencement date of their assistance payments. Therefore, Belmont shall neither impose nor enforce any recapture of assistance in the event the home is sold or refinanced.

B. INITIAL ELIGIBILITY

Prior to making any homeownership assistance payments for a family, Belmont staff must determine that the following initial requirements have been satisfied:

1. The family is eligible,
2. The unit is eligible, and
3. The family has completed the required pre-purchase counseling.

Belmont may prescribe additional requirements for commencement of assistance, so long as these additional requirements are described in this administrative plan.

C. FAMILY ELIGIBILITY

In order to be eligible for the homeownership program, a family must meet the following criteria:

1. The family must be a current voucher program participant. Families assisted through the Moderate Rehabilitation or Project-Based Assistance Programs are not eligible for the homeownership option, as their assistance is not tenant-based.
2. The family must meet HUD's definition of:
 - (a) "first-time homeowner", which is "a family of which no member owned any present ownership interest in a residence of any family member during the three years before commencement of homeownership assistance for the family. The term 'first-time homeowner' includes a single parent or displaced homemaker (as those terms are defined in 12 U.S.C. 12713) who, while married, owned a home with his or her spouse, or resided in a home owned by his or her spouse", or

- (b) “cooperative member”, which is “a family of which one or more members own membership shares in a cooperative”, or
 - (c) must be a family of which a member is a person with disabilities, and use of the homeownership option is needed as a reasonable accommodation so that the program is readily accessible and usable by such person.
- 3. At commencement of homeownership assistance, the family must have a minimum non-welfare annual income equal to two thousand annual hours of Federal minimum hourly wage. This requirement applies to adult family members who will own the home. Welfare income cannot be used to fulfill this minimum income requirement unless the household is either elderly or disabled. In this second case, the welfare income of the adult(s) who will own the home may be counted. In the case of a disabled family, minimum income must be equal to at least the monthly SSI benefit for an individual living alone (or paying his or her share of food and housing costs) multiplied by twelve.
- 4. One or more adult members of the family must be currently employed full-time (average of 30 hours per week) and must have been continuously employed for at least one year prior to commencement of homeownership assistance payments. Certain employment interruptions are permissible, but not longer than 90 days during the previous 12 months. Certain decreases in average hours worked per week may also be permitted; e.g. seasonal worker with a significant history of this type of employment. Self-employment may be counted by the PHA, if earnings equal Federal minimum hourly wage times two thousand hours and the family has been pre-approved for a mortgage. The full-time employment requirement may be waived for elderly and disabled families, as well as for a family that includes a person with disabilities.
- 5. The employment income claimed for purposes of homeownership eligibility must closely approximate the employment income recently reported for purposes of Section 8 eligibility (recent certifications). In other words, the PHA would have reason to question the veracity of previous reports of income if suddenly the family reported significantly more income in order to qualify for homeownership.
- 6. Belmont shall not commence homeownership assistance for a family that includes an individual who was an adult member of a family at the time that such family received homeownership assistance and defaulted on a mortgage.
- 7. The family must complete a HUD-prescribed curriculum, and a financial education course, including budgeting and credit counseling. The courses may be taken free-of-charge through Belmont or through any other agency that offers the training. (The “pre-purchase homeownership counseling” must be taken through a HUD-approved housing counseling agency.)
- 8. Most families interested in participating in Section 8 Homeownership Program must have participated in the FSS Program for at least six (6) months prior to commencement of

homeownership assistance unless they previously graduated from the FSS Program. FSS participants who were not successful, but later provide confirmation of reaching or exceeding their goals will be considered for homeownership assistance after a committee review. Also, the requirement of FSS Program may be waived for certain elderly/disabled families. Requests for a waiver of this requirement must be submitted, in writing, to the FSS Homeownership Coordinator.

The family will be required to execute a “Statement of Homeowner’s Obligations” before homeownership assistance payments commence. In the statement, the family agrees to comply with all family obligations under the homeownership option.

D. UNIT ELIGIBILITY

In order for a housing unit to qualify for homeownership assistance, the PHA must determine that it meets the following requirements:

1. The structure is either under construction or already existing at the time the family enters into a contract of sale.
2. The structure is a single family home (including a manufactured home; see #6 below) or a single dwelling unit in a cooperative or condominium. If there is any doubt about whether or not the structure is a single family home, the family must submit verification of the property classification from the municipality in which the structure is located.
3. The structure must remain a single family home all during the time that assistance payments are being made by Belmont. If, following purchase of the home, the family converts any part of the structure such that it appears to be separate living accommodations for someone other than the assisted family, the mortgage assistance payments may be terminated. Families may not receive homeownership assistance for a structure that contains rental property.
4. The structure must be inspected by a licensed independent professional inspector hired by the family, and a copy of that inspection report must be submitted to Belmont; (see Section E: HQS and Independent Inspections). Ideally, the independent inspection should occur within a week or two of the submission and acceptance of the purchase offer. At the very latest, this inspection must occur prior to closing.
5. The structure must also pass a Federal HQS inspection before the effective date of homeownership assistance payment contract. Ideally, the HQS inspection should occur within days of the independent inspection. Belmont staff will conduct the HQS inspection after the homebuyer submits a copy of the independent inspector’s report.
6. In order for Belmont to provide homeownership assistance in cases where the family does not own fee title to the real property on which the home is located (e.g. mobile home

park), the family must be able to show that the home is on a permanent foundation and meets traditional FHA mortgage guidelines for manufactured homes. And that they have the right to occupy the home site for at least forty (40) years. Families are strongly discouraged from purchasing a mobile home, even if it is on a permanent foundation, as mobile homes depreciate rather than increase in value over time.

7. The owner/seller of the structure must not be debarred, suspended or subject to a limited denial of participation in Section 8 Programs under 24 CFR. (This must be certified in the sales contract.)
8. The housing may not be ineligible housing, as defined at 982.352, with the exception of (a)(6), (a)(7), and (b), which do not apply to homeownership. This section of the regulation identifies properties like college dormitories, hospitals, public & Indian housing, nursing homes, and penal institutions as ineligible housing.
9. Under 982.628(d), families are allowed to purchase PHA-owned units. Belmont will inform the family both orally and in writing that they have a right to purchase any eligible unit and the unit was freely selected without PHA pressure or steering. (At present, the PHA does not own homes, but Belmont does play a role in New Opportunities HDC and voucher-holders have purchased homes from New Opps HDC.)

The family will be given a conditional commitment letter confirming they are ready to move forward with homeownership. It is then the family's responsibility to find a home which meets the criteria for homeownership assistance. Once the family has found a home, they will submit to the Homeownership Coordinator the sales contract including the Section 8 Homeownership Addendum. The family must also submit a copy of their lender's commitment, at which point they will be issued a voucher for 120 days to complete the purchase. At this time, the landlord will receive notice of contract cancelation.

Once the sales contract and mortgage commitment are reviewed and given preliminary approval, the family will have 120 days to close the sale. If additional time is needed, an extension must be approved by the Housing Program Manager. During that time, the family will continue to receive rental assistance consistent with the lease and HAP Contract until the family vacates the rental unit for its purchased home.

The family may purchase a home anywhere in Erie or Niagara County. If the family wishes to purchase a home outside these two counties (under the portability procedures of the voucher program), they may do so if the receiving PHA is administering a homeownership program and accepting new families. The family must attend the briefing and counseling session(s) required by the receiving PHA, and the receiving PHA will determine whether the financing and unit are acceptable.

If the family wishes to purchase a home in an area not covered by any other PHA, and that area is close enough that the staff of this PHA (Belmont's staff) can adequately provide the necessary service to the family, the PHA will consider assisting the family in purchasing the home. This provision does not apply to families that port into this PHA's jurisdiction; those families must lease up or purchase a home within Erie or Niagara County.

E. HQS & INDEPENDENT INSPECTIONS

When the family locates a home they wish to purchase, the family submits to Belmont a copy of their sales contract including the Section 8 Homeownership Addendum. If the home appears to meet the initial unit eligibility criteria, the family is instructed to hire a NYS-licensed inspector to inspect and report on all of the property conditions. This inspection should occur as soon as possible after the purchase offer is accepted, and must occur prior to closing. The family is further instructed to submit to Belmont a copy of the inspector's report as soon as the family receives it. If the family manages to close on the house prior to having this inspection conducted, the PHA is under no obligation to determine the unit eligible for homeownership assistance.

Within 10 days of the receipt of the independent inspector's report, Belmont staff will assist the family in reviewing the report. At the conclusion of that review, the family will be required to certify, in writing, that the review took place. During the HQS inspection, any items found not to meet federal housing quality standards must be repaired before the unit can be assisted under the homeownership option. It is important that the home meet HQS prior to the commencement of homeownership assistance because, unlike the rental assistance program, these homes will not be inspected annually.

The family's contract of sale for the home must contain an "inspection rider" or addendum which specifies that the family must have these two inspections conducted prior to purchase, and that the family is under no obligation to purchase the home if either inspection identifies major problems that cannot be rectified to the satisfaction of Belmont and /or the family. The rider should also state that the family is under no obligation to pay for any repairs identified during either inspection. The family is responsible for negotiating the repairs with the seller.

If the unit is PHA-owned, or if any employee of Belmont has an interest in the property being purchased by the voucher-holder, Belmont will contact an independent agency to inspect the unit for compliance with Federal HQS, and to review the independent inspection report.

E. CONTRACT OF SALE

Prior to commencement of homeownership assistance, a member or members of the family must enter into a contract of sale with the seller of the unit that the family intends to purchase. The family must give Belmont a copy of the contract for review. The contract of sale must:

1. Specify the price and other terms of sale.
2. State that the homebuyer is required to select and hire a licensed independent professional inspector to conduct a pre-purchase inspection of the property, and is required to submit a copy of the report to Belmont.

3. State that the property must also be inspected by Belmont for compliance with federal Housing Quality Standards (HQS).
4. State that the homebuyer is not obligated to purchase the home unless the inspection and/or subsequent repairs are satisfactory to the homebuyer.
5. State that the homebuyer is not obligated to pay for any necessary repairs.
6. Contain a certification from the seller that the seller has not been debarred, suspended, or subject to a limited denial of participation under part 24 of this title.

G. FINANCING

Although the family is ultimately responsible for securing their own financing, the following requirements have been established for financing the purchase of a home to be assisted under the homeownership option:

1. The mortgage for which the family applies will follow established minimum homeowner contribution requirements using standard and government underwriting guidelines.
2. If the family has developed an escrow account through Family Self-Sufficiency Program, those funds could be used to meet homeowner requirement guidelines and pre-paid costs needed to purchase the home.
3. The PHA will not require the family to have more than 1% of sales price of their personal funds in the transaction. However, in cases where a lender is requiring a larger amount, the family may be held to the underwriting guidelines set by their lending institution.
4. The mortgage must be insured or guaranteed by the Federal Government (FHA Loan) or comply with generally accepted private sector underwriting standards.
5. The mortgage must be held by a NYS-regulated or NYS-exempt financial institution, and taxes and insurance must be held in escrow by the lender.
6. The PHA will approve the mortgage if the interest rate is fixed and no higher than 1% over FHA's current rate, or adjustable and capped at no more than 1% over FHA current rate. (FHA rate is published weekly.)
7. Closing costs may not exceed 6% of the sales price unless the purchaser is buying points in order to reduce the mortgage rate, and the broker's fee which is included in the closing costs may not exceed 2% of the mortgage amount.
8. We strongly recommend that a homebuyer not take a mortgage that includes a prepayment penalty. If the buyer wants to take a mortgage with a prepayment penalty, the penalty may not exceed 2% of the mortgage amount.

9. The family must submit to Belmont their loan estimate and mortgage commitment letter with “worksheet” that shows what income the bank used to determine the family’s maximum mortgage amount.
10. “Seller financing”, “owner-held” mortgages, balloon mortgages and “interest-only” mortgages are not permitted.
11. Since this program requires that participants obtain their mortgages from NYS-regulated financial institutions, the PHA will defer to these institutions on the issue of affordability of the mortgage for the family (debt-to-income ratio).
12. The family may utilize any mortgage product that meets these criteria. They may also utilize any other available subsidy, grants, and/or deferred payment loan programs to assist with down payment and closing costs.

H. CONTINUED ASSISTANCE

In order to receive continued homeownership payments, the family must be living in the home and complying with all applicable family obligations under the voucher program. If the family vacates the home, Belmont will not continue the assistance after the month the family moves out. Neither the family nor the lender is required to refund to Belmont the homeownership assistance for the month in which the family moves out.

In order to continue receiving homeowner assistance, the family must:

1. Attend a post-purchase counseling session. We firmly believe that post-purchase counseling will help reduce the incidence of mortgage default through homeowner education and early identification of financial problems. Therefore, we will require all FSS participants to attend post-purchase counseling in order to receive any remaining escrow funds and we will strongly encourage all other homeowners in this program to take advantage of any and all of these counseling opportunities.
2. Prior to the commencement of homeownership assistance, the family must execute a Statement of Homeowner Obligations, agreeing to abide by all family obligations under the homeownership option.
3. Maintain ownership of the home. Transfer or conveyance of the home without the written consent of Belmont is prohibited. In the event of the death of the title-holding family member, the assistance may be continued pending settlement of the estate, and as long as the home continues to be occupied by the remaining members of the household.
4. Ensure that the home is the family’s only residence. No household member may have any ownership interest in any other residential property.

