

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 Housing Choice Voucher Program, are described in and implemented through its Administrative Plan (24 CFR Parts 888 & 982).

Administration of the Section 8 Program and the functions and responsibilities of the Housing Authority (HA) staff shall be in compliance with the HA's Policies and the Department of Housing and Urban Development's (HUD) Section 8 Regulations as well as all Federal, State, and local Fair Housing Laws and Regulations.

A.LOCAL OBJECTIVES

The Section 8 Program is designed to achieve three major objectives:

- *1. To provide decent, safe, and sanitary housing for very low income families while maintaining their rent payments at an affordable level.
- *2. To promote freedom of housing choice and spatial de-concentration of very low income families of all races and ethnic backgrounds.
- *3. To provide an incentive to private property owners to rent to very low income families by offering timely assistance payments.

In addition, the HA have the following goals for the program:

- *1. To assist the local economy by increasing the occupancy rate and the amount of money flowing to the community.
- *2. To encourage self sufficiency of participant families.

B.PURPOSE OF THE PLAN

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

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

C.FAIR HOUSING POLICY [24 CFR 982.54(d) (6)]

It is the policy of the Housing Authority to comply fully with all Federal, State, and local nondiscrimination laws and with the rules and regulations governing Fair Housing

and Equal Opportunity in housing and employment.

The HA shall not deny any family or individual the opportunity to apply for or receive assistance under the Section 8 Programs on the basis of race, color, sex, religion, creed, national or ethnic origin, age, family or marital status, handicap or disability or sexual orientation.

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

Except as otherwise provided in 24 CFR 8.21 (c)(1), 8.24, and 8.31, no individual with disabilities shall be denied the benefits of, be excluded from participation in, or otherwise be subjected to discrimination because the HA's facilities are inaccessible to or unusable by persons with disabilities.

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

The Secaucus Housing Authority, 700 County Avenue, Secaucus NJ 07094 is accessible to persons with disabilities. Accessibility for the hearing impaired is provided by the TTD/TDY telephone number.

D.SERVICE POLICY/ACCOMMODATIONS

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

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

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

Requests for reasonable accommodation from persons with disabilities will be granted upon verification that they meet the need presented by the disability.

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

All HA mailings will be made available in an accessible format upon request, as a reasonable accommodation.

Verification of a Request for Accommodation

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

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

*A list of accessible units will be provided (where available).

E. TRANSLATIONS OF DOCUMENTS

The Housing Authority does not have bilingual staff to assist non-English speaking families.

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

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

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

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

*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.

F. FAMILY OUTREACH

The HA will publicize and disseminate information to make known the availability of housing assistance and related services for very low income families on a regular basis. When the HA's waiting list is open, the HA will publicize the availability and nature of housing assistance for very low income families in a newspaper of general circulation, minority media, and by other suitable means. Notices will also be provided in Italian.

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

*The HA will communicate the status of housing availability to other service providers in the community, advise them of housing eligibility factors and guidelines in order that they can make proper referrals for housing assistance.

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

The HA encourages owners of decent, safe, and sanitary housing units to lease to Section 8 families. When listings from owners are received, they will be complied by the HA staff by bedroom staff.

*The Housing Authority will actively recruit suburban property owners and when available grant exception rents for accessible and suburban properties.

*The staff of the HA initiates personal contact with private property owners and managers by conducting formal and informal discussions and meetings.

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

*The HA has active participation in a community based organization(s) comprised of private property and apartment owners and managers.

*The HA periodically evaluates the distribution of assisted families to identify areas within the jurisdiction where owner outreach should be targeted.

*The HA conducts periodic meetings with participating owners to improve owner relations and to recruit new owners.

H.PRIVACY RIGHTS

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

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

Any and all information which would lead one to determine the nature and/or severity of a person's disability must be kept in a separate folder and marked "confidential". The personal information in this folder must not be released except on an "as needed" basis in cases where an accommodation is under consideration. All requests for access and granting of accommodations based on this information must be approved by the Executive Director.

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

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

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

*The HA's practices and procedures are designed to safeguard the privacy of applicants and program participants. All applicant and participant files will be stored in a

secure location which is only accessible by authorized staff.

*All files must be signed for when removed from the secured file storage area.

*The staff person who signs as utilizing a file is responsible for its security. Files will never be left unattended or placed in common areas.

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

I.EQUAL EMPLOYMENT OPPORTUNITY

The HA will practice affirmative action in hiring, promotion and conditions of employment. Position vacancies are publicly advertised. The HA's recruitment practices will apply outreach to community-based racial and ethnic groups so that the position and culture of the staff reflects the composition and culture of the community, to the extent possible. All HA job postings will display the affirmative action/equal employment opportunity logo and slogan prominently.

J.RULES AND REGULATIONS

This Administrative Plan is set forth to define the HA's local policies for operation of the housing programs in the context of Federal laws and Regulations. All issues related to Section 8 not addressed in this document are governed by such Federal regulations, HUD memos, Notices and guidelines, or other applicable law.

K.JURISDICTION

The jurisdiction of the HA is the Town of Secaucus, the County of Hudson, State of New Jersey.

L.MONITORING PROGRAM PERFORMANCE

Reports will be maintained for:

*Monitoring funding availability, to ensure the HA is at maximum lease up but not overleased

*Tracking outstanding Certificates and Vouchers for expiration [or suspension]

*Timeliness of annual activities

*Numbers of failed inspections and abatements

*Claim payments made

*Number and reason for moves and terminations of assistance

*Repayment of amounts owed the HA

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

5% for reexaminations
5% for new applications
5% at least 5 of the HQS inspections completed by each inspector
5% of claims processed

M. TERMINOLOGY

The Housing Authority of the Town of Secaucus is referred to as "HA" or "Housing Authority" throughout this document.

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

"Tenant" is used to refer to participant in terms of their relation to landlords.

"Landlord" and "owner" are used interchangeably.

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

"New Rule" refers to 24 CFR Parts 888 and 982 dated 10/21/99 (statutory merger). "Old Rule" refers to the Regulations that were superseded on that date.

"Noncitizen Rule" refers to the regulations effective June 19, 1995 restricting assistance to U.S. citizens and eligible immigrants.

The Section 8 programs are also known as the Housing Choice Voucher program.

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

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

See Glossary for other terminology.

Chapter 2
ELIGIBILITY FOR ADMISSION

INTRODUCTION

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

Eligibility Factors

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

The HUD eligibility criteria are:

- An applicant must be a "family"
- An applicant must be within the appropriate Income Limits
- An applicant must furnish Social Security Numbers
- An applicant must furnish evidence of Citizenship/Eligible Immigrant Status

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

The Family's initial eligibility for placement on the waiting list will be made in accordance with the eligibility factors. Evidence of Citizenship/Eligible Immigrant Status will not be verified until the family is selected from the waiting list for issuance of a Certificate or Voucher.

*Eligibility factors will be briefed before the family is placed on the waiting list.

A. FAMILY COMPOSITION [24 CFR 982.54(d) (4) (i)]

The applicant must qualify as a Family. A Family may be a single person or a group of persons.

A group of persons may be:

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

*Two or more persons who intend to share residency whose income and resources are available to meet the family's needs and who have a history as a family unit or show evidence of a stable family relationship.

Two or more elderly or disabled persons living together, or one or more elderly or

disable persons living with one or more live-in aides is a family.

A child who is temporarily away from home because of placement in foster care is considered a member of the family. This provision only pertains to the foster child's temporary absence from the home, and is not intended to artificially enlarge the space available for other family members.

A single person may be:

- An elderly person
- A disabled person
- A person with a disability
- Any "other single" person

Head of Household

The head of household is the adult member of the household who is designated by the family as head, is wholly or partly responsible for paying the rent, and has the legal capacity to enter into a lease under State/Local law. [Emancipated minors who qualify under State law will be recognized as head of household.]

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

Spouse of Head

Spouse means the husband or wife of the head.

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

Live-In Attendants

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

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

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

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

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

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

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

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

A Live in Aide may only reside in the unit with the approval of the HA. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or case worker. The verification provider must certify that a live-in aide is needed for the care of the family member who is elderly, near-elderly (50-61) or disabled. *Verification must include the hours the care will be provided.

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

Split Households Prior to Voucher Issuance

When a family on the waiting list splits into two otherwise eligible families due to divorce or legal separation, and the new families both claim the same placement on the waiting list, and there is no court determination, the HA will make the decision taking into consideration the following factors:

- * 1. Which family member applied as head of household.
- * 2. Which family unit retains the children or any disabled or elderly members.
- * 3. Restrictions that were in place at the time the family applied.
- * 4. Role of domestic violence in the split.
- * 5. Recommendations of social service agencies or qualified professionals such as children's protective services.

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

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

Multiple Families in the Same Household

When families apply which consist of two families living together, (such as a mother and father, and a daughter with her own husband or children), if they apply as a family unit, they will be treated as a family unit.

Joint Custody of Children

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

*When both parents are on the Waiting List and both are trying to claim the child, the parent whose address is listed in the school records will be allowed to claim the school-age child as a dependent.

B. INCOME LIMITATIONS [24 CFR 813.106, 982.201 (b) (d), 982.54(d) (4) (ii)]

In order to be eligible for assistance, an applicant must have an income below 80% of the area median income. The HA will admit 75% of all new admission with income at or below 30% of the area median income.

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

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

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

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

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

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

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

C. MANDATORY SOCIAL SECURITY NUMBERS [24 CFR 750.10 (a-f)]

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

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

D. CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS [24 CFR 812.5]

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

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

Mixed Families A family is eligible for assistance as long as at least one member is a citizen or eligible immigrant. Families that include eligible and ineligible individuals are called "mixed". Such applicant families will be given notice that

their assistance will be pro-rated and that they may request a hearing if they contest this determination.

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

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

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

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

The HA may apply the following criteria, in addition to the HUD eligibility criteria, as grounds for denial of admission to the program.

1. Certificate Program family's Total Tenant Payment, computed in accordance with the federal regulations, may not exceed the current Fair Market Rent as set by HUD for the family's certificate size in the area and any increase as approved by HUD.
2. The Family must have not have violated any family obligation during a previous participation in the Section 8 program.

When the HA denies assistance to an applicant with a disability, the applicant may request a review of the family obligation that was violated, if the violation was a result of the disability.

* An exception may be granted by the HA if the family member who violated the family obligation is not a current member of the household on the application.

3. No family member may have committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program in the last year.
4. Family must not have violated the requirements under the family's Contract of Participation in the Family Self Sufficiency Program without good cause.
5. Family must have paid any outstanding debt owed the HA or another HA as a result of prior participation in any federal housing program.

*No Repayment Agreement will be accepted.

*At the time of initial application, the family must pay any such debts in full in order to be placed on the waiting list.

6. No member of the family may have engaged in drug related or violent criminal activity.

*The HA will not be obligated to ferret out information concerning a family's criminal activities as part of the processing of an application for assistance.

Initial screening will be limited to routine inquiries of the family and any other information provided to the HA regarding this matter. The inquiries will be standardized and directed to all applicants by inclusion in the application form.

*If either as a result of the standardized inquiry or the receipt of a verifiable referral, there is indication that the family or any family member is engaged in drug-related criminal activity or violent criminal activity, the HA may conduct closer inquiry to determine whether the family should be denied admission.

*If the family indicates that they have been arrested or convicted within the prior 36 months for drug-related or violent criminal activity, the HA shall obtain verification through police/court records.

*The HA may check criminal history for all applicants/adults in the household to determine whether any member of the family has engaged in violent or drug-related criminal activity.