5. Report to Belmont, in a timely manner, all changes in family composition and income. As with the tenant-based rental assistance program, annual and interim income reexaminations are conducted and may result in adjustments (up or down) to the amount of assistance the family receives. Furthermore, the voucher size and subsidy may change in response to changes in household composition. However, HUD established a minimum payment standard based on the voucher size used for the family at time of purchase. Payment standards may go up, but can never go below the original payment standard used at time of purchase.
6. Comply with the terms of the mortgage. Homeownership assistance may be terminated, if the family defaults on their mortgage. Reasons for loss of the home should be reviewed through a certified HUD Housing Counseling agency. If the family defaults on their mortgage or must relinquish ownership of their home, the family may be issued a tenant-based rental voucher to relocate. However, if the family defaults on a FHA-insured mortgage and fails to demonstrate that it has (1) conveyed the title for the home to HUD or HUD's designee and (2) has moved from the home within the period established or approved by HUD, they will not be issued a tenant-based rental voucher.
7. Supply information to Belmont in accordance with 982.551(b), and supply information to Belmont (whether specifically requested by Belmont or not) related to the mortgage, payments, default, refinancing, sale or transfer of the property and any change in homeownership expense.
8. Notify Belmont prior to moving out of the house.

I. MAXIMUM TERM OF HOMEOWNERSHIP ASSISTANCE

The family may receive homeownership assistance for up to fifteen (15) years, if the initial mortgage has a term of twenty (20) years or longer. The maximum term of assistance is ten (10) years when the initial mortgage has a term of less than twenty (20) years.

In the case of a family that qualifies as an *elderly* family at the start of homeownership assistance, the maximum term of assistance does not apply. An elderly family may receive homeownership assistance indefinitely.

In the case of a family that qualifies as a *disabled* family at any time during the receipt of homeownership assistance, the maximum term of assistance does not apply. This family too may receive homeownership assistance indefinitely.

However, if during the course of homeownership assistance, the family ceases to qualify as an elderly or disabled family, the maximum term reverts to either 10 or 15 years based on the term of the initial mortgage, and is applied from the date the homeownership assistance started. In this instance, the family will be provided with at least 6 months of assistance after the maximum term becomes applicable, provided the family is otherwise eligible.

The family may sell its home and purchase another home, but can only receive homeownership assistance for the maximum allowable term; a total of 10 or 15 years for all houses combined based on the term of the initial mortgage. Belmont cannot commence the voucher assistance for the family in the new unit so long any family member owns title or interest in any other home.

J. AMOUNT AND DISTRIBUTION OF HOMEOWNERSHIP ASSISTANCE

Assistance & Payment Standard Determination

The homeownership assistance payment will be equal to the lower of:

- the payment standard minus the total tenant payment (TTP), or
- the family's monthly homeownership expense minus the TTP.

The payment standard is the lower of:

- the payment standard for the family size, or
- the payment standard for the unit size.

If the home is located in an exception payment standard area, the applicable exception payment standard will be used to determine the homeownership assistance payment.

In order to ensure the provision of adequate assistance to the homeowner, the family's payment standard will never be less than it was at commencement of assistance.

Homeownership Expense Determination

The monthly homeownership expense will be determined by adding the monthly payments for the mortgage (principle and interest), taxes and insurance to the utility estimate and home repair / maintenance allowance. The repair/maintenance allowance will be set at \$1800/year (\$150/month), and the utility estimate will be calculated in accordance with the schedules used in the rental assistance program. Land lease payments, as well as cooperative or condominium fees (where applicable), may also be included in the calculation of homeownership expense.

If a member of the homeowner family is a person with disabilities, the homeownership expense may include debt incurred to finance costs associated with making the home accessible. The family must request this accommodation and submit verification from a medical professional stating that the modifications to the home are necessary in order for the family to make use of the home.

The homeownership expense will be reviewed during the annual recertification process and changes will be made in instances where the increased expense will cause the family to be eligible for a higher homeownership assistance payment.

Making Payments

The homeownership assistance payment will usually be made directly to the homeowner, who is then responsible for making the entire mortgage payment. If the bank holding the mortgage agrees to accept the payments directly from Belmont, and the family wishes to have Belmont pay the bank directly, those payment arrangements can be made. The method of payment is up to the family.

Homeownership assistance automatically terminates 180 days after the last payment is made on behalf of the family. This situation most often arises when the family's income increases to the point where the amount they are expected to pay toward the mortgage exceeds the payment standard or homeownership expense making them income-ineligible for any further assistance payments.

K. MOVING WITH CONTINUED HOMEOWNERSHIP ASSISTANCE

It is possible for a family to sell the initial home and use their homeownership assistance to purchase a different home. The family may also be permitted to sell the initial home and return to the rental assistance program. However, Belmont cannot make homeownership or rental assistance payments on behalf of the mover-family if any member of the assisted family still owns any interest in the prior home. Furthermore, Belmont prohibits more than one move during any 12-month period.

If the family wishes to purchase a different home they must meet all of the same conditions they met for the initial purchase except that they need not complete pre-purchase counseling again and the first-time homebuyer requirement does not apply.

Belmont may deny permission to move with continued assistance if it determines that there is insufficient funding or if the family's assistance is terminated in accordance with 982.638.

L. PORTABILITY

A family that ports into this PHA's jurisdiction and is absorbed may participate in the homeownership program as soon as the family meets eligibility criteria. An absorbed family must purchase its first home in Erie or Niagara County.

If, a family ports into this PHA's jurisdiction and this PHA is not absorbing incoming ports (usually due to over-utilization), the incoming family may only participate in the homeownership program if the initial PHA has a homeownership program, is accepting new families, and authorizes participation by this family. This family too must purchase its first home in Erie or Niagara County.

M. DENIAL OR TERMINATION OF HOMEOWNERSHIP ASSISTANCE

A family may be denied assistance or have their assistance terminated in accordance with:

982.552; Grounds for Denial or Termination
982.553; Crime by Family Members

A family may be denied assistance or have their assistance terminated for violations described in:

982.551; Obligations of Participant (under housing choice voucher rental option)
982.633; Family Obligations (under homeownership option)

Families participating in the homeownership program will receive a copy of these obligations.

If the family defaults on its mortgage, thereby losing possession of the home, Belmont must terminate the family's homeownership assistance. Belmont may permit the family to relocate with rental assistance unless the mortgage was FHA-insured and the family did not fully cooperate with HUD's requirements for vacating the property and conveying the title.

ENTERPRISE INCOME VERIFICATION SYSTEM

INTRODUCTION

The EIV system, which was established to reduce errors in income reporting, provides tenant income information from sources such as Social Security, SSD, SSI, Wages, UIB, etc. for all members of an assisted household. The data is to be used as upfront income verification or as a comparison to the income source and amount reported by the tenant and transmitted to PIC via the HUD 50058. All household members of at least 18 years of age are required to execute HUD form 9886 (Authorization for the Release of Information/Privacy Act Notice), which authorizes HUD and the PHA to obtain income information from the EIV system and other sources.

It is imperative that the PHA secure all EIV data and to that end the PHA has designated a Housing Programs Manager as the EIV Security Officer and has implemented this administrative policy. All EIV data collected relative to Section 8 Program administration is stored electronically in Belmont's *Housing –Pro* software on a secure server.

A. PHA USE OF DATA

The PHA views and uses EIV data to confirm the presence of income for household members, social security benefits in particular.

EIV data is also used in the investigation of unreported or under-reported income.

Furthermore, the PHA uses EIV data as a secondary method of verifying tenant income, with the primary method being pay stubs and 3rd party verification.

This PHA collects third-party written verification of wages, in particular, based on the ability to better predict and estimate annual income using that type of verification. The EIV verification is not as current as third-party and is often not a good predictor of future income.

B. EIV DISCREPANCY REPORTS

This PHA has adopted HUD's definition of "substantial difference" which is "a difference of \$200/month or more between EIV income and tenant-supplied income." Therefore, this PHA will access the HUD-designed Threshold Report on a regular basis and investigate all cases that appear on that Report.

Supervisory personnel of the PHA or their designees (authorized EIV users) will download the reports on a regular basis, review/compare the EIV and tenant-supplied income verification of any tenant that shows up on the monthly discrepancy report, and determine if the discrepancy is "valid" or "invalid".

C. “INVALID” DISCREPANCIES

If the discrepancy in reported income is due to an “invalid” reason, such as the PHA only implements mid-year tenant rent increases under certain circumstances, PHA reported income incorrectly to PIC, PHA erred in calculating the reported income, household income changed since last quarter, tenant was a New Admission and income in question was prior to admission to the Section 8 program, questionable income is / was a mandatory income exclusion, etc., no further action (against the tenant) will be taken. Review findings will be kept in electronic tenant file.

If the “invalid” discrepancy was found to be due to PHA error, that error will be documented and corrected as soon as possible and the tenant will be given at least 30 days notice of any resulting change in tenant rent. In these cases, the EIV data that brought the error to light will also be stored in tenant’s electronic file. A note will be made to the tenant’s actual file explaining that an error was discovered during an EIV review and an interim recertification was conducted to remedy the error.

D. “VALID” DISCREPANCIES

If the discrepancy in reported income appears to be for a “valid” reason, such as unreported or under-reported income, the PHA will attempt to obtain third-party verification of the actual income prior to meeting with the tenant to discuss the discrepancy. If the tenant disputes the EIV data and/or third-party verification obtained by the PHA, they will have 10 business days to obtain and submit their own third-party verification in an attempt to refute the EIV data. If the tenant’s third-party verification shows the EIV data to be erroneous, the PHA will document the findings and take no further action against the tenant. Record of this investigation will be kept in the tenant’s electronic file.

If the tenant cannot or does not refute the EIV data and is therefore found to have unreported or under-reported household income, the PHA will either terminate rental assistance or enter into a repayment agreement with the tenant. In deciding whether to terminate assistance or allow for repayment, the PHA has discretion to consider all of the circumstances in each case, including the seriousness of the case, the length of time since the unreported / under-reported income occurred, the tenant’s more recent record of compliance, and the effects of denial or termination of assistance on other family members who were not involved in the failure to report income.

If the tenant is terminated, the tenant file will merely show that the tenant was terminated for a program violation...unreported or under-reported income. The tenant paper file will contain no EIV data. Any EIV data associated with the investigation of the tenant will be scanned into the tenant’s electronic file.

If the tenant is offered a repayment agreement and permitted to continue receiving Section 8 assistance, the tenant file will contain a note meant to call staff’s attention to the fact that the tenant previously failed to report all household income. The tenant’s actual file will not, however, contain any EIV data. That data will be kept in the tenant’s electronic file.

E. SECURING EIV DATA / RECORD RETENTION

The data accessed by the PHA through the EIV system will be protected by PHA officials and used solely for authorized housing program purposes. Data will not be disclosed in any manner that would violate the privacy of the individuals represented. Data will only be accessed by authorized system users and all data will be kept secure in tenant's electronic file or in locked file cabinet or in secure areas of the building. Paper EIV data will be shredded prior to disposal.

Retaining Social Security Benefits Data

If any member of the tenant's household receives Social Security benefits, their verification of benefits will most likely be provided by EIV, and this verification will be maintained in the tenant's electronic file. Those files are kept in secure, password protected, software that only housing programs staff can access. The PHA has determined that this level of security is adequate and does not overly restrict the file access that is necessary in order to transact the daily activities associated with the administration of Section 8 Programs.

Retaining Income Discrepancy Data

If a tenant is being investigated for unreported or under-reported income because their name showed up on a discrepancy report, the EIV data is maintained in the tenant's electronic file.

The PHA also uses the EIV system to check on tenants who habitually report little or no income and the data that is obtained is stored in tenant's electronic file.

F. UNAUTHORIZED ACCESS / IMPROPER DISCLOSURES

Staff have been advised and receive yearly training on the proper handling and disclosure of EIV data. Should staff fail to abide by the policies and procedures that have been established for EIV data, the violations will be documented by the EIV Security Officer and the employee will be notified in writing of the breach. Furthermore, staff have been advised to notify the EIV Security Officer immediately if they become aware of any unauthorized or improper use of EIV data.

If the PHA determines that staff knowingly and intentionally breached EIV policies, the employee will be disciplined accordingly. Disciplinary actions range from a written warning to termination of employment, depending upon the seriousness of the breach.

If the PHA determines that the breach was unintentional or that it occurred as a result of inadequate training, the employee will be retrained in the proper use of EIV data and receive a written warning about the consequences should violations occur in the future.

If the EIV Security Officer becomes aware of any particularly serious or systemic breach of EIV security, he/she will notify HUD field office personnel and seek their assistance in correcting the situation.

FAMILY SELF- SUFFICIENCY PROGRAM

ACTION PLAN

I. Introduction

This document constitutes the Family Self Sufficiency (FSS) Program Action Plan for the FSS program operated by *Belmont Housing Resources for WNY, Inc. for the City of North Tonawanda PHA (For purposes of this document, the PHA will be referred to as Belmont here on out)*. It was submitted to HUD on *[date]*.

Founded in 1977, Belmont Housing Resources for WNY, Inc. is the leading advocate for quality affordable housing in Western New York, providing services to over 13,000 households annually. In addition to Housing Choice Voucher program administration, Belmont's services include: housing development, restoration, property management; consulting with municipalities and other non-profits; financial education; and HUD certified housing counseling.

The purpose of the FSS Program is to promote the development of local strategies to coordinate the use of HUD assistance with public and private resources in order to enable eligible families to make progress toward economic security.

The purpose of the FSS Action Plan is to establish policies and procedures for carrying out the FSS program in a manner consistent with HUD requirements and local objectives.

This FSS Action Plan describes Belmont's local policies for operation of the FSS program in the context of federal laws and regulations. The FSS program will be operated in accordance with applicable laws, regulations, notices and HUD handbooks. The policies in this FSS Action Plan have been designed to ensure compliance with all approved applications for HUD FSS funding.

The FSS program and the functions and responsibilities of PHA staff are consistent with Belmont's personnel policy and Agency Plan.

II. Program Objectives

Belmont's FSS program seeks to help families make progress toward economic security by supporting the family's efforts to:

- Increase their earned income
- Build financial capability
- Achieve their financial goals

III. Program Size and Characteristics

III. A. Family Demographics

These tables describe the demographics of the population expected to be served by Belmont's Action Plan.

The FSS program will serve the following housing assistance programs:

- Housing Choice Vouchers (HCV): Tenant-Based Vouchers
- Housing Choice Vouchers (HCV): HCV Homeownership

Ages of Head of Household and Other Adults

	Percent
Ages of Head of Household	
--Head of Household is age 24 years or younger	0%
--Head of Household is age 25 to 50	92%
--Head of Household is age 51 to 61	8%
--Head of Household is age 62 or greater	0%
Ages of Other Adults in Household	
-- Age 24 years or younger	4%
-- Age 25 to 50	12%
-- Age 51 to 61	8%
-- Age 62 or greater	4%

Presence and Ages of Children

	Percent
Presence and Ages of Children	
--Households that only include adults over age 18	20%
--Households that include one or more child age 13-17	32%
--Households that include children who are all 12 or younger	40%

Employment Status of Population to be Served

	Percent
Employment Status of Head of Household	
--Families with an employed head	68%
--Families whose head is unemployed	32%
Employment Status of All family members	
--Families with any member that is employed	68%
--Families with no employed member	32%

Annual Earned Income of Population to be Served

	Percent
Annual household earnings <\$5,000 per year	0%
Annual household earnings between \$5,000 and \$9,999	0%
Annual household earnings between \$10,000 and \$14,999	16%
Annual household earnings between \$15,000 and \$19,999	16%
Annual household earnings between \$20,000 and \$24,999	8%
Annual household earnings between \$25,000 and \$29,999	16%
Annual household earnings between \$30,000 and \$34,999	8%
Annual household earnings of \$35,000 or higher	4%

Elderly/Disability Status of Population to be Served

	Percent
Elderly/Disability Status of Head of Household	
--Head of Household is an elderly person without disabilities	0%
--Head of Household is an elderly person with disabilities	0%
--Head of Household is a non-elderly person without disabilities	8%
--Head of Household is neither an elderly person nor a person with disabilities	92%
Elderly/Disability Status of All Household members	
--Household includes an elderly person without disabilities	4%
--Household includes an elderly person with disabilities	0%
--Household includes a non-elderly person with disabilities	8%
--Household includes no elderly persons or persons with disabilities	88%

Race and Ethnicity of Population to be Served (required)

Race		Non-Hispanic	Hispanic
White	80%	95%	5%
Black or African-American	12%	99%	1%
American Indian or Alaska Native	0%	0%	0%
Asian	1%	100%	0%
Native Hawaiian or other Pacific Islander	0%	0%	0%
Other Race	0%	0%	0%

III. B. Supportive Services Needs of Families Expected to Participate in FSS

The following is a list of the supportive service needs of the families expected to enroll in Belmont's FSS program:

- Training in basic skills and executive function (including household management)
- Employment training, including sectoral training and contextualized and/or accelerated basic skills instruction
- Job placement assistance
- GED preparation
- Higher education guidance and support
- English as a Second Language
- Assistance accessing and paying for childcare
- Transportation assistance
- Financial coaching, including assistance with budgeting, banking, credit, debt, and savings
- Access to counseling or treatment for substance abuse and mental health
- Dental care, health care, and mental health care including substance abuse treatment/counseling
- Homeownership readiness

This list of supportive services needs is based on:

- Experience with past FSS or other supportive service program participants
- Input from the Program Coordinating Committee or other service provider partners
- Client needs assessments completed at the time of intake

III. C. Estimate of Participating Families

Over time, Belmont hopes to serve all families who are interested in participating in the FSS Program. The number of spaces available in the program at any given time, however, will be limited by the program's resources, including the number of FSS coordinators funded to work with FSS participants. New families will be admitted to the FSS program as space permits.

In recent years, Belmont has been funded for one coordinator. The minimum number of participants required to be served based on this funding is 25.

Historically, Belmont's FSS program has enrolled six new families into the FSS program each year. Accordingly, Belmont expects to be able to provide FSS Services to 50 families over a five-year period.

III. D. Other Self-Sufficiency programs

No families from other self-sufficiency programs are expected to enroll in the FSS program.

IV. Family Selection Procedures

A. Waiting List

A waiting list will not be maintained by Belmont, as enrollment is on-going.

B. Admissions Preferences

The FSS program has not adopted any admissions preferences. Families will be selected based on the following selection method:

- Date the family expressed an interest in participating in the FSS program

C. Screening for motivation.

Belmont will use one or more motivational screening factors to measure the family's interest and motivation to participate in the FSS program. The following screening criteria will be used:

The family member expected to be designated as the FSS Head of Household will be required to complete the Financial Education Workshop series of classes, presented by Belmont, prior to enrollment. Accommodations will be made on a case-by-case basis. Accommodations may include individually scheduled classes, translation services, virtual class sessions, etc.

D. Compliance with nondiscrimination policies

It is the policy of Belmont to comply with all Federal, State, and local nondiscrimination laws and regulations, including but not limited to the Fair Housing Act, the Americans with Disabilities Act, and Section 504 of the Rehabilitation Act of 1973. No person shall be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under the FSS program on the grounds of race, color, sex, religion, national or ethnic origin, family status, source of income, disability or perceived gender identity and sexual orientation. In addition, Belmont's FSS staff will, upon request, provide reasonable accommodation to persons with disabilities to ensure they are able to take advantage of the services provided by the FSS program (see Requests for Reasonable Accommodations).

The FSS program staff has the primary responsibility to make sure that participants are not discriminated against in the selection process. For families or individuals whose potential enrollment is in question, the FSS coordinators will review the file in the staff review meeting to ensure that non-selection is not based on discriminatory factors before the final decision is made. Applicants will be notified in writing of the reason(s) they were not selected for participation and will have the opportunity to appeal the decision (see Hearing Procedures). At all times, Belmont will select families for participation in the FSS program in accordance with FSS Regulations and HUD guidelines.

E. Re-enrollment of prior FSS participants

The following previous FSS families will be allowed to re-enroll in Belmont's FSS program:

- FSS program graduates, after one year from graduation

- FSS participants who have withdrawn voluntarily
- Families terminated with escrow disbursement
- Families involuntarily terminated
- Family members who were not Heads of FSS Family previously

The following conditions apply to re-enrollment:

The participant must have goals they want to accomplish that were not included or able to be accomplished in a previous Individual Training and Service Plan.

F. Head of FSS Family

The head of the FSS family is designated by the participating family. Belmont may make itself available to consult with families on this decision but it is the assisted household that chooses the head of FSS family that is most suitable for their individual household circumstances. The designation of, or any changes by the household to the Head of FSS Family, which can be done at any time during the CoP term, must be submitted to Belmont in:

- A form developed by Belmont

V. Outreach

Belmont will conduct widespread outreach to encourage enrollment in the FSS program. Outreach efforts will include the activities identified through the checked boxes below. Interpreters will be used as needed and clients may contact staff to express interest in person, via our toll-free telephone number or by email.

Outreach Methods	Details, including frequency
Posting information about FSS on Belmont's website	Ongoing through a stand-alone page.
Posting FSS program flyers in locations likely to be seen by eligible families	Ongoing through brochures located on the resource wall in the lobby.
Providing information about the FSS program at voucher orientation sessions	Ongoing through brochures placed in orientation folders and an FSS presentation during the orientation sessions.
Holding well-publicized information sessions about FSS	Annual events such as raffles, cook-outs, etc.
Providing information about the FSS program to eligible families by mail	Ongoing by letters and brochures going out to New Admission families at the time of being housed.
Facebook	Ongoing

Outreach informational material about the FSS Program will include information about:

- Program overview
- Program benefits
- Available resources
- Participant responsibilities
- Program outcomes

Outreach efforts will be targeted equally to all families, using materials in both English and other commonly spoken languages to ensure that non-English and limited English-speaking families receive information and have the opportunity to participate in the FSS Program. In conducting outreach, Belmont will account for the needs of people with disabilities, including persons with impaired vision, hearing or mobility, and provide effective communications to ensure that all eligible who wish to participate are able to do so.

VI. FSS Escrow Account and Other Incentives for Participants

FSS participants will be eligible to build savings from the FSS escrow account. Key policies and procedures applicable to the FSS escrow account, as well as any additional incentives offered by Belmont, are described below.

A. Additional Incentives

Belmont's FSS program provides the following incentives to FSS participants in addition to the FSS escrow account: A 'welcome' upon completing and signing the Individual Training and Service Plan and the Contract of Participation.

B. Interim Disbursements

Families may request an interim disbursement from the escrow account once the FSS family has fulfilled at least one interim goal, in order to pay for specific goods or services that will help the family make progress toward achieving the goals in its Individual Training and Services Plan (ITSP). Requests may be made verbally or in writing. Requests may be made through the term of the Contract of Participation. Examples of potentially eligible activities include, but are not limited to, payments for post-secondary education, job training, credit repair, small business start-up costs, job start-up expenses, and transportation to/from a place of employment. A determination of whether the family qualifies for the requested interim disbursement will be made on a case-by-case basis by the FSS Coordinator and a Housing Program Manager of Belmont. The FSS coordinator will first explore options for services and in-kind donations from partners, which must be exhausted before a request for an interim disbursement will be approved.

C. Uses of forfeited escrow funds.

Treatment of forfeited FSS escrow account funds. FSS escrow account funds forfeited by the FSS family (if any) will be used to support FSS participants in good standing. Upon written request from a family, the FSS Coordinator, a Housing Program Manager and a member of the PCC will consider the available funds and make a determination.

Belmont may also initiate a request for the use of forfeited escrow funds.

At the discretion of the FSS coordinator, forfeited escrow funds may be considered in lieu of an interim escrow disbursement.

Families will be eligible for the use of up to a total of \$500 of forfeited escrow funds throughout the term of their Contract of Participation, if funds are available.

Forfeited FSS escrow funds may be deployed: Any time during the term of a household’s CoP

Use of forfeited escrow funds for eligible uses (described below) may be requested by:

- Head of the FSS family

Eligible uses of forfeited escrow funds include, but are not limited to:

Eligible Uses	Guidelines / Limitations
Purchasing a vehicle	<ul style="list-style-type: none"> • The maximum forfeited escrow fund amount that will be allowed for a vehicle purchase is: \$500 • Head of FSS Household must be engaged in financial coaching and this request must have the support of their financial coach • The terms of any vehicle purchase or vehicle loan will be carefully scrutinized to ensure the terms are reasonable. • Head of FSS Household must submit a budget that includes the ability to cover insurance, gas and savings for maintenance and repair of the vehicle. • Requests will be considered on a case-by-case basis
Child Care needed to work	<ul style="list-style-type: none"> • Requests will be considered on a case-by-case basis
Training for participants	<ul style="list-style-type: none"> • Requests will be considered on a case-by-case basis
Employment or Educational Costs, including: <ul style="list-style-type: none"> • Employment training • Employment preparation (e.g., interview training, professional clothing, etc.) • Education costs (books, fees, uniforms, tools, etc.) 	<ul style="list-style-type: none"> • Head of FSS Household must be engaged in financial coaching and this request must have the support of their financial coach • Requests will be considered on a case-by-case basis

Transportation needed for goal completion (bus pass, unexpected car repair, etc.)	<ul style="list-style-type: none"> • Head of FSS Household must be engaged in financial coaching and this request must have the support of their financial coach • Requests will be considered on a case-by-case basis
Training for FSS Program staff	<ul style="list-style-type: none"> • Requests for funding must be approached by the administrative staff of the FSS program • Other: All other options of funding must be exhausted prior to use by any FSS Coordinator

VII. Family Activities and Supportive Services

As described in the next section, all families participating in the FSS program will benefit from coaching that helps them identify and achieve goals that the family selects. Drawing on partners on the program coordinating committee and relationships with other service providers, the coaches will provide referrals as needed to help FSS participants access appropriate services to help them achieve their goals:

Supportive Service Category	Specific Service	Source/Partner
Assessment	Vocational Assessment Educational Disability Other specialized assessments	Trott Access Center Niagara's Worksource One Access-VR
Child Care	Infant Care / Toddler Care Preschool Care Afterschool Care	Community Childcare Clearinghouse of Niagara YWCA of the Niagara Frontier
Transportation	Bus passes Assistance with car purchase	Niagara Frontier Transportation Authority Belmont Housing Resources for WNY, Inc. (car IDA)
Education	High School Equivalency/GED English as a Second Language Post-secondary certificates Advanced Degrees	Orleans/Niagara BOCES Niagara Adult Learning Center Niagara County Community College Niagara Falls Community Education Center wnycollegeconnection.com

Skills Training	Basic Skills Training Biomedical Training (including CNA, phlebotomy, x-ray and other tech, etc.) On-the-Job Training Apprenticeships Skilled Labor training	YWCA of the Niagara Frontier Niagara County Employment and Training Niagara County Community College Niagara/Orleans BOCES SUNY Attain Lab Cornell Cooperative Extension
Job Search Assistance	Resume Preparation Interviewing Skills Dress for Success Workplace Skills Job Development Job Placement	Niagara Worksource One YWCA of the Niagara Frontier Trott Access Center Niagara Community Action Program
Micro and Small Business Development	Small business development services Small business Mentoring Entrepreneurship Training	Niagara Small Business Development Center Niagara Area Chamber of Commerce
Health/Mental Health Care	Alcohol and Drug Abuse Prevention Alcohol and Drug Abuse Treatment Primary care Dental services Mental Health Services Health Insurance Advising	United Way 2-1-1
Crisis Services	Crisis Assessment Crisis Intervention Crisis Management Crisis Resolution	YWCA of the Niagara Frontier Niagara County Crisis Services 211
Child/Adult Protective Services	Needs Assessment Case Planning Information Referral	Niagara County Social Services 211 Child Protective Services
Household Management	Training in Household Management	
Homeownership Preparation	Homeownership Education Housing Counseling Downpayment Assistance Other Homeownership Assistance	Belmont Housing Resources for WNY, Inc. Niagara Falls Neighborhood Housing Services, Inc.