*Verification of any past activity will be done at final eligibility and may include a check of conviction records.

7. No family member may have been evicted from public housing for any reason during the last year.
8. No family member may have engaged in or threatened abusive or violent behavior toward HA personnel.

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

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

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

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

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

H. INELIGIBLE FAMILIES

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

Chapter 3
APPLYING FOR ADMISSION

INTRODUCTION

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

A. HOW TO APPLY

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

*Applications will be mailed to interested families upon request.

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

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

B. OPENING/CLOSING OF APPLICATION TAKING [24 CFR 982.206 982.54(d) (1)]

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

When the HA opens the waiting list, the HA will advertise through public notice in the newspapers, minority publications and media entities the location(s) and program(s) for which applications are being accepted in the local paper of record and other media.

The notice will contain:

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

The programs for which applications will be taken.

A brief description of the program.

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

Limitations, if any, on who may apply.

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

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

When Application Taking Is Suspended

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

Any time that there are not enough applicants the HA may reopen the list.

*Suspension of application taking is announced in the same way as opening the waiting list.

The open period shall be long enough to achieve a waiting list adequate to cover projected turnover and new allocations over the next 12 months. The HA will give at least 7 days' notice prior to closing the list. When the period for accepting applications is over, the HA will add the new applications to the list by:

*Separating the new applicants into groups based on preferences and ranking applicants within each group by date and time application.

Limits on Who May Apply

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.

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

*Any family with federal preference and claiming local or ranking preferences.

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

When the application is submitted to the HA:

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

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

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

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

Names of adult members and age of all members

Sex and relationship of all members

Street Address and phone numbers

Mailing Address (If PO Box or other permanent address)

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

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

Information related to qualification for preferences

Social Security Numbers

Race/ethnicity

Citizenship/eligible immigration status

Arrests/Convictions for Drug Related or Violent Criminal Activity

Request for specific Accommodation needed to fully utilize program and services

*Previous address

*Current and previous landlords' names and addresses

*Emergency contact person and address

*Program integrity questions regarding previous participation in HUD programs

*Release forms

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

waiting list.

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

Applicants are required to inform the HA within 14 days of change in family composition, income, and address, as well as any changed in their status. Applicants are also required to respond to requests from the HA to update information on their application, or to determine their continued interest in assistance.

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

D. NOTIFICATION OF APPLICANT STATUS

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

This written notification of preliminary eligibility will be mailed to the applicant by first class mail.

If the family is determined to be ineligible based on the information provided in the pre-application, the HA will notify the family in writing (in an accessible format upon request as a reasonable accommodation), state the reason(s), and inform them of their right to an informal review. Persons with disabilities may request to have an advocate attend the informal review as an accommodation. See Chapter 19, "Complaints and Appeals."

E. TIME OF SELECTION

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

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

A pool of eligible applicant files will be maintained to minimize delays in admissions when funding becomes available. However, families are still offered certificates or vouchers in the waiting list sequence.

F. COMPLETION OF A FULL APPLICATION

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

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

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

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

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

REQUIREMENT TO ATTEND INTERVIEW

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

The head of household is required to attend the interview

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

Applicants who fail to appear and want to reschedule a missed appointment must make the request to reschedule not later than 5 days from the original appointment date. The request must be made to the staff person who scheduled the appointment.

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

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

If an application is denied due to failure to attend the full application interview, the applicant will be notified in writing and offered an opportunity to request an informal review. (See chapter 19, "Complaints and Appeals.")

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

Information provided by the applicant will be verified including information related to family composition, income, allowances and deductions, assets, eligible immigration status, full time students status and other factors related to preferences,

eligibility and rent calculation. Verifications may not be more than 60 days old at the time of certificate/voucher issuance.

If the HA determines at or after the interview that additional information or document(s) are needed, the HA will request the document(s) or information in writing. The family will be given 5 days to supply the information.

If the information is not supplied in this time period, the HA will provide the family a notification of denial for assistance. (See Chapter 19, "Complaints and Appeals.")

G. FINAL DETERMINATION AND NOTIFICATION OF ELIGIBILITY

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

CHAPTER 4
ESTABLISHING PREFERENCES AND MAINTAINING THE WAITING LIST
[24CFR 982.54 (D) (1)]

INTRODUCTION

It is the HA's objective to ensure that the families are placed in the proper order on the waiting list so that an offer of assistance is not delayed to any family, or made to any family prematurely. This chapter defines the eligibility criteria for Preferences and explains the HA's system of applying them. It also explains the ranking and/or local preferences which the HA has adopted to meet local housing needs. By maintaining an accurate waiting list, the HA will be able to perform the activities which ensure that an adequate pool of qualified applicants will be available so that program funds are used in a timely manner.

A. APPLICATION POOL

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

1. The application will be a permanent file.
2. All applicants in the pool will be maintained in order of preference. Applications equal in preference will be maintained by date and time sequence.
3. All applicants must meet the income limits as established by HUD.

Special Admissions [24CFR 982.54(d) (e)]

Applicants, who are admitted under Special Admissions, rather than from the waiting list, are identified by codes in the automated system and are/are not maintained on separate lists.

B. WAITING LIST PREFERENCES [24CFR 982.207]

An applicant will not be granted any preference if any member of the family has been evicted from any federally assisted housing during the past three years because of drug-related criminal activity.

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

- *The responsible member has successfully completed a rehabilitation program.
- *The evicted person was not involved in the drug related activity that occasioned the eviction.
- *The evicted person is no longer involved in any drug related criminal activity.
- *If an applicant makes a false statement in order to qualify for a preference, the HA will deny admission to the program for the family.

Special Admissions:

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 in the limit on non-federal preference admissions. The HA maintains separate records of these admissions.

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

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. For 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 2 or HOPE 2 project.

C. TARGETED FUNDING

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

The HA has the following "Targeted" Programs:

- *Disabled Veterans
- *Frail Elderly
- *Shelter Plus Care
- *HOPWA
- *Family Reunification

D. PREFERENCE ELIGIBILITY [24CFR 982.210 (C) (3-4)]

Change in Circumstances

Changes in an applicant's circumstances while on the waiting list may affect the family's entitlement to a preference. Applicants are required to notify the HA in writing when their circumstances change. When an applicant claims an additional preference, s/he will be placed on the waiting list in the proper order of their newly-claimed preference.

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

Retention of Preference for Public Housing Residents

If an applicant for Section 8 resides in the HA's public housing and was on the Section 8 waiting list when admitted to the public housing, the applicant's entitlement to a preference is based on the preference status at the time of admission to public housing.

Retention of Preference for HOME TBA participants

If an applicant for Section 8 is assisted under the HOME program and was selected for the HOME program based on their position on the Section 8 waiting list with the status held at time of admission to the HOME program.

Cross-Listing of Public Housing and Section 8

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

E. ORDER OF SELECTION [24CFR 982.207 (E), 982.210 (a)(b)]

The order of selection is based on the HA's system for weighing preferences and the HUD requirement that elderly and displaced families and displaced singles will always be selected before other singles.

Local Preferences

Local preferences will be aggregated with a point system. The following local preference shall be used in selecting applicants:

- An applicant who resides in the Town of Secaucus at the time they submit their application
- An applicant who is working in the Town of Secaucus at the time they submit their application
- Veterans & their spouse (1 year minimum service and Honorably Discharged)

Among Applicants with Equal Preference Status

Among applicants with equal preference status, the waiting list will be organized by date and time.

Under the singles rule, elderly and disabled families and displaced singles will always be selected before other singles without regard to preference status.

F. FINAL VERIFICATION OF PREFERENCE [24CFR 982.210 (c) (3)(4)]

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

*Obtain necessary verifications of preference at the interview and by third party verification.

G. PREFERENCE DENIAL [24 CFR 982.210 (d)]

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

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

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

If an applicant fails to respond to a mailing from the HA, the applicant will be sent written notification and given **30** days they will be removed from the waiting list. An extension will be considered an accommodation if requested by a person with a disability. If a letter is returned by the Post Office without a forwarding address, the applicant will be removed without further notice, and the envelope and letter will be maintained in the file. If a letter is returned with a forwarding address, it will be re-mailed to the address indicated.

The waiting list will be purged by a mailing to all applicants to ensure that the waiting list

is accurate and current. The mailing will ask for current information and confirmation of continued interest.

The same guidelines will be used for failure to respond to this mailing. Notices will be made available in accessible format upon the request of a person with a disability.

The HA allows a grace period of 30 days after completion of the purge. Applicants who respond during this grace period will be reinstated.

*Applicants are required to contact the HA in writing to confirm their continued interest. The HA will give written notification all applicants who fail to respond at the required items. If they fail to respond to this notification, they will be removed from the waiting list.

Chapter 5
SUBSIDY STANDARDS
[24 CFR 982.54 (d) (9)]

INTRODUCTION

HUD guidelines require that HA's establish subsidy standards for the determination on Voucher bedroom size, and that such standards provide for a minimum commitment of subsidy while avoiding overcrowding. The standards are 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 certificate/voucher size for various sized families when they are selected from the waiting list, as well as the HA's procedures when a family's size changed, or a family selects a unit size that is different from the Certificate or Voucher.

A. DETERMINING VOUCHER SIZE [24 CFR 982.402]

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

*For subsidy standards, an adult is a person 18 years or older.

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

* Persons of different generations, persons of the opposite sex (other than adults who have a spousal relationship and children under age 1.

* Live-in attendants will generally be provided a separate bedroom. No additional bedrooms are provided for the attendants' family.

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

* Adults of different generations will have separate bedrooms.

* Single person families shall be allocated one bedroom.

GUIDELINES FOR DETERMINING VOUCHER SIZE

Certificate/Voucher Size	Persons in Household (Minimum #)	Persons in Household (Maximum #)
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 [24 CFR 982.403(a) & (b)

Changes for Applicants

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

Requests for Exception to Subsidy Standards for Applicants

The family may request a larger sized voucher than indicated by the HA's subsidy standards. Such request must be made in writing within 7 days of the HA's determination of bedroom size. The request must explain the need or justification for a larger bedroom size.

Circumstances may dictate a larger size than the Subsidy Standards permit when persons cannot share a bedroom because of an accommodation which has been requested, such as:

- * Persons who cannot occupy a bedroom because of a verified medical or health reason.
- * Elderly persons or persons with disabilities who may require a live-in attendant

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

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

Changes for Participants

The members of the family residing in the unit must be approved by the HA. The family must obtain approval of any additional family member before the person occupies the unit except for additions by birth, adoption, or court-awarded custody, in which case the family must inform the HA within 30 days.

Requests for exception to Subsidy Standards for Participants

The HA will grant an extension upon request as an accommodation for persons with disabilities. A family may request a larger sized certificate or voucher than indicated by the HA's subsidy standards. Such request must be made in writing within 14 days of the HA's determination of bedroom size. The request must explain the need or justification for a larger bedroom size.

*When a change in family composition requires the issuance of another size Voucher, and funds are not available for the program in which the family is assisted, the family will be issued the other form of assistance.

*The HA will not issue a larger size Voucher due to additions to the family other than by birth, adoption, marriage, or court-awarded custody.

Underhoused and Overhoused Families

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

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

Changes for Applicants

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

Requests for Exception to Subsidy Standards for Applicants

*The family may request a larger sized voucher than indicated by the HA's subsidy standards. Such request must be made in writing within 7 days of the HA's determination of bedroom size. The request must explain the need or justification for a larger bedroom size.