Financial Empowerment	Financial education Financial coaching Training in money management	Niagara Community Action Program Belmont Housing Resources for WNY, Inc.
Individual Development Accounts	Matched Savings Accounts - Homeownership - Car Purchase	Belmont Housing Resources for WNY, Inc.
Legal Services	Legal Services	Volunteer Lawyers Project Neighborhood Legal Services Legal Aid Society
Debt Resolution & Credit Repair	Assistance negotiating the resolution of past-due debt	Consumer Credit Counseling Niagara Community Action Program
Housing Support	Rental Violations and Discrimination Landlord/Tenant Disputes Housing Counseling Housing Searches	Housing Opportunities Made Equal Belmont Housing Resources for WNY, Inc.

VIII. Method of Identifying Family Support Needs and Delivering Appropriate Support Services

A. Identifying Family Support Needs

To help determine the supportive services needs of each family, the FSS coordinator will work with the family to complete an initial informal needs assessment for that family before completion of the initial Individual Training Service Plan (ITSP) and signing of the contract of participation. After enrollment in the FSS program, the FSS coordinator may make referrals to partner agencies for completion of one or more formal needs assessments. These assessments may focus on such issues as: employment readiness and employment training needs, educational needs related to secondary and post-secondary education, financial health, and other topics, depending on the needs and interests of the family.

The formal assessments may lead to adjustments to the Individual Training Service Plan, if requested by the family.

B. Delivering Appropriate Support Services

Coaching. All families who participate in the FSS program will be assigned an FSS coordinator who will provide coaching services to help each participating family to:

- Understand the benefits of participating in the FSS program and how the program can help the family achieve its goals.
- Identify achievable, but challenging interim and final goals for participation in the FSS program, break down the goals into achievable steps and accompany the family through the process.
- Identify existing family strengths and skills.
- Understand the needs that the family has for services and supports that may help the family make progress toward their goals.
- Access services available in the community through referral to appropriate service providers.
- Overcome obstacles in the way of achieving a family's goals.

Provision of Coaching Services: After the initial assessment and enrollment, the FSS Coordinator will have regular communication with the family to conduct needs assessments and review progress made toward meeting the goals on the ITSP.

- Contact will be made with the family at least once during every year of the CoP for a review of their progress towards self-sufficiency. The FSS Coordinator will review the ITSP and make updates in coordination with the family as necessary. Both parties must sign and date the modified ITSP. The FSS Coordinator will complete a written summary assessing the progress, current and potential obstacles, and resources needed at that time.
- All families should also be contacted quarterly to review their ITSP, any supports needed, set goals and adjust the ITSP for the next quarter. These quarterly contacts may be conducted by whatever method is best for the family.
- More frequent meetings may be scheduled to meet the individual needs of the family.

C. Transitional supportive service assistance.

Families that have completed their CoP and remain in assisted housing may request assistance with referrals to service providers in order to continue their progress toward economic security. Subject to limitations on staff capacity, Belmont will try to help these families with appropriate referrals. The time spent on these referrals will not be covered by funds designated by HUD to support the FSS program.

IX. Contract of Participation

All families enrolled in the FSS program will be required to sign a Contract of Participation (CoP) that includes an Individual Training and Services Plan (ITSP). This section describes the contents of the CoP and Belmont's policies and practices regarding the CoP.

A. Form and content of contract

The CoP, which will incorporate one ITSP for each participating member of the family, sets forth the principal terms and conditions governing participation in the FSS program. These include the rights and responsibilities of the FSS family and of Belmont, the services to be provided to, and the activities to be completed by, each adult member of the FSS family who elects to participate in the program.

B. ITSP goals

Each individual's ITSP will establish specific interim and final goals by which Belmont and the family will measure the family's progress towards fulfilling its obligations under the CoP. For any FSS family that is a recipient of welfare assistance at the outset of the CoP or that receives welfare assistance while in the FSS program, Belmont will establish as a final goal that every member of the family become independent from welfare assistance before the expiration of the CoP. The ITSP of the head of FSS family will also include as a final goal that they seek and maintain suitable employment. The FSS coordinator will work with each participating individual to identify additional ITSP goals that are relevant, feasible and desirable. Any such additional goals will be realistic and individualized.

C. Determination of suitable employment

As defined in the FSS regulations (24 CFR 984.303(4)(iii)), a determination of what constitutes "suitable employment" for each family member with a goal of seeking and maintaining it will be made by Belmont, with the agreement of the affected participant, based on the skills, education, job training and receipt of other benefits of the family member and based on the available job opportunities within the community.

D. Contract of Participation term and extensions

The CoP will go into effect on the first day of the month following the execution of the CoP. The initial term of the CoP will run the effective date through the five-year anniversary of the first reexamination of income that follows the execution date. Families may request up to two one-year extensions and are required to submit a written request that documents the need for the extension. Belmont will grant the extension if it finds that good cause exists to do so. In this context, good cause means:

- (i) Circumstances beyond the control of the FSS family, as determined by Belmont, such as a serious illness or involuntary loss of employment;
- (ii) Active pursuit of a current or additional goal that will result in furtherance of self-sufficiency during the period of the extension (e.g. completion of a college degree during which the participant is unemployed or under-employed, credit repair towards being homeownership ready, etc.) as determined by Belmont or
- (iii) Any other circumstances that the Belmont determines warrants an extension as agreed upon by the review team.

E. Completion of the contract

The CoP is completed, and a family's participation in the FSS program is concluded when the FSS family has fulfilled all its obligations under the CoP, including all family members' ITSPs, on or before the expiration of the contract term. The family must provide appropriate documentation that each of the ITSP goals has been completed. Belmont will accept the following form of verification for completion of the ITSP goals:

Belmont will require a combination of self-certification and third-party verification to document completion of ITSP goals.

F. Modification

Belmont and the FSS family may mutually agree to modify the CoP with respect to the ITSP and/or the contract term, and/or designation of the head of FSS household. All modifications must be in writing and signed by Belmont as well as the Head of FSS Family.

Belmont will allow for modifications to the CoP under the following circumstances:

- When the modifications to the ITSP improve the participant's ability to complete their obligations in the CoP or progress toward economic self-sufficiency
- When the designated head of the FSS family ceases to reside with other family members in the assisted unit, and the remaining family members, after consultation with Belmont, designate another family member to be the FSS head of family
- When a relocating family is entering the FSS program of a receiving *PHA* and the start date of the CoP must be changed to reflect the date the new CoP is signed with the receiving *PHA*

Belmont will allow modifications at any time during the term of the CoP.

G. Consequences of noncompliance with the contract

Participant non-compliance with the CoP may result in termination from the FSS program. See policies on Involuntary Termination in Section X(A).

X. Program Termination, Withholding of Services, and Available Grievance Procedures

A. Involuntary Termination

Belmont may involuntarily terminate a family from FSS under the following circumstances:

- I. If the participant fails to meet their obligations under the Contract of Participation, the Individual Training and Services Plan and related documentation. Non-compliance includes:
 - i. Missing scheduled meetings, failure to return phone calls, and/or maintain contact after written notification of non-compliance
 - ii. Failure to work on activities and/or goals set forth in the Individual Training and Services Plan, including employment activities

- II. If the participant's housing assistance has been terminated.

Participants who fail to meet their obligations under paragraph I above, as determined by an FSS coordinator, will be given the opportunity to attend a meeting with the FSS Coordinator or assigned Belmont representative to review the situation. At this meeting, a review of the Contract of Participation, Individual Training and Services Plan, , and all related documentation will be conducted, and amendments will be made as necessary (within HUD guidelines) to allow for changes in circumstances. Failure to contact the FSS Coordinator to schedule this meeting within fourteen (14) days of a written request by the FSS program to set up this a meeting or failure by the FSS Head of Household to attend this meeting without some type of correspondence to clarify the issue(s), may lead to termination from the program. The FSS Coordinator will also attempt to contact the participant via phone, text, in person and/or email prior to the review meeting. Participants who remain out of compliance after this meeting will be subject to termination from the FSS program.

If a meeting is not requested by the family within the required period, notification of termination will be made to the family by letter stating:

1. The specific facts and reasons for termination;
2. A statement informing the family of their right to request an informal hearing and the date by which this request must be received (see *Grievance Procedures*);
3. A statement informing the family that termination from the FSS program for the reasons stated therein will not result in termination of the family's housing assistance. Failure to request a hearing in writing by the deadline will result in closure of the family's FSS file and all rights to a hearing will be waived. All escrow money held on the family's behalf will be forfeited in accordance with HUD regulations. Housing assistance will not be terminated based on non-compliance with the FSS program. The current amount of escrow in the family's escrow account will be included in the letter.

B. Voluntary Termination

Participants may also be terminated from the FSS program under the following circumstances:

- Mutual consent of both parties; and/or
- The family's withdrawal from the program.

C. Termination with Escrow Disbursement

In most cases, families whose FSS contracts are terminated will not be entitled to disbursement of their accrued FSS escrowed funds. However, the CoP will be terminated with FSS disbursement when one of the following situations occurs:

- (i) Services that Belmont and the FSS family have agreed are integral to the FSS family's advancement towards self-sufficiency are unavailable.
- (ii) The head of the FSS family becomes permanently disabled and unable to work during the period of the contract, unless Belmont and the FSS family determine that it is possible to modify the contract to designate a new head of the FSS family.
- (iii) An FSS family in good standing moves outside the jurisdiction of the PHA (in accordance with portability requirements at 24 CFR §982.353) for good cause, as determined by the PHA, and continuation of the CoP after the move, or completion of the CoP prior to the move, is not possible.

D. Grievance Procedures

All requests for an informal hearing must be received by Belmont's Coordinator within fourteen (14) days of the date of the FSS termination letter. If a hearing is requested by the FSS family, notification to the family regarding the date, time, and location of the informal hearing will be made by mail.

Persons included in the informal hearing shall include, but not be limited to:

- The FSS head of household;
- The FSS Coordinator; and
- A Housing Program Manager or a Officer of Belmont, serving as the Hearing Officer

All participants have the right to obtain legal representation and provide their witnesses.

The family may request to reschedule a hearing for good cause, or if it is needed as reasonable accommodation for a person with disabilities. Good cause is defined as an unavoidable conflict which seriously affects the health, safety, or welfare of the family. Requests to reschedule a hearing must be made in writing within (5) days prior to the hearing date.

Belmont's PHA Plan details Belmont's Grievance Procedures (See Chapter 19, Section D Informal Hearing Procedures).

XI. Assurance of Non-Interference

Participation in the FSS Program is voluntary. A family's decision on whether to participate in FSS will have no bearing on Belmont's decision of whether to admit the family into the Housing Choice Voucher program. The family's housing assistance will not be terminated based on whether they decide to participate in FSS, their successful completion of the CoP, or on their failure to comply with FSS program requirements.

Belmont will ensure that the voluntary nature of FSS program participation is clearly stated in all FSS outreach and recruitment efforts.

XII. Timetable

Belmont implemented its FSS program in 1999 and will continue to implement it per this FSS Action Plan.

XIII. Reasonable Accommodations, Effective Communications and Limited English Proficiency Requirements

Requests for Reasonable Accommodations

A person with disabilities may request reasonable accommodations to facilitate participation in the FSS program. Requests will be considered on a case-by-case basis.

Requests should be made initially to the FSS Coordinator. If a family is not satisfied with the FSS Coordinator's response, the family may submit a request in writing in accordance with the agency's reasonable accommodations policy. The policy is available by request, in Chapter 1.

Request for Effective Communications

A person with disabilities may request the use of effective communication strategies in order to facilitate participation in the FSS program. Examples include: interpreters, accessible electronic communications and websites, documents in alternative formats (e.g., Braille, large print), or assistance in reading or completing a form, etc.

Requests should be made initially to the FSS coordinator. If a family is not satisfied with the FSS Coordinator's response, the family may submit a request in writing in accordance with the agency's effective communications policy. The policy is available by request, in Chapter 1.

Limited English Proficiency

Belmont will comply with HUD requirements to conduct oral and written communication related to the FSS program in languages that are understandable to people with Limited English Proficiency. For more information, see the Limited English Proficiency policy available by request, in Chapter 1.

XIV. Coordination of Services

A. Certification of Coordination

Development of the services and activities under the FSS program has been coordinated with programs under title I of the Workforce Innovation and Opportunity Act 29 U.S.C. 3111 et seq., and other relevant employment, childcare, transportation, training, education, and financial empowerment programs in the area. Implementation will continue to be coordinated, in order to avoid duplication of services and activities.

B. Program Coordinating Committee

The principal vehicle for ensuring ongoing coordination of services is the program coordinating committee (PCC), which has been established in accordance with FSS regulations to assist in securing commitments of public and private resources for the operation of the FSS Program. Among other responsibilities, the PCC will help the FSS program to identify and build strong referral relationships with providers of supportive services that meet the needs of FSS participants. The PCC will also be consulted in developing program policies and procedures.

The PCC will meet quarterly and may conduct business on an as-needed basis via email or telephone conferences. The PCC includes the following representatives:

1. One or more FSS Program Coordinators
2. One or more participants from each HUD rental assistance program served by the FSS program.
3. Representatives from a variety of agencies and individuals, which include but are not limited to the following:

Five Star Bank	Department of Social Services
WNY Child Resource Network	Niagara Frontier Transportation Authority
United Way 2-1-1	Niagara Worksource One
Buffalo Employment and Training Center	Best Self

XV. Portability

A. Portability in initial 12 months

While Belmont is not required to allow FSS participants to exercise portability within the initial 12 months after signing a CoP, it is the policy of Belmont to allow for portability within this period to the extent feasible.

B. Moves into the PHA's jurisdiction

If an FSS participant moves into the PHA's jurisdiction, they will be admitted in good standing into Belmont's FSS program unless Belmont is already serving the number of FSS families identified in this FSS Action Plan and determines that it does not have the resources to manage the FSS contract.

Regardless of whether Belmont is able to receive an incoming family from another jurisdiction into the FSS program, Belmont will agree to allow and support porting families to remain in their initial PHA's FSS program after porting housing vouchers if the initial PHA requests that the family remain in the initial FSS program and can demonstrate the family is able to fulfill its responsibilities under the initial CoP, the move in jurisdictions notwithstanding.

C. FSS termination with disbursement for porting families

If an FSS family seeks to move to a jurisdiction that does not offer an FSS program, Belmont will closely examine the family's progress to determine if it would be appropriate to exercise FSS Termination with Disbursement as discussed above in the section on Termination.

Where continued FSS participation is not possible, Belmont will discuss the options that may be available to the family, depending on the family's specific circumstances, which may include, but are not limited to, modification of the FSS contract, termination of the FSS contract and forfeiture of escrow, termination with FSS escrow disbursement in accordance with 24 CFR § 984.303(k)(1)(iii), or locating a receiving PHA that has the capacity to enroll the family into its FSS program.

XVI. Other Policies

Policy	Where Addressed in Plan
(i) Policies related to the modification of goals in the ITSP;	Section IX Contract of Participation
(ii) The circumstances in which an extension of the Contract of Participation may be granted	Section IX: Contract of Participation
(iii) Policies on the interim disbursement of escrow, including limitations on the use of the funds (if any)	Section VI: FSS Escrow Account and Other Incentives for Participants
(iv) Policies regarding eligible uses of forfeited escrow funds by families in good standing	Section VI: FSS Escrow Account and Other Incentives for Participants
(v) Policies regarding the re-enrollment of previous FSS participants, including graduates and those who exited the program without graduating	Section IV. Family Selection Procedures
(vi) Policies on requirements for documentation for goal completion;	Section IX: Contract of Participation
(vii) Policies on documentation of the household's designation of the "Head of FSS Household;	Section IV. Family Selection Procedures
(viii) Policies for providing an FSS selection preference for porting families (if the PHA elects to offer such a preference)	Section IV: Family Selection Procedures

XVII. Definitions

The definitions below are specified in CFR 24 984.103. The terms 1937 Act, Fair Market Rent, Head of Household, HUD, Public Housing, Public Housing Agency (PHA), Secretary, and Section 8, as used in this part, are defined in 24 CFR Part 5.

Certification means a written assertion based on supporting evidence, provided by the FSS family or Belmont, as may be required under this part, and which:

- (1) Shall be maintained by Belmont in the case of the family's certification, or by HUD in the case of the PHA's or owner's certification;
- (2) Shall be made available for inspection by HUD, Belmont, and the public, as appropriate; and,
- (3) Shall be deemed to be accurate for purposes of this part, unless the Secretary or Belmont, as applicable, determines otherwise after inspecting the evidence and providing due notice and opportunity for comment.

Contract of Participation (CoP) means - a contract, in a form with contents approved by HUD, entered into between an FSS family and Belmont, operating an FSS Program that sets forth the terms and conditions governing participation in the FSS Program. The CoP includes all Individual Training and Services Plans (ITSPs) entered into between Belmont and all members of the family who will participate in the FSS Program, and which plans are attached to the CoP as exhibits. For additional detail, see § 984.303.

Effective date of Contract of Participation (CoP) - means the first day of the month following the date in which the FSS family and the PHA entered into the CoP.

Eligible families means current residents of Public Housing (Section 9) and current Section 8 program participants, as defined in this section, including those participating in other local self-sufficiency programs.

Enrollment means the date that the FSS family entered into the CoP with the Belmont.

Family Self-Sufficiency (FSS) Program means the program established by a PHA within its jurisdiction or by an owner to promote self-sufficiency among participating families, including the coordination of supportive services to these families, as authorized by section 23 of the 1937 Act.

FSS escrow account (or, escrow) means the FSS escrow account authorized by section 23 of the 1937 Act, and as provided by § 984.305.

FSS escrow credit means the amount credited by Belmont to the FSS family's FSS escrow account.

FSS family means a family that resides in Public Housing (Section 9) or receives Section 8 assistance or receives HUD Project-Based Rental Assistance for a privately owned property, and that elects to participate in the FSS Program, and whose designated adult member (head of FSS family), as determined in accordance with § 984.303(a), has signed the CoP.

FSS family in good standing means, for purposes of this part, an FSS family that is in compliance with their FSS CoP; has either satisfied or are current on any debts owed Belmont; and is in compliance with the regulations regarding participation in the relevant rental assistance program.pro

FSS related service program means any program, publicly or privately sponsored, that offers the kinds of supportive services described in the definition of "supportive services" set forth in this § 984.103.

FSS slots - refers to the total number of families (as determined in the Action Plan and, for mandatory programs, in § 984.105 of this part) that the PHA will serve in its FSS Program.

FSS Program Coordinator means the person(s) who runs the FSS program. This may include (but is not limited to) performing outreach, recruitment, and retention of FSS participants; goal setting and case management/coaching of FSS participants; working with the community and service partners; and tracking program performance.

FY means Federal Fiscal Year (starting October 1 and ending September 30, and year designated by the calendar year in which it ends).

Head of FSS family means the designated adult family member of the FSS family who has signed the CoP. The head of FSS family may, but is not required to be, the head of the household for purposes of determining income eligibility and rent.

Individual Training and Services Plan (ITSP) means a written plan that is prepared by the **[organization]** in consultation with a participating FSS family member (the person with, for, and whom the ITSP is being developed), and which sets forth:

- (1) The final and interim goals for the participating FSS family member;
- (2) The supportive services to be provided to the participating FSS family members;
- (3) The activities to be completed by that family member; and,
- (4) The agreed upon completion dates for the goals and activities.

Each ITSP must be signed by Belmont and the participating FSS family member, and is attached to, and incorporated as part of the CoP. An ITSP must be prepared for each adult family member who elects to participate in the FSS Program, including the head of FSS family who has signed the CoP.

Owner means the owner of multifamily assisted housing.

Self-sufficiency means that an FSS family is no longer receiving Section 8, Public Housing assistance, or any Federal, State, or local rent or homeownership subsidies or welfare assistance. Achievement of self-sufficiency, although an FSS program objective, is not a condition for receipt of the FSS escrow account funds.

Supportive services mean those appropriate services that Belmont will coordinate on behalf of an FSS family under a CoP, which may include, but are not limited to:

- (1) *Childcare*—childcare (on an as-needed or ongoing basis) of a type that provides sufficient hours of operation and serves an appropriate range of ages;
- (2) *Transportation*—transportation necessary to enable a participating FSS family member to receive available services, or to commute to their place(s) of employment;
- (3) *Education*—remedial education; education for completion of high school or attainment of a high school equivalency certificate; education in pursuit of a post-secondary degree or certificate;
- (4) *Employment Supports*—job training, preparation, and counseling; job development and placement; and follow-up assistance after job placement and completion of the CoP;
- (5) *Personal welfare*—substance/alcohol abuse treatment and counseling, and health, dental, mental health and health insurance services;
- (6) *Household management*—training in household management;

(7) *Homeownership and housing counseling*—homeownership education and assistance and housing counseling;

(8) *Financial Empowerment*—training in financial literacy, such as financial coaching, training in financial management, asset building, and money management, including engaging in mainstream banking, reviewing and improving credit scores, etc.;

(9) *Other services*—any other services and resources, including case management, optional services, and specialized services for individuals with disabilities, that are determined to be appropriate in assisting FSS families to achieve economic independence and self-sufficiency. Reasonable accommodations and modifications must be made for individuals with disabilities consistent with HUD requirements, including HUD’s legal obligation to make reasonable modifications under Section 504 of the Rehabilitation Act.

Welfare assistance means (for purposes of the FSS program only) income assistance from Federal, (i.e. Temporary Assistance for Needy Families (TANF) or subsequent program) State, or local welfare programs and includes only cash maintenance payments designed to meet a family’s ongoing basic needs. Welfare assistance does not include:

(1) Nonrecurrent, short-term benefits that:

- (i) Are designed to deal with a specific crisis or episode of need;
- (ii) Are not intended to meet recurrent or ongoing needs; and,
- (iii) Will not extend beyond four months.

(2) Work subsidies (i.e., payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, and training);

(3) Supportive services such as childcare and transportation provided to families who are employed;

(4) Refundable earned income tax credits;

(5) Contributions to, and distributions from, Individual Development Accounts under Temporary Assistance for Needy Families (TANF);

(6) Services such as counseling, case management, peer support, childcare information and referral, financial empowerment, transitional services, job retention, job advancement, and other employment-related services that do not provide basic income support;

(7) Amounts solely directed to meeting housing expenses;

(8) Amounts for health care;

(9) Supplemental Nutrition Assistance Program and emergency rental and utilities assistance;

(10) Supplemental Security Income, Social Security Disability Income, or Social Security; and

(11) Child-only or non-needy TANF grants made to or on behalf of a dependent child solely on the basis of the child’s need and not on the need of the child’s current non-parental caretaker.

GLOSSARY

A. ACRONYMS USED IN SUBSIDIZED HOUSING

ACC	Annual Contributions Contract
BR	Bedroom
CFR	Code of Federal Regulations. Commonly referred to as "the regulations".
CPI	Consumer Price Index. CPI is published monthly by the Department of Labor as an inflation indicator.
CR	Contract Rent
EIV	Enterprise Income Verification system
FDIC	Federal Deposit Insurance Corporation
FHA	Federal Housing Administration
FICA	Federal Insurance Contributions Act - Social Security taxes
FMR	Fair Market Rent
FY	Fiscal Year
FYE	Fiscal Year End
GAO	Government Accounting Office
GR	Gross Rent
HA	Housing Agency
HAP	Housing Assistance Payment
HCDA	Housing and Community Development Act
HQS	Housing Quality Standards
HUD	U.S. Department of Housing and Urban Development
HURRA	Housing and Urban/Rural Recovery Act of 1983
IG	Inspector General
IGR	Independent Group Residence

IPA	Independent Public Accountant
IRA	Individual Retirement Account
MSA	Metropolitan Statistical Area established by the U.S. Census Bureau
PMSA	A Primary Metropolitan Statistical Area established by the U.S. Census Bureau
PHA	Public Housing Agency
PS	Payment Standard
QC	Quality Control
QHWRA	Quality Housing and Work Responsibility Act of 1998 (Merger Rule)
RFTA	Request for Tenancy Approval
RFP	Request for Proposals
SRO	Single Room Occupancy
TR	Tenant Rent
TTP	Total Tenant Payment
UA	Utility Allowance
UIV	Upfront Income Verification
URP	Utility Reimbursement Payment
VAWA	Violence Against Women Act of 2005

B. GLOSSARY OF TERMS IN SUBSIDIZED HOUSING

ADMINISTRATIVE PLAN. The HUD required written policy of the PHA governing its administration of the Section 8 programs. The Administrative Plan and any revisions must be adopted by the PHA's board and a copy submitted to HUD.

ABSORPTION. In portability, the point at which a receiving PHA stops billing the initial PHA for assistance on behalf of a portability family. The receiving PHA uses funds available under the receiving PHA consolidated ACC.

ACC RESERVE ACCOUNT (FORMERLY "PROJECT RESERVE"). Account established by HUD from amounts by which the maximum payment to the PHA under the consolidated ACC (during an PHA fiscal year) exceeds the amount actually approved and paid. This account is used as the source of additional payments for the program.

ADJUSTED INCOME. Annual income, less allowable HUD deductions.

ADMINISTRATIVE FEE. Fee paid by HUD to the PHA for administration of the program.

ADMINISTRATIVE FEE RESERVE (Formerly "Operating reserve"). Account established by PHA from excess administrative fee income. The administrative fee reserve must be used for housing purposes.

ADMISSION. The effective date of the first HAP contract for a family (first day of initial lease term) in a tenant-based program. This is the point when the family becomes a participant in the program.

ANNUAL CONTRIBUTIONS CONTRACT (ACC). A written contract between HUD and a PHA. Under the contract HUD agrees to provide funding for operation of the program, and the PHA agrees to comply with HUD requirements for the program

ANNUAL INCOME. The anticipated total Annual Income of an eligible family from all sources for the 12-month period following the date of determination of income, computed in accordance with the regulations.