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

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

Circumstances may dictate a larger size than the Subsidy Standards permit when persons cannot share a bedroom because of an accommodation which has been requested, such as:

*Persons who cannot occupy a bedroom because of a verified medical or health reason

*Elderly persons or Persons with disabilities who may require a live-in attendant

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

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

Changes for Participants

The members of the family residing in the unit must be approved by the HA. The family must obtain approval of any additional family member before the person occupies the unit except for additions by birth, adoption, or court-awarded custody, in which case the family must inform the HA within 30 days.

Transfer Waiting List

When a change in family composition requires the issuance of another size Voucher, and funds are not available for the type of assistance the family has, the family will be transferred to the other form of assistance. *If funds are not available for either

program, the family will be placed on a Transfer List.

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

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

- *1. A participant family (whose family composition has been approved by the HA) who requires a change in Voucher size because they are living in a unit which is overcrowded according to Housing Quality Standards.
- *2. A participant family (whose family composition has been approved by the HA) who requires a change in Voucher size under the Subsidy Standards, but not under Housing Quality Standards.
- *3. All others who require a transfer as determined by the HA.

C. UNIT SIZED SELECTED

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

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

- 1. Utility Allowance: The utility allowance used to calculate the gross rent is based on the actual size of the unit the family selects, regardless of the size authorized on the family's Certificate or Voucher.
- 2. Housing Quality Standards: The standards allow two persons per living/sleeping room and permit maximum occupancy levels (assuming a living room is used as a living/sleeping area) as shown in the table below. The levels may be exceeded if a room in addition to bedrooms and living room is used for sleeping.

HQS GUIDELINES FOR UNIT SIZE SELECTED
Maximum # of Persons in Household

0 Bedroom	1
1 Bedroom	4
2 Bedrooms	6
3 Bedrooms	8
4 Bedrooms	10
5 Bedrooms	12
6 Bedrooms	14

Chapter 6
FACTORS RELATED TO TOTAL TENANT PAYMENT DETERMINATION

INTRODUCTION [24CFR 813]

The accurate calculation of Annual Income and Adjusted Income will ensure that families are not paying more or less money for rent than their obligation under the Regulations. This Chapter defines the allowable deductions from Annual Income and how the presence or absence of household members may affect the Total Tenant Payment (TTP). Income and TTP are calculated in accordance with 24 CFR Part 813 and further instructions set forth in HUD Notices, Memoranda and Addenda. The formula for the calculation of TTP is specific and not subject to interpretation. The HA's policies in this Chapter address those areas which allow the HA discretion to define terms and to develop standards in order to assure consistent application of the various factors that relate to the determination of TTP.

A. INCOME AND ALLOWANCES

Income: The types of money which are to be used as income for purposes of calculating the TTP are defined by HUD in federal regulations. In accordance with this definition, income from all sources of each member of the household is counted.

Annual Income is defined as the gross amount of income anticipated to be received by the family during the 12 months after certification or recertification. Gross income is the amount of income prior to any HUD allowable expenses or deductions, and does not include income which has been excluded by HUD. Annual income is used to determine whether or not applicants are within the applicable income limits.

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

HUD has five allowable deductions from Annual Income:

1. Dependent allowance: \$480 for each family member, (other than the head or spouse), who are minors, and for family members who are 18 and older who are full-time students or who are disabled.
2. "Elderly" allowance: \$400 for families whose head or spouse is 62 or over or disabled.
3. Allowable medical expenses for all family members are deducted for "elderly" families.
4. Child care expenses for children under 13 are deducted when child care is necessary to allow an adult member to work or attend school.
5. Expenses for attendant care or auxiliary apparatus for persons with disabilities if needed to enable the individual or an adult family member to work.
6. Other allowance as promulgated by HUD and required by regulations.

B. DEFINITION OF TEMPORARILY/PERMANENTLY ABSENT [24 CFR 813.106, 982.54(D)(10), 982.551 (H)(2), (3), (7)]

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

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

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

Absence of Entire Family [24CFR 982.54(10)]

These policy guidelines address situations when the family is absent from the unit, but has not moved out of the unit. In cases where the family has moved out of the unit, the HA will terminate assistance in accordance with appropriate termination procedures contained in this Plan.

Families are required both to notify the HA before they move out of a unit and to give the HA information about any family absence from the unit.

* Families must notify the HA if they are going to be absent from the unit for more than [number] consecutive days.

If the entire family is absent from the assisted unit for more than 180 consecutive days, the unit will be considered to be vacated and the assistance will be terminated.

*If it is determined that the family is absent from the unit longer than the time specified in this Plan, the HA will not continue assistance payments.

*If it is determined that the family is absent from the unit, the HA will continue assistance payments for a maximum of 6 months, not to exceed 180 days.

HUD regulations require the HA to terminate assistance if the entire family is absent from the unit for a period of more than 180 consecutive calendar days.

"Absence" means that no family member is residing in the unit.

In order to determine if the family is absent from the unit, the HA may:

- *Write letters to the family at the unit
- *Telephone the family at the unit
- *Interview neighbors
- *Verify if utilities are in service

A person with a disability may request an extension of time as an accommodation, provided that the extension does not go beyond the HUD-allowed 180 consecutive calendar days limit.

*If the absence which resulted in termination of assistance was due to a person's disability, and the HA can verify that the person was unable to notify the HA in accordance with the family's responsibilities, and if funding is available, the HA may reinstate the family as an accommodation if requested by the family.

Absence of Any Member [24 CFR 982.54 (10)]

Any member of the household will be considered permanently absent if she/he is away from the unit for 6 consecutive months except as otherwise provided in this Chapter.

Absence due to Medical Reasons [24 CFR 982.54 (10)]

If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, the HA will seek advice from a reliable qualified source as to the likelihood and timing of their return. If the verification indicates that the family member will be permanently confined to a nursing home, the family member will be considered permanently absent. If the verification indicates that the family member will return in less than 180 consecutive days, the family member will not be considered permanently absent.

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

Absence due to Incarceration

If the sole member is incarcerated for more than 30 consecutive days, he/she will be considered permanently absent. Any member of the household, other than the sole member, will be considered permanently absent if he/she is incarcerated for 30 days in a twelve month period].

*The HA will determine if the reason for incarceration is for drug-related or violent criminal activity.

Foster Care and Absences of Children

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

If the time period is to be greater than 3 months from the date of removal of the children, there Voucher size will be reduced. If all children are removed from the home permanently, the certificate or voucher size will be reduced in accordance with the HA's subsidy standards.

Absence of Adult

If neither parent remains in the household nor the appropriate agency has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period, the HA will treat that adult as a visitor for the first 30 days.

If by the end of that period, court-awarded custody or legal guardianship has been awarded to the caretaker, the Voucher will be transferred to the caretaker.

If the appropriate agency cannot confirm the guardianship status of the caretaker, the HA will review the status at 30 day intervals.

If custody or legal guardianship has not been awarded by the court, but the action is in process, the HA will secure verification from social services staff or the attorney as to the status.

*The caretaker will be allowed to remain in the unit, as a visitor, until a determination of custody is made.

*The HA will transfer the voucher to the caretaker, in the absence of a court order, if the caretaker has been in the unit for more than 180 days and it is reasonable to expect that custody will be granted.

When the HA approves a person to reside in the unit as caretaker for the children, the income should be counted pending a final disposition. The HA will work with the appropriate service agencies and the landlord to provide a smoother transition in these cases.

If a member of the household is subject to a court order that restricts him/her from the home for more than 6 months, the person will be considered permanently absent.

If an adult family member leaves the household for any reason, the family must report the change in family composition to the HA within 30 days.

*The family will be required to notify the HA in writing within 30 days when an adult family member moves out. The notice must contain a certification by the family as to whether the adult is temporarily or permanently absent.

The family member will be determined permanently absent if verification is provided.

Time extension will be treated as an accommodation upon request by a person with a disability.

If an adult child goes into the military and leaves the household, they will be considered permanently absent.

Full time students who attend school away from the home will be treated in the following manner:

*A student, (other than head of household or spouse), who attends school away from home but lives with the family during school recesses may, at the family's choice, be considered either temporarily or permanently absent. If the family decides that the member is permanently absent, income of that member will not be included in total household income, the member will not be included on the lease, and the member will not be included for determination of Voucher size.

*Full time students who attend school away from the home and live with the family during school recess will be considered temporarily absent from the household.

*Full time students who attend school away from the home and live with the family during school recess will be considered permanently absent from the household.

Visitors

Any adult not included on the HUD 50058 who has been in the unit more than 30 consecutive days, or a total of 60 days in a 12-month period, will be considered to be living in the unit as an unauthorized household member.

*Absence of evidence of any other address will be considered verification that the visitor is a family member.

*Statement from neighbors and/or the landlord will be considered in making the determination.

*Use of the unit address as the visitor's current residence for any purpose that is not explicitly temporary shall be construed as permanent residence.

*The burden of proof that the individual is a visitor rests on the family. In the absence of such proof, the individual will be considered an unauthorized member of the family and the HA will terminate assistance since prior approval was not requested for the addition.

Minors and college students who were part of the family who now live away from home during the school year are not considered members of the household may visit for up to 90 days per year without being considered a member of the household.

In a joint custody arrangement, if the minor is in the household less than 180 days per year, the minor will be considered to be an eligible visitor and not a family member.

Reporting Additions to Owner and HA

Reporting changes in household composition to the HA is both a HUD and an HA requirement.

The family obligations require the family request HA approval to add any other family member as an occupant of the unit and to inform the HA of the birth, adoption or court-awarded custody of a child. The family must request prior approval of additional household members in writing.

*If the family does not obtain prior written approval from the HA, any person the family has permitted to move in will be considered an unauthorized household member.

*In the event that a visitor continues to reside in the unit after the maximum allowable time, the family must report it to the HA in writing within 14 days of the maximum allowable time.

*Families are required to report any additions to the household in writing to the HA within 30 days of the move-in date.

An interim reexamination will be conducted for any additions to the household.

In addition, the lease may require the family to obtain prior written approval from the owner when there are changes in family composition.

Reporting Absence to the HA

Reporting changes in household composition is both a HUD and an HA requirement.

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

The HA will conduct an interim evaluation for changes which affect the TTP in accordance with the interim policy.

C. AVERAGING INCOME [24CFR813.106 (d)]

When Annual Income cannot be anticipated for a full twelve months, the HA may:

- *1 Average known sources of income that vary to compute and annual income, or
- *2 Annualized current income and conduct an interim reexamination 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 or check-stub verification is 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.

The method used depends on the regularity, source and type of income.

D. MINIMUM INCOME [24 CFR 813.102]

There is no minimum income requirement. Families who report zero income are required to complete a written certification every 90 days.

E. INCOME OF PERSON PERMANENTLY CONFINED TO NURSING HOME [24CFR 813.106(a)]

1. (a) Exclude the income and deductions of the member if his/her income goes directly to the facility.

F. REGULAR CONTRIBUTIONS AND GIFTS [24CFR813.106 (b) (7)]

Regular contributions and gifts received from persons outside the household are counted as income for calculation of the TTP.

Any contribution or gift received every 3 months or more frequently will be considered a "regular" contribution gift, unless the amount is less than \$250. per year. This includes rent and utility payments made on behalf of the family and other cash or

noncash contributions provided on a regular basis. It does not include casual contributions or sporadic gifts. (See Chapter 7, "Verification Procedures," for further definition.)

*If the family's expenses exceed its known income, the HA will question the family about contributions and gifts.