ANNUAL INCOME AFTER ALLOWANCES. The Annual Income (described above) less the HUD-approved allowances.

APPLICANT. (or applicant family). A family that has applied for admission to a program, but is not yet a participant in the program.

"AS-PAID" STATES. States where the welfare agency adjusts the shelter and utility component of the welfare grant in accordance with actual housing costs.

ASSETS. (See Net Family Assets.)

ASSISTED TENANT. A tenant who pays less than the market rent as defined in the regulations. Includes tenants receiving rent supplement, Rental Assistance Payments, or Section 8 assistance and all other 236 and 221 (d)(3) BMIR tenants, except those paying the 236 market rent or 120% of the BMIR rent, respectively.

BUDGET AUTHORITY. An amount authorized and appropriated by the Congress for payment to HAs under the program. For each funding increment in an PHA program, budget authority is the maximum amount that may be paid by HUD to the PHA over the ACC term of the funding increment.

CHILD CARE EXPENSES. Amounts paid by the family for the care of minors under 13 years of age where such care is necessary to enable a family member to be employed or for a household member to further his/her education.

CO-HEAD. An individual in the household who is equally responsible for the lease with the Head of Household. (A family can have a co-head or a spouse but never both; co-head may never be a dependent).

CONGREGATE HOUSING. Housing for elderly persons or persons with disabilities that meets the HQS for congregate housing

CONSOLIDATED PLAN. (1) A plan submitted by a local government participating in the Community Development Block Program as part of the block grant application, in accordance with the requirements of 570.303(c) submitted by a local government not participating in the Community Development Block Grant Program and approved by HUD. (2) A plan meeting the requirements of 570.303(c) submitted by a local government not participating in the Community Development Block Grant Program and approved by HUD.

COOPERATIVE. A dwelling unit owned and or shared by a group of individuals who have individual sleeping quarters and share common facilities such as kitchen, living room and some bathrooms.

CONTIGUOUS MSA. In portability, an MSA that shares a common boundary with the MSA in which the jurisdiction of the initial PHA is located.

CONTINUOUSLY ASSISTED. An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the voucher program.

CONTRACT. (See Housing Assistance Payments Contract.)

CONTRACT AUTHORITY. The maximum annual payment by HUD to a PHA for a funding increment.

CONTRACT RENT. The total rent paid to the owner; includes the tenant rent and the HAP.

DEPENDENT. A member of the family household (excluding foster children) other than the head, co-head or spouse, who is under 18 years of age, or is a disabled person, or is a full-time student.

DISABILITY ASSISTANCE EXPENSE. Anticipated costs for care attendants and auxiliary apparatus for disabled family members which enables a family member (including the disabled family member) to work.

DISABLED PERSON. A person who is any of the following:

- (1) A person who has a disability as defined in section 223 of the Social Security Act. (42 U.S.C.423).
- (2) A person who has a physical, mental, or emotional impairment that:
 - (i) Is expected to be of long-continued and indefinite duration;
 - (ii) Substantially impedes his or her ability to live independently; and
 - (iii) Is of such a nature that ability to live independently could be improved by more suitable housing conditions.
- (3) A person who has a developmental disability as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7)).

DISABLED FAMILY. A family where the head or spouse meet any of the above criteria for disabled person.

DISPLACED PERSON/FAMILY. A person or family displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized under federal disaster relief laws.

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

DRUG-RELATED CRIMINAL ACTIVITY. The illegal manufacture, sale, distribution, use, or the possession with intent to manufacture, sell distribute or use, of a controlled substance (as defined in Section 102 of the Controlled Substance Act (21 U.S.C. 802)).

DRUG TRAFFICKING. The illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute or use, of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

ELDERLY HOUSEHOLD. A family whose head or spouse is at least 62 years of age; may include two or more elderly persons living together or one or more such persons living with another person who is determined to be essential to his/her care and well-being.

ELDERLY PERSON. A person who is at least 62 years old.

EXCEPTION PAYMENT STANDARD. A higher payment standard, usually set between 100 and 110 percent of the FMR, used to determine subsidies in higher cost areas of the PHA's jurisdiction.

EXCESS MEDICAL EXPENSES. Any medical expenses incurred by elderly or disabled families only, in excess of 3% of Annual Income which are not reimbursable from any other source.

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

FAMILY SELF-SUFFICIENCY PROGRAM (FSS PROGRAM). The program established by a PHA to promote self-sufficiency of assisted families, including the provision of supportive services.

FAMILY SHARE. The amount calculated by subtracting the housing assistance payment from the gross rent.

FAMILY UNIT SIZE. The size of the Voucher issued to the family based on the PHA's subsidy standards.

FOSTER CHILD CARE PAYMENT. Payment to eligible households by state, local, or private agencies appointed by the State, to administer payments for the care of foster children.

FULL-TIME STUDENT. A person who is carrying a subject load that is considered full time for day students under the standards and practices of the educational institution attended. An educational institution includes a vocational school with a diploma or certificate program, as well as an institution offering a college degree.

FUNDING INCREMENT. Each commitment of budget authority by HUD to an PHA under the consolidated annual contributions contract for the PHA program.

GROSS RENT. The sum of the Contract Rent and the utility allowance. If there is no utility allowance, Contract Rent equals Gross Rent.

GROUP HOME. A dwelling unit that is licensed by a State as a group home for the exclusive residential use of two to twelve persons who are elderly or persons with disabilities (including any live-in aide).

HEAD OF HOUSEHOLD. The head of household is the person who assumes legal and financial responsibility for the household and is listed on the application as head.

HOUSING AGENCY. A state, country, municipality or other governmental entity or public body authorized to administer the program. The term "HA" includes an Indian housing authority (IHA). ("PHA" and "HA" mean the same thing.)

HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974. Act in which the U.S. Housing Act of 1937 (sometimes referred to as the Act) was recodified, and which added the Section 8 Programs.

HOUSING ASSISTANCE PAYMENT. The monthly assistance payment by a PHA. The total assistance payment consists of:

- (1) A payment to the owner for rent to owner under the family's lease.
- (2) An additional payment to the family if the total assistance payment exceeds the rent to owner. The additional payment is called a "utility reimbursement" payment.

HOUSING ASSISTANCE PAYMENTS CONTRACT. (HAP contract). A written contract between a PHA and an owner in the form prescribed by HUD headquarters, in which the PHA agrees to make housing assistance payments to the owner on behalf of an eligible family.

HOUSING CHOICE VOUCHER. Method by which HUD provides tenant-based rental assistance to eligible households.

HOUSING QUALITY STANDARDS (HQS). The HUD minimum quality standards for housing assisted under the tenant-based programs.

HUD REQUIREMENTS. Issued by HUD headquarters as regulations, notices or other binding program directives.

HURRA. The Housing and Urban/Rural Recovery Act of 1983 legislation that resulted in most of the 1984 changes to the definition of income, allowances, and rent calculations.

IMPUTED ASSET. Asset disposed of for less than Fair Market Value during two years preceding examination or reexamination.

IMPUTED INCOME. HUD passbook rate multiplied by the total cash value of assets. Calculation used when assets exceed \$5,000 to estimate interest income.

INITIAL PHA. In portability, the term refers to the PHA where the family started out, before they ported to another PHA's jurisdiction.

INITIAL PAYMENT STANDARD. The payment standard at the beginning of the HAP contract term.

INITIAL RENT TO OWNER. The rent to owner at the beginning of the HAP contract term.

INCOME. Income from all sources of each member of the household as determined in accordance with criteria established by HUD.

INTEREST REDUCTION SUBSIDIES. The monthly payments or discounts made by HUD to reduce the debt service payments and, hence, rents required on Section 236 and 221 (d)(3) BMIR projects. Includes monthly interest reduction payments made to mortgagees of Section 236 projects and front-end loan discounts paid on BMIR projects.

JURISDICTION. The area in which the PHA has authority under State and local law to administer the program.

LANDLORD. This term means either the owner of the property or his/her representative or the managing agent or his/her representative, as shall be designated by the owner.

LEASE

- (1) A written agreement between an owner and a tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP contract between the owner and the PHA
- (2) In cooperative housing, a written agreement between a cooperative and a member of the cooperative. The agreement establishes the conditions for occupancy of the member's family with housing assistance payments to the cooperative under a HAP contract between the cooperative and the PHA.

LIVE-IN AIDE. A person who resides with an elderly person or disabled person and who:

- (1) Is determined to be essential to the care and well-being of the person.
- (2) Is not obligated for the support of the person.
- (3) Would not be living in the unit except to provide necessary supportive services.

LOCAL PREFERENCE. A preference used by the PHA to select among applicant families; for example, a residency preference or a preference for working families.

LOW-INCOME FAMILY. A family whose annual income does not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. For admission to the certificate program, HUD may establish income limits higher or lower than 80 percent of the median income for the area on the basis of its finding that such variations are necessary because of the prevailing levels of construction costs or unusually high or low family incomes.

MANUFACTURED HOME. A manufactured structure that is built on a permanent chassis, is designed for use as a principal place of residence, and meets the HQS. A special housing type. See 24 CFR 982.620 and 982.621.

MANUFACTURED HOME SPACE. In manufactured home space rental: A space leased by an owner to a family. A manufactured home owned and occupied by the family is located on the space. See 24 CFR 982.622 to 982.624

MARKET RENT. The rent HUD authorizes the owner of FHA insured/subsidized multi-family housing to collect from families ineligible for assistance. For unsubsidized units in an FHA-insured multi-family project in which a portion of the total units receive project-based rental assistance, under the Rental Supplement or Section 202/Section 8 Programs, the Market Rate Rent is that rent approved by HUD and is the Contract Rent for a Section 8 Certificate holder. For BMIR units, Market Rent varies by whether the project is a rental or cooperative.

MEDICAL EXPENSES. Those total medical expenses, including medical insurance premiums, that are anticipated during the period for which Annual Income is computed, and that are not covered by insurance. A deduction for Elderly Households only. These allowances are

given when calculating adjusted income for medical expenses in excess of 3% of Annual Income.

MINOR. A member of the family household (excluding foster children) other than the family head or spouse who is under 18 years of age.

MIXED FAMILY. A family with citizens and eligible immigration status and without citizens and eligible immigration status as defined in 24 CFR 5.504(b)(3)

MONTHLY ADJUSTED INCOME. 1/12 of the Annual Income after Allowances or Adjusted Income.

MONTHLY INCOME. 1/12 of the Annual Income.

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

NET FAMILY ASSETS. Value of equity in savings, checking, IRA and Keogh accounts, real property, stocks, bonds, and other forms of capital investment. The value of necessary items of personal property such as furniture and automobiles is excluded from the definition.

NON-CITIZEN. A person who is neither a citizen nor a national of the United States.

OWNER. Any persons or entity having the legal right to lease or sublease a unit to a participant.

PARTICIPANT. A family that has been admitted to the PHA's certificate program or voucher program. The family becomes a participant on the effective date of the first HAP contract executed by the PHA for the family (First day of initial lease term).

PAYMENT STANDARD. In a voucher tenancy, the maximum subsidy payment for a family (before deducting the family contribution). For a voucher tenancy, the PHA sets a payment standard at 90-110% of the FMR.

PERSONS WITH DISABILITIES. Individuals with any condition or characteristic that renders a person an individual with a handicap as defined in 24 CFR 8.2.

PORTABILITY. Renting a dwelling unit with Section 8 tenant-based assistance outside the jurisdiction of the initial PHA

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

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

PUBLIC ASSISTANCE. Welfare or other payments to families or individuals, based on need, which are made under programs funded, separately or jointly, by Federal, state, or local governments.

PUBLIC HOUSING AGENCY (PHA). A state, county, municipality, or other governmental entity or public body authorized to administer the programs. The term "PHA" includes an Indian housing authority (IHA). ("PHA" and "HA" mean the same thing.) In this rule, a "PHA" is referred to as a "housing agency".

RANKING PREFERENCE. A preference used by the PHA to select among applicant families that qualify for set-asides.

REASONABLE RENT. A rent to owner that is not more than the rent charged for comparable units in the private unassisted market, nor more than the rent charged for comparable unassisted units in the premises.

RECEIVING PHA. In portability: An PHA that receives a family selected for participation in the tenant-based program of another PHA. The receiving PHA may absorb the family or administer the family's voucher on behalf of the initial PHA.

RECERTIFICATION. Sometimes called reexamination. The process of securing documentation of total family income used to determine the rent the tenant will pay for the next 12 months if there are no additional changes to be reported. There are annual and interim recertifications.

REMAINING MEMBER OF TENANT FAMILY. Person left in assisted housing after other family members have left and become unassisted.

RENT TO OWNER. The total monthly rent payable to the owner under the lease for the unit. Rent to owner covers payment for any housing services, maintenance and utilities that the owner is required to provide and pay for.

RESIDENT ASSISTANT. A person who lives in an Independent Group Residence and provides on a daily basis some or all of the necessary services to elderly, handicapped, and disabled individuals receiving Section 8 housing assistance and who is essential to these individuals' care or well-being. A Resident Assistant shall not be related by blood, marriage or operation of law to individuals receiving Section 8 assistance nor contribute to a portion of his/her income or resources towards the expenses of these individuals.

SECRETARY. The Secretary of Housing and Urban Development.

SECURITY DEPOSIT. A dollar amount which can be applied to unpaid rent, damages or other amounts to the owner under the lease.

SERVICE PERSON. A person in the active military or naval service (including the active reserve) of the United States.

SINGLE PERSON. A person living alone or intending to live alone.