G. ALIMONY AND CHILD SUPPORT [24CFR 813.106(b) (7)]

Regular alimony and child support payments are counted as income for calculations of TTP.

If the amount of child support or alimony received is less than the amount awarded by the court, the HA must use the amount awarded by the court unless the family can verify that they are not receiving the full amount.

The HA will accept as verification that the family is receiving an amount less than the award if:

*The HA receives verification from the agency responsible for enforcement or collections.

*The family furnishes documentation of child support or alimony collection action filed through a child support enforcement/collection agency, or has filed an enforcement or collection action through an attorney.

It is the family's responsibility to supply a certified copy of the divorce decree.

H. LUMP-SUM RECEIPTS [24 CFR 813.106(B) (4)]

Lump-sum additions to family assets, such as inheritances, insurance payments, (including payments under health and accident insurance and worker's compensation), capital gains, and settlements for personal 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 as asset. Deferred periodic payments which have accumulated due to a dispute will be treated the same as periodic payments which are deferred due to delays in processing.

In order to determine amount of retroactive tenant rent that the family owes as a result of the lump-sum receipt:

*The HA uses a calculation method which calculates retroactively or prospectively depending on the circumstances.

*The HA will calculate prospectively if the family reported the payment within 90 days and retroactively to date of receipt if the receipt was not reported within that time frame.

Prospective Calculation Methodology

If the payment is reported on a timely basis, the calculation will be done prospectively and will result in an interim adjustment calculated as follows:

1. The entire lump-sum payment will be added to the annual income at the time of the interim.
2. The HA will determine the percent of the year remaining until the next annual recertification as of the date of the interim (three months would be 25% of the year).
3. At the next annual recertification, the HA will apply the percentage balance (75% in this example) to the lump-sum and add it to the rest of the annual income.
4. The lump-sum will be added in the same way for any interims which occur prior to the next annual recertification.

Retroactive Calculation Methodology

1. The HA will go back to the date the lump-sum payment was received, or to the date of admission, whichever is closer.
2. The HA 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 HA.

*The family must pay this "retroactive" amount to the HA in a lump sum.

*At the HA's option, the HA may enter into a Repayment Agreement with the family.

The amount owed by the family is a collectible debt even if the family becomes unassisted.

Attorney Fees

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

I. 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 any amount the employee elects to receive as a lump sum.

J. ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE

The HA must count assets disposed of for less than fair market value during the two years preceding certification or reexamination. The HA 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 is not considered to be assets disposed of for less than fair market value. Assets disposed of as a result of a divorce or separation is not considered to be assets disposed of for less than fair market value.

The HA's minimum threshold for counting assets disposed of for less than Fair Market value is \$5,000. If the total value of assets disposed of within a one-year period is less than \$5,000., they will not be considered an asset.

K. CHILD CARE EXPENSE [24 CFR 813.102]

Child care expenses for children under 13 may be deducted from annual income if they enable an adult to work or attend school full time.

In the case of a child attending private school, only after-hours can be counted as child care expenses.

*Child care expenses cannot be allowed as a deduction if there is an adult household member capable of caring for the child who can provide the child care. Examples of those adult members who would be considered unable to care for the child include:

*The abuser in a documented child abuse situation, or

*A person with disabilities or older person unable to take care of a small child, as verified by a reliable knowledgeable source.

Allowable 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 to and from school).

Amount of Expense: The HA will survey the local care providers in the community as a guideline. If the hourly rate materially exceeds the guideline, the HA may calculate the allowance using the guideline.

L.MEDICAL EXPENSES [24 CFR 813.102(d)]

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

*Nonprescription medicines must be doctor-recommended in order to be considered a medical expense.

*Nonprescription medicines will be counted toward medical expenses for families who qualify if the family furnishes legible receipts.

*Acupressure, acupuncture and related herbal medicines, and chiropractic services will not be considered allowable medical expenses.

M. PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES [24 CFR 812.11]

Applicability

Proration of assistance must be offered to any "mixed" applicant or participant family. A "mixed" family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible members.

"Mixed" families that were participants on June 19, 1995, and that do not qualify for continued assistance must be offered prorated assistance (See Chapter 12, "Recertification.") Applicants of mixed families are entitled to prorated assistance. Families that become mixed after June 19, 1995 by addition of an ineligible member are entitled to prorated assistance.

Prorated Assistance Calculation

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

N. REDUCTION IN BENEFITS

If the family's benefits, such as social security, SSI or AFDC, are reduced through no fault of the family, the HA will use the net amount of the benefit.

If the family's benefits were reduced due to family error, omission, or misrepresentation, the HA will use the gross amount of the benefit.

O. UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS [24 CFR 813.102, 813.108]

The Utility allowance is intended to help defray the cost of utilities not included in the rent and is subtracted from Total Tenant Payment to establish the family's rent to the landlord. The allowances are based on actual rates and average consumption studies, not on a family's actual consumption. The HA will review the Utility Allowance Schedule on an annual basis and revise it if needed.

The approved utility allowance schedule is given to families along with their Voucher. The utility allowance is based on the actual unit size selected.

Where the Utility Allowance exceeds the family's Total Tenant Payment, the HA will provide a Utility Reimbursement Payment for the family each month. The check will be made out directly to the tenant, unless the tenant has agreed, in writing, to a payment to the utility company.

CHAPTER 7
VERIFICATION PROCEDURES

[24 CFR 750.1, 812.6 & 12, 813.106 & 109, 913.106, 982.108, 982.210-982.213]

INTRODUCTION

HUD regulations require that the factors of eligibility and Total Tenant Payment be verified by the HA. Applicants and program participants must furnish proof of their statements whenever required by the HA, and the information they provide must be true and complete. The HA's verification requirements are designed to maintain program integrity. This Chapter explains the HA's procedures and standards for verification of preferences, income, assets, allowable deductions, family status, and when there are changes in family members. The HA will ensure that proper authorization from the family is always obtained before making verification inquiries.

A. METHODS OF VERIFICATION AND TIME ALLOWED

The HA will verify information through the four methods of verification acceptable to HUD in the following order:

1. Third-Party Written
2. Third-Party Oral
3. Review of Documents
4. Certification/Self-Declaration

The HA will allow 4 weeks for return of third-party verifications and 2 weeks to obtain other types of verification before going to the next method.

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.

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 not be hand carried by the family under any circumstances.

The HA will accept verifications delivered by the family.

- *Social Security Administration
- *Veterans Administration
- *Welfare Assistance
- *Unemployment Compensation Board
- *City or County Courts

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 be required to complete a Certification of Document Viewed or Person Contacted form, noting with whom they spoke, the date of the conversation, and the facts provided. If oral third-party verification is not available, the HA will compare the information to any documents provided by the Family. If provided by telephone, the HA must 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 2 weeks, the HA will notate the file accordingly and utilize documents provided by the family as the primary source if the documents provide complete information.

All such documents, excluding government checks, will be photocopied and retained in the applicant file. In cases where documents are viewed which cannot be photocopied, staff viewing the document(s) will complete a Certification of Document Viewed or Person Contacted form.

*The HA will accept the following documents from the family provided that 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

The HA will accept Faxed documents

The HA will accept photo copies

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

*The HA will not delay the processing of an application beyond 90 days because a third-party information provider does not return the verification in a timely manner.

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.

Self-certification means a notarized statement/affidavit/certification/statement under penalty of perjury and must be witnessed.

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.

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

C. COMPUTER MATCHING

*Where allowed by HUD and/or other State or local agencies, computer matching will be done (if applicable).

D. ITEMS TO BE VERIFIED

All income not specifically excluded by the regulations

Zero-income status of household

Full-time student status including High School students who are 18 or over.

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

Child care expense where it allows an adult family member to be employed or to further his/her education.

Total medical expenses of all family members in households who head or spouse is elderly or disabled.

Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus which allow an adult family member to be employed.

*Legal Identity

U.S. citizenship/eligible immigrant status.

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

"Preference" status, based upon Federal, Ranking, or Local preferences

Familial/Marital status when needed for head or spouse definition

Disability for determination of preferences, allowances or deductions.

E. VERIFICATION OF INCOME

This section defines the methods the HA will use to verify various types of income.

Employment Income

Verification forms request the employer to specify the:

Dates of employment

Amount and frequency of pay

Date of the last pay increase

Likelihood of change of employment status and effective date of any known salary increase during the next 12 months

*Year to date earnings

*Estimated income from overtime, tips bonus pay expected during the next 12 months

Acceptable methods of verification include, in this order:

1. Employment verification form completed by the employer
2. Check stubs or earning statements which indicate the employee's gross pay, frequency of pay or year to date earnings
3. W-2 forms plus income tax return forms
4. Income tax returns signed by the family may be used for verifying self-employment income, or income from tips and other gratuities.

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

*In cases where there are questions about the validity of information provided by the family, the HA will require the most recent federal income tax statements.

*Where doubt regarding income exists, a referral to IRS for confirmation will be made on a case-by-case basis.

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

Acceptable methods of verification include, in this order:

1. Benefit verification form completed by agency providing the benefits.
2. Award or benefit notification letters prepared and signed by the providing agency.

3. *Computer report electronically obtained or in hard copy
- 4 *Bank statements for direct deposits

Unemployment Compensation

Acceptable methods of verification include, in this order:

1. Verification form completed by the unemployment compensation agency
2. Computer printouts from unemployment office stating payment dates and amounts.
3. *Payment stubs

Welfare Payments or General Assistance

Acceptable methods of verification include, in this order:

1. HA verification form completed by payment provider
- 2, *Written statement from payment provider indicating the amount of grant/payment, start date of payments, and anticipated changes in payment in the next 12 months.
3. *Computer-generated Notice of Action
4. *Computer-generated list of recipients from Welfare Department

Alimony or Child Support Payments

Acceptable methods of verification include, in this order:

1. Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules.
2. *A (notarized) letter from the person paying the support
3. *Copy of latest check and/or payment stubs from Court Trustee. HA must record the date, amount, and number of the check.
4. *Family's self-certification of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received.
5. If payments are irregular, the family must provide:
 - *A copy of the separation or settlement agreement, or a divorce decree stating the amount and type of support and payment schedules.
 - *A statement from the agency responsible for enforcing payments to show that the family has filed for enforcement.
 - *A notarized affidavit from the family indicating the amount(s) received.

*A welfare notice of action showing amounts received by the welfare agency for child support.

*A written statement from an attorney certifying that a collection or enforcement action has been filed.

Net Income from a Business

In order to verify the net income from a business, the HA 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)
2. 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.
3. Audited or unaudited financial statements of the business.
4. *Credit report or loan application
5. *Documents such as manifests, appointment books, cash books, bank statements, and receipts will be used as a guide for the prior six months (or lessor period if not in business for six months) to project income for the next 12 months. The family will be advised to maintain these documents in the future if they are not available.
6. *Family's self-certification as to net income realized from the business during previous years.

Child Care Business

If an applicant/participant is operating a licensed day care business, income will be verified as with any other business.

*If the applicant/participant is operating a "cash and carry" operation (which may or may not be licensed), the HA will require that the applicant/participant complete a form for each customer which indicates: name of persons whose child/children is/are being cared for, phone number, number of hours child is being cared for, method of payment check/cash, amount paid, and signature of person.

*If the family has filed a tax return, the family will be required to provide it.

*The HA may conduct interim reevaluations every 120 days and require the participant to provide a log with the information about customers and income.

*If child care services were terminated, a third-party verification will be sent to the parent whose child was cared for.