SPECIAL ADMISSION. Admission of an applicant that is not on the PHA waiting list or without considering the applicant's waiting list position.

SPECIAL HOUSING TYPES. See Subpart M of 24 CFR 982, which states the special regulatory requirements for SRO housing, congregate housing, group homes, shared housing, cooperatives (including mutual housing) manufactured homes (including manufactured home space rental), and homeownership.

SPOUSE. The husband or wife of the head of the household.

SUBSIDIZED PROJECT. A multi-family housing project which receives the benefit of subsidy in the form of:

1. Below-market interest rates pursuant to Section 221(d)(3) and (5) or interest reduction payments pursuant to Section 236 of the National Housing Act; or
2. Rent supplement payments under Section 101 of the H.U.D. Act of 1965; or
3. Direct loans pursuant to Section 202 of the Housing Act of 1959; or
4. Payments under the Section 23 Housing Assistance Payments Program pursuant to Section 23 of the United States Housing Act of 1937 prior to amendment by the Housing and Community Development Act of 1974;
5. Payments under the Section 8 Housing Assistance Payments Program pursuant to Section 8 of the United States Housing Act after amendment by the Housing and Community Development Act unless the project is owned by a Public Housing Agency;
6. A Public Housing Project.

SUBSIDY STANDARDS. Standards established by an PHA to determine the appropriate number of bedrooms for families of different sizes and compositions.

SUBSTANDARD UNIT. Substandard housing as defined by HUD; PHA gives applicant a housing condition preference if they are living in substandard housing.

SUSPENSION/TOLLING. Stopping the clock on the term of a family's voucher, for such period as determined by the PHA, from the time when the family submits a request for PHA approval to lease a unit, until the time when the PHA approves or denies the request.

TENANCY ADDENDUM. In the lease between the tenant and the owner, the tenancy language required by HUD.

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

TENANT RENT. The amount payable monthly by the family as rent to the owner; equal to Rent-to-Owner minus the HAP.

TOTAL TENANT PAYMENT (TTP). The total amount the HUD rent formula requires the tenant to pay toward rent and utilities.

UNIT. Residential space for the private use of a family.

UTILITIES. Utilities means water, electricity, gas, other heating, refrigeration, cooking fuels, trash collection and sewage services. Telephone and TV cable are not included as utilities.

UTILITY ALLOWANCE. If the cost of utilities including range and refrigerator, and other housing services for an assisted unit is not included in the Contract Rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by a PHA or HUD of a reasonable consumption of such utilities and other services for the unit by an energy conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthy living environment.

UTILITY REIMBURSEMENT PAYMENT. The amount, if any, by which the Utility Allowance for the unit, if applicable, exceeds the Total Tenant Payment for the family occupying the unit.

VACANCY LOSS PAYMENTS. In the Moderate Rehabilitation and Project-Based Assistance Programs, the owner is eligible for 80% of the Contract Rent for a vacancy period of up to one month, (beyond the month in which the vacancy occurred) if s/he notifies the PHA as soon as s/he learns of the vacancy, makes an effort to advertise the unit, and does not reject any eligible applicant except for good cause.

VERY LOW INCOME FAMILY. A Lower-Income Family whose Annual Income does not exceed 50% of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50% of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes.

VETERAN. A person who has served in the active military or naval service of the United States at any time and who shall have been discharged or released therefrom under conditions other than dishonorable.

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

WAITING LIST ADMISSION. An admission from the PHA waiting list.

WAITING LIST. A list of families organized according to HUD regulations and PHA policy who are waiting for subsidy to become available.

WELFARE ASSISTANCE. Welfare or other payments to families or individuals, based on need, that are made under programs funded, separately or jointly, by Federal, state, or local governments.

WELFARE RENT. This concept is used in "AS-PAID" states, like NYS. It is the amount that social services budgets for housing by family size.

C. GLOSSARY OF TERMS USED IN THE NONCITIZENS RULE

CHILD. A member of the family other than the family head or spouse who is under 18 years of age.

CITIZEN. A citizen or national of the United States.

EVIDENCE. Evidence of citizenship or eligible immigration status means the documents which must be submitted to evidence citizenship or eligible immigration status.

PHA. A housing authority- either a public housing agency or an Indian housing authority or both.

HEAD OF HOUSEHOLD. The adult member of the family who is the head of the household for purpose of determining income eligibility and rent.

HUD. Department of Housing and Urban Development.

INS. The U.S. Immigration and Naturalization Service.

MIXED FAMILY. A family whose members include those with citizenship or eligible immigration status and those without citizenship or eligible immigration status.

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

NONCITIZEN. A person who is neither a citizen nor nation of the United States.

PHA. A housing authority who operates Public Housing.

RESPONSIBLE ENTITY. The person or entity responsible for administering the restrictions on providing assistance to noncitizens with ineligible immigration status (the PHA).

SECTION 214. Section 214 restricts HUD from making financial assistance available for noncitizens unless they meet one of the categories of eligible immigration status specified in Section 214.

SPOUSE. Spouse refers to the marriage partner, either a husband or wife, who is someone you need to divorce in order to dissolve the relationship. It includes the partner in a common-law marriage. It does not cover boyfriends, girlfriends, significant others, or "co-heads." "Co-head" is a term recognized by some HUD programs, but not by public and Indian housing programs.

PROGRAM INTEGRITY

INTRODUCTION

The PHA is committed to assuring that the proper subsidy is paid on behalf of every participating family, and that housing resources reach only income-eligible families. The PHA will take all practical steps to prevent fraud, waste, and mismanagement so that program resources are utilized judiciously. This chapter outlines the PHA's policies for the prevention, detection and investigation of program abuse and fraud.

A. STEPS THE PHA WILL TAKE TO PREVENT PROGRAM ABUSE AND FRAUD

The PHA seeks to establish confidence and trust by emphasizing education as the primary means of obtaining compliance by families. The PHA staff will utilize the following methods and practices in an effort to prevent program abuse, non-compliance, and willful violations of program rules by applicants and participating families.

- 1. Program Orientation.** Mandatory orientations are conducted by the PHA and must be attended by prospective participants prior to issuance of a voucher. Orientations include a discussion of all pertinent program rules and regulations, and the tenant packet contains a written list of tenant obligations.
- 2. Recertification Process.** Staff are available in person or by phone to explain the process; required reporting, verification forms, etc. Participants are advised to review and understand all of their documents before signing and/or certifying.

B. STEPS THE PHA WILL TAKE TO DETECT PROGRAM ABUSE AND FRAUD

- 1. Quality Control File Reviews.** A sampling of participant files will be reviewed each month. Such reviews shall include but not be limited to:
 - Assurance that verification of all income and deductions is present.
 - Accuracy of calculations
 - Authenticity of file documents.
 - Ratio between reported income and expenditures.
 - Review of signatures for consistency with previous signatures.
 - All forms are correctly dated and signed.
- 2. Observation.** PHA staff will be aware of circumstances which may indicate program abuse or fraud, such as unauthorized persons residing in the household and extremely low income. Requests for income information will be submitted to EIV for families reporting extremely low or no income.

C. CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD

The PHA has a responsibility to HUD, to the community, and to eligible families in need of housing assistance, to monitor participants and owners for compliance and, when indicators of possible abuse come to the PHA's attention, to investigate such claims.

The PHA will initiate an investigation of a participating family in the event of one or more of the following circumstances:

1. **Referrals, Complaints, or Tips.** The PHA will follow up on referrals from other agencies, companies or persons which are received by mail, by telephone or in person, which allege that a family is in non-compliance with, or otherwise violating the family obligations or any other program rules. Such follow-up will be made provided the referral contains at least one item of information that is independently verifiable. A copy of the allegation will be retained in the family's file.
2. **Internal File Review.** A follow-up will be made if PHA staff discovers (as a function of a certification or recertification, an interim redetermination, or a quality control review), information or facts which conflict with previous file data, the PHA's knowledge of the family, or is discrepant with statements made by the family.
3. **Verification of Documentation.** A follow-up will be made if the PHA receives independent verification or documentation which conflicts with representations in the family's file (such as public record information, credit bureau reports, social security print-outs, or reports from other agencies).

D. STEPS THE PHA WILL TAKE TO INVESTIGATE ALLEGATIONS OF ABUSE AND FRAUD

All reports, allegations, and complaints of fraud will be evaluated to determine if they warrant follow-up. The PHA will not follow up on reports which are vague or otherwise non-specific. Staff will only review reports which contain one or more independently verifiable facts.

Upon receipt of a report of fraud or abuse (most often unreported household members or income), staff will take the following steps:

1. **Conduct a File Review.** Determine if the subject of the allegation is a client of the PHA and, if so, determine whether or not the reported information was previously disclosed by the family. If the family already reported the information, there is no fraud or abuse and the case is closed. Staff will make note in the activity record of the complaint/report and the PHA's finding in the case.
2. **Follow Up on Findings.** If there is no evidence that the family disclosed the reported information, staff will attempt to obtain third-party verification of the report by contacting appropriate sources including but not limited to:

Employers and Ex-Employers may be contacted to verify wages which may have been previously undisclosed or misreported.

Landlords may be interviewed as they may have direct or indirect knowledge of facts pertaining to the PHA's review.

DSS / Social Security / Dept. of Labor (UIB) may be contacted about past or current benefits.

Public Records may be reviewed by the PHA, if relevant to the situation. Examples of public records which may be checked are: real estate, marriage, divorce, voter registration, judgments, court or police records, state wage records, utility records and postal records.

3. **Contact Family.** If the PHA determines that an allegation warrants follow-up, (ie; staff has obtained third-party verification of the program abuse), the family will be sent a "we have reason to believe" letter which requires the family to contact the PHA to discuss the allegation. If the family fails to contact the PHA, termination proceedings begin. If the family does contact the PHA, a meeting is scheduled with a supervisor and the housing specialist in attendance.

During the meeting the PHA will discuss the allegation (or details thereof) with the Head of Household or family member. If the family denies the allegation they will be advised to submit verification of their position within a reasonable time period. A high standard of courtesy and professionalism will be maintained by the PHA at all times.

4. **Submission and Review of Verification.** If the family submits verification that supports their position (that there was no fraud or program abuse), the file is so noted and the case is closed. If the family fails to submit verification, termination proceedings begin. If the verification submitted indicates that a violation occurred, the PHA will further evaluate the situation to determine appropriate corrective action .

E. EVALUATION OF THE FINDINGS / DISPOSITION OF THE CASE

If it is determined that a program violation occurred, the PHA will review the facts to determine the type of violation (procedural, non-compliance, fraud); whether the violation was intentional or unintentional; what amount of money (if any) is owed by the family; and if the family is eligible for continued assistance. The PHA will impose the most appropriate remedy based upon the type and severity of the violation.

1. **Procedural Non-compliance.** This category applies when the family fails to observe a procedure or requirement of the PHA , but does not misrepresent a material fact, and there is no retroactive assistance payments owed by the family.

Examples of non-compliance violations are:

Failure to appear at a pre-scheduled appointment.
Failure to return verification in time period specified by the PHA.

- (a) **Pending Termination Letter.** States what actions the family must take, by what date, and the consequences for non-compliance.
- (b) **Final Termination Letter.** If the family does not comply with the Pending Termination Letter, Final Termination is sent; restates violation(s), provides termination date, and offers opportunity to appeal the termination.

2. Procedural Non-compliance - Overpaid Assistance. When the family owes money to the PHA for failure to report changes in income or assets, the PHA will notify the family in writing of the overpayment. The letter will describe the violation, state the amounts owed to the PHA and the response deadline, and provide an opportunity to discuss and /or appeal the PHA's determination.

- (a) Participant Fails to Comply with PHA's Letter. The PHA will follow the Pending Termination / Final Termination procedure.
- (b) Participant Complies with PHA's Notice. When a family complies with the PHA's notice, the staff person responsible will meet with him/her to discuss and explain the family obligation or program rule which was violated. Repayment arrangements will be made at this time. If family fails to comply with their repayment agreement once executed, the PT/FT process will be instituted.

3. Misrepresentations. When a participant falsifies, misstates, omits or otherwise misrepresents a material fact which results (or would have resulted) in an overpayment of housing assistance by the PHA, the PHA will evaluate whether the participant had knowledge that his/her actions were wrong, and whether the participant willfully violated the family obligations or the law.

Knowledge that the action or inaction was wrong. This will be evaluated by determining if the participant was made aware of program requirements and prohibition.

The participant willfully violated the law. Any of the following circumstances will be considered adequate to demonstrate willful intent:

- (a) An admission by the participant of the misrepresentation.
- (b) That the act was done repeatedly.
- (c) If a false name or Social Security Number was used.
- (d) If there were admissions to others of the illegal action or omission.
- (e) That the participant omitted material facts which were known to him/her (e.g., employment of self or other household member).

- (f) That the participant falsified, forged or altered documents.

If the evidence indicates that the misrepresentation was not intentional and not serious, and if there was no overpayment of assistance, the PHA may determine that a warning to the family is sufficient to remedy the situation.

- 4. **Serious Violations and Misrepresentations.** When the PHA establishes that material misrepresentation(s) occurred and that those misrepresentations were intentional, the consequences of the family's action(s) will be more serious. The PHA will review its information and evidence with the family and provide an opportunity for the family to explain or defend its actions. Prior to final determination of a remedy the PHA will consider:

- The duration of the violation and number of false statements.

- The family's ability to understand the rules.

- The family's willingness to cooperate, and to accept responsibility for his/her actions.

- The amount of money involved.

- The family's past history

- Whether or not criminal intent has been established.

- 5. **Dispositions of Cases Involving Misrepresentations.** In all cases of misrepresentations involving efforts to recover monies owed, the PHA may pursue, depending upon its evaluation of the criteria stated above, one or more of the following actions:

- (a) Criminal Prosecution: If the PHA has established criminal intent, and the case meets the criteria for prosecution, the PHA may refer the case to HUD's Inspector General, and terminate rental assistance.
- (b) Termination of Assistance: If the violation was intentional but not necessarily criminal, the PHA may terminate assistance and demand payment of restitution.
- (c) Warning and Repayment: If the violation was not intentional but there was an overpayment of assistance, the PHA may issue the family a written warning and demand restitution.

F. PLACEMENT OF DOCUMENTS, EVIDENCE AND STATEMENTS OBTAINED BY THE PHA

Documents and other evidence obtained by the PHA during the course of its review will be kept

in the family's active file.

MODERATE REHABILITATION PROGRAM

The PHA administers the Moderate Rehabilitation Program (MRP) in accordance with 24 CFR 882, Parts D & E, and this Administrative Plan. Many of the policies and procedures for this program are the same as those that apply to the voucher program. Those that are different from the voucher program are described in this Addendum.

A. TENANT OUTREACH

Experience indicates that families who have applied for tenant-based assistance do not tend to be interested in relocating to units assisted through the Moderate Rehabilitation Program (MRP). It seems they prefer to wait for a voucher that they can use in the unit of their choice. For this reason past efforts to refer waiting list applicants to owners seeking tenants for their MRP units, have been rather fruitless. Rather than notify specific Section 8 applicants of MRP opportunities, the PHA notifies and solicits prospective tenants for MRP units through the following means:

1. A list of MRP vacancies (which is updated once each week) is offered to anyone who visits the PHA's office to seek housing assistance. A large number of eventual MRP tenants come to the program through this means; they accept the referral to MRP vacancies primarily because they face such a long wait for tenant-based rental assistance.
2. Staff take hundreds of phone calls each week from people in need of housing assistance; some are on the waiting list for tenant-based assistance and some are not. Staff explain the MRP to most every caller and offer to run down the current list of vacancies. Callers can also check the MRP vacancies without the counselor's assistance by accessing an automated voice-mailbox that contains a recorded list of vacancies, or by visiting Belmont's website.
3. The PHA responds to each eligible applicant for tenant-based assistance (when the waiting list is open to new applicants) with a Waiting List Placement Letter which reminds the applicant about the MRP option. The letter invites interested parties to contact staff for more information and a list of current vacancies.

If the PHA is unable to refer a sufficient number of interested applicants to the owner within 30 days of the owner's notification of the vacancy, the owner may advertise or solicit applications from very low income families and refer such families to the PHA to determine eligibility.

B. TENANT BRIEFING

Prior to receiving assistance in a MR unit, an adult member of the household must attend a tenant briefing. These group orientations are usually held in Belmont's main office, last about an hour and a half, and cover such topics as total tenant payment, schedule of allowances for utilities, family responsibilities under the lease, fair housing laws, differences between tenant-based and project-based assistance programs, hazards of lead based paints, and family's options should they be required to move due to a change in household size.

C. STATEMENT OF FAMILY RESPONSIBILITY

In the tenant-based assistance programs, the participant executes a voucher which, among other things, lists the family's obligations under the program. In the MRP, the tenant executes a HUD-prescribed form called the Statement of Family Responsibility which lists family obligations.

D. INSPECTIONS

Annual Inspections

Every MR unit receives an annual inspection (by project), usually between October and April. The PHA adopted this schedule because of the availability of inspectors during the less-busy months, and because it allows for the inspection of the entire project at one time.

If the owner fails to make required repairs within 30 days, HAP is abated beginning the first of the month following the repair due date. If the abatement continues into a second month, the owner will receive notice that the unit will be removed from the Mod-Rehab Contract if the abatement is still in effect at the end of the second month. The tenant in place when the Contract is reduced, will be issued a tenant-based voucher.

Move-Out/Original Inspections

In the MRP, move-out inspections are required as they become the basis for the move-in or original inspection. Upon notification from the owner that a unit has been vacated, the PHA conducts a move-out inspection that identifies all repairs that must be made before the next tenant can be assisted in that unit. The owner is given 30 days to make any required repairs. When the unit passes its reinspection, the inspection report becomes the original inspection report for the new tenant.

If the owner fails to make required repairs within 30 days, the unit is not available for occupancy by another family. Furthermore, the owner is not eligible to receive a vacancy payment because the unit is not ready for occupancy. If a unit is vacant for six (6) months, the owner will receive notice that the unit is removed from the Mod-Rehab Contract. Since there is no tenant in the unit at the point the Contract is reduced, the replacement voucher will go to the next person on the waiting list.

E. OVERCROWDED AND UNDER-OCCUPIED UNITS

If the PHA determines that a unit is not decent, safe, and sanitary because of an increase in family size, or that the unit is larger than appropriate for the size of the family in occupancy, the family may be required to move. The property owner will be required to offer the family the next available appropriate size unit in the project. If there is no such unit in the project, the family will be required to move to some other unit before the next annual recertification. The PHA will make every effort to help the family locate suitable, affordable housing within the locality. However, the PHA is under no obligation to provide tenant-based assistance to a family in this situation.

F. TOTAL TENANT PAYMENT (TTP) EXCEEDS GROSS RENT

If and when a family's TTP exceeds the gross rent, rental assistance payments cease and the family pays the full rent to the owner. The family may continue to reside in the unit so long as they continue to comply with program regulations. The HAP Contract remains in effect; the owner may request annual increases in rent, the family is offered the opportunity for interim reexaminations, the PHA inspects the unit annually, and the owner is required to maintain the unit to federal HQS. The owner may not increase the rent during the term of the Contract without the approval of the PHA.

G. HAP CONTRACT REDUCTION, TERMINATION OR EXPIRATION

In the event that a HAP Contract expires or is reduced or terminated, the family in place will be offered a voucher to assist them should they decide to relocate. If the unit is vacant when the Contract ends, or the in-place tenant chooses to remain in the unit without assistance, the remaining funding authority will be transferred to the voucher program.

Moderate Rehabilitation HAP Contract expirations/extensions are handled in accordance with HUD Notice PIH 98-62 and PIH 99-22.

H. RECEIPT OF TENANT BASED ASSISTANCE

A family being assisted through the Moderate Rehabilitation Program may also have an application on the tenant-based assistance waiting list. In order to make use of the voucher, if and when they are selected and determined eligible, the family would have to move from the mod rehab unit.

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VIOLENCE AGAINST WOMEN ACT OF 2005

Revised May 2017

INTRODUCTION

The Violence Against Women Act (VAWA) provides protections for victims of domestic violence, dating violence, sexual assault, or stalking. VAWA protections are not only available to women, but are available equally to all individuals regardless of sex, gender identity, or sexual orientation. The US Department of Housing and Urban Development (HUD) is the Federal agency that oversees that PHA is in compliance with VAWA. Amendments to the Section 8 statute clarify that victims of domestic violence may not be evicted from or denied housing if the asserted grounds for the eviction is an instance of domestic violence. PHA's and all landlords, owners and managers participating in Section 8 Programs must comply with this law.

A) DEFINITIONS (as defined in VAWA)

Domestic Violence “includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other adult person against a victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction receiving grant monies.”

Dating Violence means “violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim, and where the existence of such a relationship shall be determined based on a consideration of the following factors: the length of the relationship, the type of relationship, and the frequency of the interaction between the persons involved in the relationship.”

Sexual Assault is “any type of sexual contact or behavior that occurs without consent of the recipient. Falling under the definition of sexual assault is sexual activity such as forced sexual intercourse, sodomy, molestation, incest, fondling, and attempted rape. It includes sexual acts against people who are unable to consent either due to age or lack of capacity.”

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

Affiliated Individual means “your spouse, parent, brother, sister, or child, or a person to whom you stand in the place of a parent or guardian (for example, the affiliated individual is in your care, custody, or control); or any individual, tenant, or lawful occupant living in your household.”

Where this plan references “domestic violence” it is meant to include dating violence, sexual assault and stalking.

B) APPLICABILITY

PHAs and all landlords, owners and managers participating in the Section 8 Housing Choice Voucher Program, Project-Based Voucher Program and Moderate Rehabilitation Program must comply with this law.

VAWA protects an individual when even one incident of domestic violence occurs against the victim, and when that incident forms the basis for the PHA's or landlord's action against the victim. The law provides that criminal activity directly relating to domestic violence, engaged in by a member of the tenant's household or any guest or other person under the tenant's control, shall not be the cause for termination of assistance or tenancy if the tenant or an immediate family member of the tenant's family is the victim or threatened victim of that abuse. The law explicitly provides that an incident of actual or threatened domestic violence does not qualify as a "serious or repeated violation of the lease."

VAWA states that a Section 8 landlord may bifurcate a lease in order to evict the offender while allowing the victim to remain in the assisted unit.

While the intent of this law is to protect victims of domestic violence from eviction and / or housing discrimination, it permits eviction if the landlord demonstrates "an actual and immediate threat to other tenants or those employed at or providing service to the property" if the tenant's lease is not terminated.

C) DOCUMENTATION OF DOMESTIC VIOLENCE

If a tenant seeks protection under VAWA, the PHA or landlord may ask the tenant to provide verification of the domestic violence before complying with the law. However, nothing in the statute requires the PHA or landlord to ask for this documentation; they may comply based solely on the individual's statement or other corroborating evidence.

- This PHA will require verification or certification of the domestic violence before complying with the law.

VAWA allows the PHA or owner responding to an incident of domestic violence that could affect the tenant's participation in the Section 8 program to request in writing that the individual submit documentation of the domestic violence within 14 days of the request. The PHA or owner may request that the individual use the Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking form, but may also choose to accept other documentation. If the tenant does not submit the requested documentation within 14 days, none of the protections afforded to victims of domestic violence apply. The PHA would be free to terminate assistance and the owner would be free to evict. However, the PHA or owner may also extend the deadline at its discretion.

- This PHA will accept the completed HUD Certification along with another other form of written verification as proof of the domestic violence. Written verification may be a police report or court record of the incident or documentation signed and attested to by an employee, agent or volunteer of a victim service provider, an attorney or medical professional, from whom the victim has sought assistance in addressing the domestic violence.

If the tenant requests a blank HUD Certification from the PHA, staff will discuss with the tenant the delivery of that form so as to not place the victim at risk if the abuser monitors the mail.

D) DOCUMENTATION REQUIREMENTS OF THE PHA

Since this statute primarily addresses lease termination and eviction, it tends to impact the actions of the property owner more often than the actions of the PHA. It is the owner who is prohibited from evicting the tenant and only rarely will the PHA have to consider whether or not the tenant's assistance should be terminated. However, there may be times when the PHA will have to determine if domestic violence played a role in the tenant's offending behavior.

For example, a tenant may move in violation of the lease and claim that they had to move in order to elude an abuser. In this case and others, the PHA has to decide whether or not the tenant's assistance should be terminated due to some program violation.

- In cases such as these, the PHA will require the tenant to submit timely documentation of the domestic violence.

It is also certainly possible that in spite of the PHA notifying owners of their obligations under VAWA, an owner may succeed in evicting a tenant in violation of VAWA. Therefore, it will be necessary for staff to ascertain the grounds for any eviction to ensure that the PHA does not terminate assistance (due to the eviction) in violation of VAWA.

The tenant may fully satisfy this PHA's documentation requirements by producing a police report or court record that documents the incident. Alternatively, the tenant may provide a statement in which an employee, agent, or volunteer of a victim service provider, an attorney, or a medical professional, from whom the victim has sought assistance in addressing domestic violence issues, attests that the professional believes that the incident or incidents in question are bona fide incidents of abuse. The victim must sign and attest to the third-party documentation, and the documentation must name the offender. The victim will be provided with and encouraged to use the Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking form to facilitate documentation and certification of the incident(s) of domestic violence.

Although the tenant is expected to submit documentation within 14 days of the date of request, the PHA may extend that deadline at its discretion.

E) CONFIDENTIALITY

The PHA must keep confidential any information provided in relation to the exercise of a tenant's rights under VAWA, including the fact that the tenant exercised such rights.

The PHA must not allow any individual administering assistance or other services on behalf of PHA (for example, employees and contractors) to have access to confidential information unless there are reasons that specifically call for these individuals to have access to this information under applicable Federal, State, or local law.

PHA must not enter a tenant's information into any shared database or disclose a tenant's information to any other entity or individual. However, the PHA may disclose the information if:

- The tenant gives written permission to the PHA to release the information on a time-limited basis.
- The PHA needs to use the information in an eviction or termination proceeding, such as to evict the abuser or perpetrator or terminate the abuser or perpetrator from assistance under this program.
- A law requires the PHA or the landlord to release the information.

VAWA does not limit the PHA's duty to honor court orders about access to or control of the property. This includes orders issued to protect a victim and orders dividing property among household members in cases where a family breaks up.

F) NOTICE TO TENANTS AND LANDLORDS

The PHA notified all participating tenants of their rights and responsibilities under VAWA by mailing each one a Notice of Occupancy Rights with their recertification packet (May 2017-April 2018). All participating landlords were notified through a May 2017 mailing.

The required Notice of Occupancy Rights is incorporated in the tenant and landlord handbooks to ensure that all future participants are aware of their rights and responsibilities relative to domestic violence and tenancy.

Furthermore, both handbooks provide instructions for obtaining the Certification of Domestic Violence, Dating Violence, Sexual Assault or Stalking form.