Recurring Gifts

The family must furnish a self-certification which contains the following information:

- The person who provides the gifts
- The value of the gifts
- The regularity (dates) of the gifts
- The purpose of the gifts

Zero Income Status

*Families claiming to have no income will be required to execute verification forms to determine that forms of income such as unemployment benefits, AFDC, SSI, etc. are not being received by the household.

*The HA will request information from the State Employment Development Department

*The HA will request information from IRS

*The HA may check records of other departments in the jurisdiction (such as government utilities) that have information about income sources of customers.

Full-Time Student Status

Only the first \$480 of the earned income of full time students, other than head or spouse, will be counted towards family income.

Financial aid, scholarships and grants received by full time students is not counted towards family income.

Verification of full time student status include:

1. Written verification from the registrar's office or other school official.
2. School records indicating enrollment for sufficient number of credits to be considered a full time student by the educational institutions.

F. INCOME FROM ASSETS

Acceptable methods of verification include, in this order:

Savings Account Interest Income and Dividends

Will be verified by:

1. Account statements, passbooks, certificates of deposit, or HA verification forms completed by the financial institution.
2. Broker's statements showing value of stocks or bonds and the earnings credited the family. Earnings can be obtained from current newspaper quotations or oral broker's verification.

3. IRS Form 1099 from the financial institution, provided that the HA must adjust the information to project earnings expected for the next 12 months.

Interest Income from Mortgages or Similar Arrangements

1. A letter from an accountant, attorney, real estate broker, the buyer, or a financial institution stating interest due for the 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 ASSETS

Family Assets

The HA will require the necessary information to determine the current cash value, (the net amount the family would receive if the asset were converted to cash).

1. Verification forms, letters, or documents from a financial institution or broker.
2. Passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker.
3. Quotes from a stock broker or realty agent as to net amount family would receive if they liquidated securities or real estate.
4. Real estate tax statements if the approximate current market value can be deduced from assessment.
5. Financial statements for business assets.
6. Copies of closing documents showing the selling price and the distribution of the sales proceeds.

7. Appraisals of personal property held as an investment.
- 8* Family's self-certification describing assets or cash held at the family's home or in safe deposit boxes.

Assets Disposed of for Less than Fair Market Value (FMV)

During two years preceding effective date of certification or recertification

1. For all Certifications and Re-certifications, the HA will obtain the Family's certification as to whether any member has disposed of assets for less than fair market value during the two years preceding the effective date of the certification or recertification.
2. If the family certifies that they have disposed of assets for less than fair market value, verification [or certification] is required that shows: (a) all assets disposed of for less than FMV, (b) the date they were disposed of, (c) the amount the family received, and (d) the market value of the assets at the time of disposition. Third party verification will be obtained wherever possible.

H. 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. He/she must provide a statement of the amount they are charging the family for their services.
2. Verifications must specify the child care provider's name, address, telephone number, [social security number], the names of the children cared for, the number of hours the child care occurs, the rate of pay, and the typical yearly amount paid, including school and vacation periods.
3. Family's certification as to whether any of those payments have been or will be paid or reimbursed by outside sources.

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 expenses 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 by the insurance company or employer of health insurance premiums to be paid by the family.

3. Written confirmation from the Social Security Administration's written of Medicare premiums to be paid by the family over the next 12 months. A computer printout will be accepted.
4. 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 for calculation purposes.
 - 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.
5. Receipts, canceled checks, or pay stubs that verify medical costs and insurance expenses likely to be incurred in the next 12 months.
6. Copies of payment agreements or most recent invoice that verify payments made on outstanding medical bills that will continue over all or part of the next 12 months.
7. Receipts or other record of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. HA may use this approach for "general medical expenses" such as non-prescription drugs and regular visits to doctors or dentists, but not for one-time, nonrecurring expenses from the previous year.
8. The HA will use mileage at the IRS rate, or cab, bus fare, or other public transportation cost for verification of the cost of transportation directly related to medical treatment.

Assistance to Persons with Disabilities

1. In All Cases:
 - (a) Written certification from a reliable, knowledgeable professional that the person with disabilities requires the services of an attendant and/or the use of auxiliary apparatus to permit him/her to be employed or to function sufficiently independently to enable another family member to be employed.
 - (b) Family's certification as to whether they receive reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.
2. Attendant Care:
 - (a) Attendant's written certification of amount received from the family, frequency of receipt, and hours of care provided.

- (b) Certification of family and attendant and/or copies of canceled checks family used to make payments.

3. Auxiliary Apparatus:

- (a) Receipts of 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.

I. VERIFYING NON-FINANCIAL FACTORS

Verification of Legal Identity

In order to prevent program abuse, the HA will require applicants to furnish verification of legal identity for all family members.

The documents listed below will be considered acceptable verification of legal identity for adults. If a document submitted by a family is illegible or otherwise questionable, more than one of these documents may be required.

- *Certificate of Birth, naturalization papers
- *Church issued baptismal certificate
- *Current, valid Driver's license
- *U.S. military discharge (DD 214)
- *U.S. passport
- *Voter's registration
- *Company/agency Identification Card
- *Department of Motor Vehicles Identification Card
- *Hospital records

Documents considered acceptable for the verification of legal identity for minors may be one or more of the following:

- *Certificate for Birth
- *Adoption papers
- *Custody agreement
- *Health and Human Services ID
- *School records

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

Verification of Marital Status

Verification of divorce status will be a certified copy of the divorce decree, signed by a Court Officer.

Verification of a separation may be a copy of court-ordered maintenance or other records.

Verification of marriage status is a marriage certificate.

Familial Relationships

*Certification will normally be considered sufficient verification of family relationships. In cases where reasonable doubt exists, the family may be asked to provide verification.

*The following verification will always be required if applicable:

*Verification of relationship:

- *Official identification showing names
- *Birth Certificates
- *Baptismal certificates

*Verification of guardianship is:

- Court-ordered assignment
- Affidavit of parent
- Verification from a social service agency
- School records

*Evidence of a stable family relationship:

- *Joint bank accounts or other shared financial transactions
- *Leases or other evidence of prior cohabitation
- *Credit reports showing relationship

Verification of Permanent Absence of Adult Member

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

1. Husband or wife institutes divorce action.
2. Husband or wife institutes legal separation.
3. Order of protection/restraining order obtained by one family member against another.
4. Proof of another home address, such as utility bills, canceled checks for rent, driver's license, or lease or rental agreement, if available.
5. 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 locations.
6. If no other proof can be provided, the HA will accept a self-certification from the family.
7. If the adult family member is incarcerated, a document from the Court or prison should be obtained stating how long they will be incarcerated.

Verification of Change in Family Composition

The HA may verify changes in family composition through letters, telephone calls, utility records, inspections, landlords, neighbors, credit data, school or DMV records, and other sources.

Verification of Disability

Verification of disability must be receipt of SSI or SSA disability payments under Section 223 of the Social Security Act or 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7) or verified by appropriate diagnostician such as physician psychiatrist, psychologist, therapist, rehab specialist, or licensed social worker, using the HUD language as the verification format.

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 HA hearing is pending.

- (a) Citizens or Nationals of the United States are required to sign a declaration under penalty of perjury.
- (b) Eligible 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 from and back and returned to the family. The HA verifies the status through the INS SAVE system. If this primary verification fails to verify status, the HA 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 HA does not supply the documents, the HA must conduct the determination.

Extensions of Time to Provide Documents Extensions must be given for persons who declare their eligible immigrations status but need time to obtain the required documents. The length of the extension shall be based on individual circumstances. The HA will generally allow up to 30 days to provide the documents or a receipt issued by the INS for issuance of replacement documents.

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.

Verification of Social Security Numbers

Social security numbers must be provided as a condition of eligibility for all family members age six and over if they have been issued a number. Verification of Social Security numbers will be done through a Social Security Card issued by the Social Security Administration. If a family member cannot produce a Social Security Card, only the documents listed below showing his or her Social Security Number may be used for verification. The family is also required to certify in writing that the document(s) submitted in lieu of the Social Security Card information provided is/are complete and accurate:

- a driver's license
- identification card issued by a Federal, State or local agency
- identification card issued by a medical insurance company or provider (including Medicare and Medicaid)
- an identification card issued by an employer or trade union
- an identification card issued by a medical insurance company
- earnings statements or payroll stubs
- bank statements
- IRS form 1099
- benefit award letters from government agencies
- retirement benefit letter
- life insurance policies
- court records such as real estate, tax notices, marriage and divorce, judgment or bankruptcy records
- verification of benefits of Social Security Number from Social Security Administration

New family members ages six and older will be required to produce their Social Security Card or provide the substitute documentation described above together with their certification that the substitute information provided is complete and accurate. This information is to be provided at the time the change in family composition is reported to the HA.

If an applicant or participant is able to disclose the Social Security Number but cannot meet the documentation requirements, the applicant or participant must sign a certification to that effect provided by the HA. The applicant /participant or family member will have an additional 30 days to provide proof of the social security number. If they fail to provide this documentation, the family's assistance will be terminated.

In the case of an individual at least 62 years of age, the HA may grant an extension for an additional 60 days to a total of 120 days. If, at the end of this time, the elderly individual has not provided documentation, the family's assistance will be terminated.

If the family member states they have not been issued a number, the family member will be required to sign a certificate to this effect.

Medical Need for Larger Unit

A written certification that a larger unit is necessary must be obtained from a reliable knowledgeable professional.

J. WAITING LIST PREFERENCES [24 CFR 982.207]

Local Preferences

1. Residency Preference: For families who live in the Town of Secaucus. In order to verify that an applicant is a resident, the HA will require a minimum of 3 of the following documents: rent receipts, leases, utility bills, employer or agency records, school records, drivers licenses, voters registration records, credit reports, statement from household with who the family is residing.
2. Working preference: This preference is available for families with at least one member who is employed in the Town of Secaucus. The HA will require the following documents: A statement from the employer and copies of paycheck stubs that indicate the location of the place of employment or third party verification that indicates the place of employment.
3. Veterans' preference: This preference is available to current members of the U.S. Military Armed Forces, veterans, or surviving spouses of veterans.

The HA will require U.S. government documents which indicate that the applicant qualifies under the above definition.

Chapter 8
VOUCHER ISSUANCE AND BRIEFINGS

INTRODUCTION

The HA's objectives are to assure that families selected to participate are successful in obtaining an acceptable housing unit, 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 HA 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, HA 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 [24CFR 982.204(d), 982.54(d)(2)]

When funding is available, the HA will issue Vouchers to applicants whose eligibility has been determined. The issuance of Vouchers must be within the dollar limitations set by the ACC budget.

The number of Vouchers issued must ensure that the HA stays as close as possible to 100% lease-up. The HA performs a monthly calculation electronically to determine whether applications can be processed, the number of Certificates and Voucher that can be issued, and to what extent the HA can over-issue.

The HA may over-issue Vouchers only to the extent necessary to meet leasing goals. All Vouchers which are over-issued must be honored. If the HA finds it is over-leased, it must adjust future issuance of Vouchers in order not to exceed the ACC budget limitations over the fiscal year.

B. BRIEFING TYPES AND REQUIRED ATTENDANCE [24 CFR982.301]

Initial Applicant Briefing

A full HUD-required will be conducted for applicant families who are determined to be eligible for assistance. The briefings will be conducted in individual meetings. Briefings will be conducted in English.

The purpose of the briefing is to explain to documents in the Certificates/Voucher holder's packet to families so that they are fully informed about the program. This will enable them to utilize the program to their advantage, and it will prepare them to discuss it with potential owners and property managers.

The HA will not issue a Voucher to a family unless the household representative has attended a briefing and signed the Voucher. Applicants who provide prior notice of inability to attend a briefing will automatically be scheduled for the next briefing. Applicants who fail to attend 2 scheduled briefings, without prior notification and approval of the HA, may be denied admission based on failure to supply information needed for certification. The HA will conduct individual briefings for families with disabilities at their home, upon request by the family, if required for reasonable accommodation.

Briefing Packet

The documents and information provided in the briefing packets for the Voucher programs will comply with all HUD requirements.

The family is provided with the following information and materials:

1. The term of the voucher, and the HA policy for requesting an extension to the term of the voucher or suspensions of the voucher.
2. A description of the method used to calculate the assistance payment standards and utility allowances.
3. How the maximum allowable rent determined including the rent reasonableness standard.
4. Guidance and materials to assist the family in selecting a unit, such as proximity to employment, public transportation, schools, shopping, and the accessibility of services. Guidance will also be provided to assist the family to evaluate the prospective unit, such as the condition, whether the rent is reasonable, average utility expense, energy efficiency, and security.
5. The boundaries of the geographical area in which the family may lease a unit including an explanation of portability.
6. HUD lease addendum.
7. The Request for Lease Approval form, and a description of the procedure for requesting approval for a unit.
8. The HA policy on providing information about families to prospective owners.
9. The Subsidy Standards, when and how exceptions are made.
10. The HUD brochure, "A Good Place to Live" on how to select a unit that complies with HQS.
11. The HUD brochure on lead-based paint [and information about where blood level testing is available.]
12. Information on federal, State, and local equal opportunity laws [including the pamphlet "Fair Housing: It's Your Right" and other information about fair housing laws and guidelines; the form for reporting suspected discrimination.
13. A list of landlords or other parties willing to lease to assisted families or help in the search and/or known units available for the size voucher issued (if available).
14. The Family Obligations under the program.
15. The grounds for termination of assistance because of family action or failure to act.

16. When the HA is required to offer an informal hearing, how to request the hearing, and the hearing procedures.
17. An Owner's Handbook, and HQS checklist and sample contract.
18. Procedures for notifying the HA and/or HUD of program abuses such as side payments, extra charges, violations of tenant rights, and owner failure to repair.
20. A family handbook including the family's rights as a tenant and a program participant.
21. Requirements for reporting changes between certifications.
22. Information on security deposits and legal referral services.

Other Information to be provided at the Briefing

The person conducting the briefing will also describe how the program works and the relationship between the family and the owner, the family and the HA, and the HA and the owner.

The briefing presentation emphasizes:

Family and owner responsibilities

Where a family may lease a unit inside and outside its jurisdiction

How portability works for families eligible to exercise portability

Advantages to moving to area with low concentration of poor families if family is living in a high poverty census tract in the HA's jurisdiction

Exercising choice in residency

Choosing a unit carefully and only after due consideration

The Family Self Sufficiency program and its advantages

If the family includes a person with disabilities, the HA will ensure compliance with CFR 8.6 to ensure effective communication.

"Smart Move" Meeting

A "Smart Move" meeting is held for participants who wish to move before they give notice to the landlord and are reissued as a Voucher.

The meeting is conducted to inform families of the move process and to minimize claims (for contracts effective prior to October 2, 1995) or charges against security deposits (for new contracts). All participants who plan to move are strongly encouraged but may not be required to attend.

Move Briefing

A move briefing will be held for participants who will be reissued Vouchers to move, and who have been recertified within the last 120 days, and have given notice of intent to vacate to their landlord. This briefing includes incoming and outgoing portable families.

Families failing to attend a scheduled move briefing 2 times will be denied a new Voucher based on failure to provide required information.

Owner Briefing

All new owners receive a personal invitation and current owners are notified by mail. Prospective owners are also welcome. The purpose of the briefings is to ensure successful owner participation in the program.

C. ENCOURAGING PARTICIPATION IN AREAS WITHOUT LOW INCOME OR MINORITY CONCENTRATION

At the briefing, families are encouraged to search for housing in non-impacted areas and the HA will provide assistance to families who wish to do so.

The assistance provided to such families includes:

- Direct contact with landlords
- Counseling with the family
- Providing information about services in various non-impacted areas
- Meeting with neighborhood groups to promote understanding
- Formal or informal discussions with social service agencies
- Meeting with rental referral companies or agencies
- Meeting with fair housing groups or agencies

The Housing Authority will maintain lists of available housing submitted by owners in all neighborhoods within the Housing Authority's jurisdiction to ensure greater mobility and housing choice to very low income households. The lists of owners will be provided by mail upon request and provided at briefings (if available).

D. ASSISTANCE TO FAMILIES WHO CLAIM DISCRIMINATION

Fair Housing Laws

In compliance with Section 147 of the National Affordable Housing Act, no owner who has entered into a contract for housing assistance payments under this section on behalf of any tenant in a multifamily building (more than four units) shall refuse to lease any available dwelling unit in any multifamily building owned by the same owner to a Voucher holder solely because of their status as a Voucher holder.

The HA provides the family with a complaint form and the location of the local Fair Housing office. If HUD Fair Housing makes a finding of discrimination against an owner, the HA will restrict the owner from future participation.

The HA provides the family with the HUD discrimination complaint form and directs the family to report suspected discrimination to HUD.

E.SECURITY DEPOSIT REQUIREMENT [24 CFR982.313]

Leases Effective on or after October 2, 1995

Security deposits charged by owners may not exceed those charged to unassisted tenants (nor the maximum prescribed by State or local Law).

For lease-in-place families, responsibility for first and last month's rent is not considered a security deposit issue. In these cases, the owner should settle the issue with the tenant prior to the beginning of assistance.

F.TERM OF VOUCHER [25CFR982.303, 982.54 (d)(11)]

During the briefing session, each household will be issued a Voucher which represents a contractual agreement between the HA 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.

Expirations

The Voucher is valid for a period of sixty calendar days from the date of issuance. The family must submit a Request for Lease Approval and Lease within the sixty day period unless an extension has been granted by the HA.

If the Voucher has expired, and has not been extended by the HA or expires after an extension, the family will be denied assistance. The family will not be entitled to a review or hearing. If the family is currently assisted, they may remain as a participant in their unit if there is an assisted lease/contract in effect.

Suspensions

When a Request for Lease Approval is received, the HA will not deduct the number of days required to process the request from the 60 day term of the certificate/voucher

Extension

The HA will grant extensions to vouchers.

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.

Extensions are permissible at the discretion of the HA up to a maximum of 120 days, primarily for these 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 HA is satisfied that the family has made a reasonable effort to locate a unit, including seeking the assistance of the HA, throughout the initial sixty-day period. A completed search record is not required.

The family was prevented from finding a unit due to disability accessibility requirements or large size bedroom unit requirement. The Search Record is not part of the required verification.

If the vacancy rate for rental housing in the jurisdiction is less than 3%, extensions will be granted automatically on request up to a total of 120 days.

The HA extends in one or more increments. Unless approved by the Program Coordinator, no more than 3 extensions will be granted and never for a more than an additional sixty days without HUD approval.

The HA will not request HUD approval to extend the Voucher beyond an additional 60 days.

Assistance to Certificate/Voucher Holders

Families who require additional assistance during their search may call the HA Office to request assistance. Voucher holders will be notified at their briefing session that the HA periodically updates the listing of available units and how the updated list may be obtained.

The HA will assist families with negotiations with owners and provide other assistance related to the families' search for housing.

After the first 30 days of the search, the family is required to maintain a search record and report to the HA every 15 days.

G. VOUCHER ISSUANCE DETERMINATION FOR SPLIT HOUSEHOLDS [24CFR982.315]

In those instances when a family assisted under the Section 8 program becomes divided into two otherwise eligible families due to divorce, legal separation, or the division of the family, and the new families cannot agree as to which new family unit should continue to receive the assistance, and there is not determination by a court, the HA shall consider the following factors to determine which of the families will continue to be assisted:

1. Which of the two new family units 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. The composition of the new family units, and which unit contains elderly or disabled members.
4. Whether domestic violence was involved in the breakup
5. Which family members remain in the unit
6. Recommendations of social service professional

Documentation of these factors will be the responsibility of the requesting parties.

If documentation is not provided, the HA 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 will be required to move to a smaller unit if the current landlord is unwilling to accept the rent level of the smaller sized voucher.

H. REMAINING MEMBER OF TENANT FAMILY RETENTION OF CERTIFICATE & VOUCHER [24CFR812.2-definition]

To be considered the remaining member of the tenant family, the person must have been previously approved by the HA 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 HA 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 children for an indefinite period.

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

Chapter 9
REQUEST FOR LEASE APPROVAL AND CONTRACT EXECUTION

INTRODUCTION [24CFR 982.305(a)]

After families are issued a voucher, they may search for a unit anywhere within the jurisdiction of the HA, or outside of the HA'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 HA. This Chapter defines the types of eligible housing, the HA's policies which pertain to initial inspections, lease requirements, owner disapproval, and the processing of Requests for Lease Approval (RLA).

A. REQUEST FOR LEASE APPROVAL 24 CFR982.305 (b)]

The Request for Lease Approval (RLA) and a copy of the proposed Lease must be submitted by the family during the term of the voucher.

The Request for Lease Approval must be signed by both the owner and Voucher holder. The lease may be executed up to 60 days prior to contract execution but cannot be executed without approval of the HA.

The HA will permit the family to submit more than one RLA at a time.

The HA will review the documents to determine whether or not they are approvable. The Request will be approved if:

1. The unit is an eligible type of housing
2. The unit meets HUD's Housing Quality Standards (and an additional criteria as identified in this Administrative Plan).
3. The rent is reasonable
4. The security deposit amount is approval
5. The proposed lease complies with HUD & HA requirements [and State and Local Law]
6. The owner is approvable, and there are not conflicts of interest.

Disapproval of RLA

If the HA determines that the Request cannot be approved for any reason, the landlord and the family will be notified in writing. The HA will instruct the owner and family of the steps that are necessary to approve the Request.

The owner will be given 30 calendar days to submit an approvable RLA from the date of disapproval.

When, for any reason, and RLA is not approved, the HA will furnish another RLA from to the family along with the notice of disapproval so that the family can continue to search for eligible housing.

The time limit on Voucher will not be suspended while the RLA is being processed.

B. ELIGIBLE TYPES OF HOUSING [24CFR 982.353,982.54(d) (15)]

The HA will approve any of the following types of housing in the Voucher programs:

All structure types can be utilized.

Independent Group Residences

Congregate facilities (only the shelter rent is assisted)

Single Room Occupancy

Units owned the HA (following HUD-prescribed requirements).

A family may lease in and have an interest in a cooperative housing development. Families may lease properties owned by relatives, as long as those owners and units meet the other program requirements.

The HA may not permit a Certificate or Voucher holder to lease a unit which is receiving Project-Based Section 8 assistance or any duplicative rental subsidies.

The HA will not approve:

Nursing homes or other institutions that provide care.

School dormitories and institutional housing.

Any other types of housing prohibited by HUD.

C. LEASE REVIEW [24 CFR 982.308]

The HA will review the lease, particularly noting the approvability of optional charges and compliance with regulations [State/local law]. Responsibility for utilities, appliances and optional services must correspond to those provided on the Request for Lease Approval.

Owners may either submit their own lease or permit the HA to furnish the lease. In cases where the owner's lease is used, the HUD lease addendum must be attached and executed.

The owner has the option of using a standard form of lease or the lease that the HA has available. House Rules of the owner may be attached to the lease as an addendum, provided they are approved by the HA to ensure they do not violate any fair housing HUD provisions.

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 approval lease.

Owners and families may execute separate agreements for services, appliance (other than range and refrigerator) and other items that are not included in the lease if the

agreements is in writing and approved by the HA.

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

The HA is not liable for unpaid charges for items covered by separate agreements and nonpayment of these agreements cannot be cause for eviction.

If the family and owner have come to a written agreement on the amount of allowable charges for a specific item, so long as those charges are reasonable and not a substitute for higher rent, they will be allowed.

All agreements for special items or services must be attached to the lease approved by the HA. If agreements are entered into at a later date, they must be approved by the HA and attached to the lease.

The HA will not approve separate agreements for modifications to the unit for persons with disabilities. The modifications are usually within the dwelling and are critical to the use of the dwelling.

If the owner makes modifications to the unit, the costs should be recovered through the rent collection not by having the tenant pay for the modifications. Exception would be considered if the modification is such that they most likely would be removed if the tenant moved out.

D. INITIAL INSPECTIONS [24CFR 982.305 (a) & (b)]

See Chapter 10, "Housing Quality Standards and Inspections."

E. RENT LIMITATIONS [24CFR882.106 (a)]

Rent reasonableness will still be used as a measure of whether the rent is approvable.

The HA will make a determination as to the reasonableness of the proposed rent in relation to comparable units available for lease on the private unassisted market, and the rent charged by the owner for a comparable assisted or unassisted unit in the building or premises.

Tenants will not be able to pay more than 40% of their adjusted annual income towards the rent.

F. DISAPPROVAL OF PROPOSED RENT

If the owner does not agree on the Contract Rent after the HA has tried and failed to negotiate a revised rent, the HA will inform the family and owner that the lease is disapproved.

G. INFORMATION TO OWNERS [24CFR982.307 (b), 982.54(d)(7)]

The HA is required to provide prospective owners with the address of the applicant and the names and addresses of the current and previous landlord if known.

The HA will make an exception to this requirement if the family's whereabouts must be protected due to domestic abuse or witness protection.

The HA will inform owners that it is the responsibility of the landlord to determine the suitability of prospective tenants. Owners will not 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.

The HA will provide documented information regarding tenancy history for the past 2 years to prospective landlords upon written request from the landlord.

The HA will provide the following information: based on documentation in its possession:

- Eviction history
- Damage to rental units
- Other aspects of tenancy history {specify}
- Drug Trafficking by family members

The information will be provided for the last 2 years.

The information will be provided orally

Only the Program Coordinator may provide this information. The HA's policy on providing information to owners is included in the briefing packet and will apply uniformly to all families and owners.

H. OWNER DISAPPROVAL [24CFR982.306]

For purposes of this section, "owner" includes a principal or other interested party.

The HA will disapprove the owner for the following reasons:

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

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

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

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

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

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

The owner has engaged in drug trafficking

The owner has a history or practice of renting units that fail to meet State or local housing codes.

The owner has not paid State or local real estate taxes, fines or assessments.

I. CHANGE IN TOTAL TENANT PAYMENT (TTP) PRIOR TO HAP EFFECTIVE DATE

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

J. CONTRACT EXECUTION PROCESS [24CFR982.305(c)]

The HA prepares the Housing Assistance Contract for execution. The family and the owner will execute the Lease agreement, and the owner and the HA will execute the HAP Contract. Copies of the documents will be furnished to the parties who signed the respective documents.

For new owners, the documents are signed at a Signature Briefing attended by the owner, family, and a representative of the HA. The briefing covers the responsibilities and roles of the three parties.

The HA makes every effort to execute the HAP Contract before the commencement of the lease term. The HAP Contract may not be executed more than 60 days after commencement of the lease term and no payments will be made until the contract is executed.

Owners must provide the current address of their residence (not a PO Box). If families lease properties owned by relatives, the owner's current address will be compared to the subsidized unit's address.

Owners must provide and Employer Identification Number or Social Security Number and a copy of their Driver's License or other photo identification. Owners must also submit proof of ownership of the property, such as a Grant Deed or Tax Bill, and a copy of the Management Agreement if the property is managed by a management agent.

The owner must provide a business or home telephone number.

K. CHANGE IN OWNERSHIP

A change in ownership does require execution of a new contract.

The HA will process a change of ownership only upon the written request of the new owner and only if accompanied by a copy of the escrow statement or other documents showing the transfer of title and the Employee Identification Number or Social Security Number of the new owner.

The HA must receive a written request by the old owner in order to change the HAP payee and/or the address to which payment is to be sent.

Chapter 10
HOUSING QUALITY STANDARDS AND INSPECTIONS

INTRODUCTION

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

These minimum Standards may be enhanced by the HA, provided that by doing so, the HA does not overly restrict the number of units available for lease under the program. The use of the term "HQS" in this Administrative Plan refers to the combination of both HUD and HA requirements. This Chapter describes the HA'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.

A. GUIDELINES/TYPES OF INSPECTIONS [24 CFR 982.401(a), 982.405]

The HA has adopted local requirements of acceptability in addition to those mandated by the HUD Regulations.

All units must meet the minimum standards set forth in the Town of Secaucus Building/Housing Code. In cases of inconsistency between the Code and these HQS, the stricter of the two shall prevail.

Efforts will be made at all times to encourage owners to provide housing above HQS minimum standards.

All utilities must be in service when the unit is inspected.

The stove and refrigerator must be present when the unit is inspected regardless of who is supplying the appliances.

The HA will allow the stove and refrigerator to be placed in the unit after the inspection if the family certifies the appliances are working according to the Housing Quality Standards. The HA will not conduct a re-inspection.

There are five types of inspections the HA will perform:

1. Initial/Move-in: Conducted upon receipt of Request for Lease Approval.
2. Annual: Must be conducted within 12 months of the previous annual HQS inspection.
3. Special/Complaint: At request of owner, family or an agency or third party.
4. Move-Out/Vacant: At landlord's request/if claim is to be submitted.
5. Quality Control: A quality control inspection will be conducted for 5 percent of all units which have been inspected.

B. ACCEPTABILITY CRITERIA AND EXCEPTIONS TO HQS [24 CFR 982.401(a)]

The HA adheres to the acceptability criteria in the program regulations and HUD Inspection Booklet.

Additions to HQS:

[Instruction: These are examples of additional criteria HAs can establish if they wish to strengthen the HQS requirements]

Walls:

- * All units must be painted every five years or more frequently if deemed necessary by the Inspector.
- * In areas where plaster or drywall is sagging with peeling or chipping paint must be scraped and painted with two coats of unleaded paint or other suitable material.
- * All walls in a tub or shower area must be covered with ceramic tile or other material that is impervious to water to prevent water damage and eventual deterioration.

Windows:

- * All window sashes must be in good condition, solid and intact, and fit properly in the window frame. Damaged or deteriorated sashes must be replaced.
- * Windows must be weather stripped as needed to ensure a watertight seal.
- * All operable windows must have a properly fitting screen in good condition.

Doors:

- * All exterior doors must be weather tight to avoid any air or water infiltration, have no holes, have all trim intact, and have a threshold.
- * All interior doors must have no holes, have all trim intact, and be operable without the use of a key.
- * All exterior doors must have dead bolt locks.

Floors:

- * All wood floors must be sanded to a smooth surface and sealed. Any loose or warped boards must be re-secured and made level. If they cannot be leveled, they must be replaced.
- * All floors must be in a finished state (no plywood).
- * All floors should have some type of base, trim, or sealing for a "finished look". Vinyl base may be used for kitchens and bathrooms.

Sinks:

- * All sinks and commode water lines must have shut off valves, unless faucets are wall mounted.
- * All worn and cracked toilet seats and tank lids must be replaced and toilet tank lid must fit properly.
- * All sinks must have functioning stoppers.

Security:

- * If window security bars or security screens are present on emergency exit window, they must be equipped with a quick release system. The owner is responsible for ensuring that the family is instructed on the use of the quick release system.
- * Owners are responsible for providing and replacing old batteries for battery powered units. Tenants will be instructed not to tamper with smoke detectors or remove batteries.

Bedroom:

- * A bedroom must have a floor area of not less than seventy (70) square feet.
- * Bedrooms in basements or attics are not allowed unless they meet local code requirements and must have adequate ventilation and emergency exit capability.
- * Minimum bedroom ceiling height is 7'6" or local code, whichever is greater. Sloping ceilings may not slope to lower than five feet in the 70 square foot area.

Modifications.

- * Modifications or adaptations to a unit due to a disability must meet all applicable HQS and building codes.
- * Extension for repair items not required by HQS will be granted for modifications/adaptation to the unit if agreed to by the tenant and landlord. HA will allow execution of the HAP contract if unit meets all requirements and the modifications do not affect the livability of the unit.

C. INSPECTIONS

The HA conducts an annual inspection in accordance with HQS, at least 90 days prior to the anniversary month of the contract. Special inspections may be scheduled between anniversary dates.

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

Non-payment of utilities paid by the family

Not providing, or failing to maintain, appliances not provided by the owner, and

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

The family must allow the HA to inspect the unit at reasonable times with reasonable notice. [25CFR982.51 (d)]

Inspections will be conducted on business days only.

Reasonable hours to conduct an inspection are between 8:00 a.m. and 10:00 p.m.

The HA will notify the family at least 5 days prior to the inspection.

Inspection: The family is notified of the date and time of the inspection appointment. If the family is unable to be present, they must reschedule the appointment so that the inspection is completed within 7 days.

*If the family does not contact the HA to reschedule the inspection, or if the family misses 2 inspection appointments, the HA will consider the family to have violated a Family Obligation and their assistance will be terminated in accordance with the termination procedures in the Plan.

Re-inspection: The family and owner are mailed a notice of the inspection appointment by mail. If the family is not at home for the re-inspection appointment, a card will be left at the unit and another appointment is automatically scheduled. The appointment letter contains a warning of abatement (in the case of owner responsibility), and a notice of the owner's responsibility to notify the family.

The family is also notified that it is a Family Obligation to allow the HA to inspect the unit. If the family was responsible for a breach of HQS identified in Chapter 15, "Denial of Termination of Assistance," they will be advised of their responsibility to correct.

All Inspections: The family will be mailed a notice that the inspection is due and asked to call to schedule an appointment within 5 days. If they do not call, they will be sent a second notice, with a copy to the owner. If they still family to schedule the appointment, a notice of termination of assistance will be sent. If the family still does not contact the HA within the time period allowed to request a hearing, assistance will be terminated.

Time Standards for Repair

1. Emergency items which endanger the family's health or safety must be corrected within 24 hours of notification.
2. For non-emergency items, repairs must be made within 30 days.
3. For major repairs, the Inspector may approve an extension beyond 30 days.

D. EMERGENCY REPAIR ITEMS [24CFR 982.401 (a)]

The following items are considered of an emergency nature and must be corrected by the owner or tenant (whoever is responsible) within 24 hours of notice by the Inspector.

Lack of security for the unit
Waterlogged ceiling in imminent danger of falling
Major plumbing leaks or flooding
Natural gas leak or fumes
Electrical problem which could result in shock or fire
No heat when outside temperature is below 45 F and temperature inside unit is below 55 F
Utilities not in service
No running hot water or Lack of functioning toilet
Broken glass where someone could be injured
Obstacle which prevents tenant's entrance or exit

The HA may give a short extension not more than 24 additional hours whenever the responsible party cannot be notified or it is impossible to effect the repair within the 24-hour period.

In those cases where there is leaking gas or potential or fire or other threat to public safety, and the responsible party cannot be notified or it is impossible to effect the repair within the 24-hour period.

In those cases where there is leaking gas or potential of fire or other threat to public safety, and the responsible party cannot be notified or it is impossible to effect the repair, proper authorities will be notified by the HA.

If the emergency repair item(s) are not corrected in the time period required by the HA, and the owner is responsible, the housing assistance payment will be abated and the HAP contract will be terminated.

If the emergency repair items(s) are not corrected in the time period required by the HA, and it is an HQS breach which is a family obligation, the HA will terminate the assistance to the family and the owner's payment will not be abated for the breach of HQS.

E. CONSEQUENCES IF OWNER IS RESPONSIBLE (NON-EMERGENCY ITEMS)

When it has been determined that a unit on the program fails to meet HQS, and the owner is responsible for completing the necessary repair(s) in the time period specified by the HA, the assistance payment to the owner will be abated.

Abatement

A Notice of Abatement will be sent to the owner, and the abatement will be effective from the day after the date of the failed inspection.

The HA will inspect abated units within 15 days of the owner's notification that the work has been completed.

If the owner makes repairs during the abatement period, payment will resume on the day the unit passes inspection.

The HA will advise owners of their responsibility to notify the tenant of when the re-inspection will take place.

The Family will be notified of the re-inspection date and requested to inform the owner.

No retroactive payments will be made to the owner for the period of time the rent was abated and the unit did not comply with HQS. The notice of abatement states that the tenant is not responsible for the HA's portion of rent that is abated.

Reduction of Payments

The HA will grant an extension in lieu of abatement in the following cases:

- *The owner has a good history of HQS compliance.
- *The failed items are minor in nature.
- *There is an unavoidable delay in completing repairs due to difficulties in obtaining parts or contracting for services.
- *The owner makes a good faith effort to make the repairs.
- *The repairs are expensive (such as exterior painting or roof repair) and the owner needs time to obtain the funds.
- *The repairs must be delayed due to climate conditions.

The extension will be made for a period of time not to exceed 14 days. At the end of that time, if the work is not completed or substantially completed the HA will begin the abatement.

Termination of Contract

If the owner is responsible for repairs, and fails to correct all the deficiencies cited prior to the end of the abatement period, the owner will be sent a HAP Contract Proposed Termination notice. Prior to the effective date of the termination, the abatement will remain in effect.

If repairs are completed before the effective termination date, the termination may be rescinded by the HA if the tenant chooses to remain in the unit. Only 1 Housing Quality Standards inspection will be conducted after the termination notice is issued.

F. DETERMINATION OF RESPONSIBILITY [24 CFR 982.404, 982.54(d)(14)]

Certain deficiencies are considered the responsibility of the family:

Tenant-paid utilities not in service.

Failure to provide or maintain family-supplied appliances

Damage to the unit or premises caused by a household member or guest beyond normal wear and tear.

"Normal wear and tear" is defined as items which could be charged against the tenant's security deposit under state law or court practice.

Normal wear and tear is defined in Chapter 17, "Claims, Move-out and Close-out Inspections"

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 such infestation is serious and repeated, it may be considered a lease violation and the owner may evict for serious or repeated violation of the lease. The HA may terminate the family's assistance on that basis.

The inspector will make a determination of owner or family responsibility during the inspection. The owner or tenant may appeal this determination to a mediator within 14 days of the inspection.

If the family is responsible but the owner carries out the repairs, the owner will be encouraged to bill the family for the cost of the repairs and the family's file will be noted.

G. CONSEQUENCES IF FAMILY IS RESPONSIBLE

If non-emergency violations of HQS are determined to be the responsibility of the family, the HA will require the family make any repair(s) or corrections within 14 days. If the repair(s) or correction(s) are not made in this time period, the HA will terminate assistance to the family. Extensions in these cases must be approved. The owner's rent will not be abated for items which are the family's responsibility.

If the tenant is responsible and corrections are not made, the HAP Contract will terminate when assistance is terminated.

H. INITIAL HQS INSPECTION

The Initial Inspection will be conducted to:

Determine if the unit and property meet the HQS defined in this Plan.

Document the current condition of the unit as a basis to evaluate whether the future condition of the unit exceeds normal wear and tear.

Document the information to be used for determination of rent-reasonableness.

If the unit fails the initial HQS inspection, the family will be advised to notify the HA once repairs are completed.

On an initial inspection, the owner will be given up to 14 days to correct the items noted as Fail, at the Inspector's discretion, depending on the amount and complexity of work to be done.

The owner will be allowed up to 3 re-inspections for repair work to be completed.

If the time period given by the Inspector to correct the repairs has elapsed, or the maximum number of failed re-inspection has occurred, the family must select another unit.

I. ANNUAL HQS INSPECTION

Rent Increases

The HA will conduct an inspection using the Housing Quality Standards at least annually, prior to the anniversary month of the contract. Contract rent increases in the Voucher program may not be given until the unit passes the HQS. Rent increase requests in the Voucher program will not be approved if the unit is in a failed condition.

J. SPECIAL/COMPLAINT INSPECTIONS

If at any time the family or owner notifies the HA that the unit does not meet Housing Quality Standards, the HA will conduct an inspection.

*The HA may also conduct a special inspection based on information from third parties such as neighbors or public officials.

The HA will inspect only the items which were reported, but if the Inspector notices additional deficiencies that would cause the unit to fail HQS, the responsible party will be required to make the necessary repairs.

*If the anniversary date is within 120 days of a special inspection, the special inspection will be categorized as annual and all annual procedures will be followed.

K. QUALITY CONTROL INSPECTIONS

Quality Control inspections will be performed by the Assistant Executive Director on at least 5 percent of the units of each inspector. The purpose of Quality Control inspections is to ascertain that each inspector is conducting accurate and complete inspections, and to ensure that there is consistency among inspectors in application of the HQS.

CHAPTER 11
OWNER RENTS, RENT REASONABLENESS, AND PAYMENT STANDARDS

INTRODUCTION

The HA is responsible to ensure that the rents charged by owners are reasonable based upon objective comparables in the rental market. When the HA has determined that the unit meets the minimum HQS, that the lease is approvable, and that the rent is reasonable, it will make timely payments to the owner and notify the owner of the procedures for rent adjustments in the Voucher program. This Chapter explains the HA's procedures for determination of rent-reasonableness, payments to owners, adjustments to the Payment Standards and rent adjustments.

A. OWNER PAYMENT IN THE CERTIFICATE PROGRAM

The payment to the landlord, called the Housing Assistance Payment, is the Contract Rent approved by the HA less the Tenant Rent determined by the HA.

B. OWNER PAYMENT IN THE VOUCHER PROGRAM

The maximum subsidy for each family is determined by the Payment Standard for the Voucher size issued to the family, less 30% of the family's Monthly Adjusted Income. The actual subsidy level could be less if the family is required to pay the Minimum Total Tenant Payment (10% of the family's Monthly Income).

The Voucher size issued to the family is based on the HA's Subsidy Standards. The payment standard for the family is based on the lesser of the Payment Standard for the Voucher size issued and the Payment Standard for the unit selected.

The Housing Assistance Payment to the owner is the lesser of the subsidy described above or the rent charged by the owner.

C. MAKING PAYMENTS TO OWNERS

Once the HAP Contract is executed, the HA begins processing payments to the landlord. The effective date and the amount of the HA payment is communicated. A HAP Register will be used as a basis for monitoring the accuracy and timeliness of payments. Changes are made automatically to the HAP Register for the following month. Checks are disbursed by Bookkeeping to the owner each month.

Checks may be picked up by owner at the HA.

*Checks will only be disbursed on the 1st 5 days of the month. Exceptions may be made with the approval of the executive Director in cases of hardship.

*Checks that are not received will not be replaced until a written request has been received from the payee and a stop payment has been put on the check.

D. RENT REASONABLENESS DETERMINATIONS [24 CFR 882.106 (B), 982.4]

Rent reasonableness determinations are made when units are placed under HAP Contract for the first time owner requests a rent increase.

The HA will determine and document on a case-by-case basis that the approved rent:

1. Does not exceed rents currently charged by the same owner for an equivalent assisted or unassisted unit in the same building or complex, and
2. It is reasonable in relation to rents currently charged by other owners for comparable units in the unassisted market.

*At least 1 comparable unit will be used for each rent determination, one of which must be from the first category above if possible. All comparables must be based on the rent that the unit would command if leased in the current market. Leased in the current market means that the unit has been leased within the last 365 days.

The data for other unassisted units will be gathered from newspapers, Realtors, professional associations, inquiries of owners, market surveys, and other available sources.

The market areas for rent reasonableness are neighborhoods within the HA's jurisdiction. Subject units within a defined housing market area will be compared to similar units within the same area.

The following items will be used for rent reasonableness documentation:

- Square Footage &
- Number of Bedrooms
- Facilities
- Location
- Number of Bathrooms
- Quality
- Amenities
- Date Built
- Unit Type
- Management and Maintenance Services

The HA maintains information which includes data on unassisted units for use by staff in making rent reasonableness determinations. The data is updated on an ongoing basis and purged when it is more than 12 months old.

*The HA uses an "appraisal" method and tests the subject unit against selected units in the same area with similar characteristics. Adjustments are made for favorable and unfavorable differences between the subject unit and the comparables. Amenities, services, and facilities are given [dollar/point] values.

*The HA uses a "standard deviation" method and uses automation to identify the average rent for units of like size and type within the same market area. The average is adjusted up or down based on the dollar value of amenities, services, and facilities.

E. PAYMENT STANDARD FOR THE VOUCHER PROGRAM [24 CFR 887.351 (a)(b)]

The Payment Standard is initially set by the HA at the Fair Market Rent in effect at the time the Annual Contributions Contract for the first increment of Voucher funding is approved by HUD. The Payment Standard is used to determine the maximum subsidy which can be paid by the HA on behalf of the family. The payment standard shall be maintained at 90% to 110% of the fair market rent.

F. ADJUSTMENTS TO PAYMENT STANDARD [24 CFR 887.209 (B).887.351 (c) (d)]

Payment Standards may be adjusted to increase Housing Assistance in order to keep families' rents affordable. The HA will not raise the Payment Standards so high that the number of families that can be assisted under available funding is substantially reduced. Nor will the HA raise Standards if the need is solely to make "high end" units available to Voucher holders.

The HA will review the Payment Standard annually to determine whether an adjustment should be made for some or all unit sizes. The Payment Standard will be reviewed according to HUD's requirements and this policy and if an increase is warranted, the payment standard will be adjusted within 90% to 110% of the current Fair Market Rent.

*In a volatile market, the HA may review the Standards more frequently but will only adjust them annually.

The HA may use some or all of the measures below in making its determination whether an adjustment should be made to the Payment Standards.

Assisted Families' Rent Burdens

The HA will review reports showing the percent of income used for rent by Voucher families to determine that the rent burden is not more than 40% of adjusted income.

Availability of Suitable Vacant Units Below the Payment Standard

The HA will review its rent reasonableness database and vacancy rate data to determine whether there is an ample supply of vacant units below the Payment Standard.

Lowering of the Payment Standard

Statistical analysis may reveal the Payment Standard should be lowered, in which case, the Payment Standard should not be less than 90% of the current FMR. If the FMR is lowered, the Payment Standard may not exceed the FMR except in those cases where families are held harmless until they move to a different dwelling unit or have a change in family composition which would affect their Voucher size.

Financial Feasibility

Before increasing the Payment Standard, the HA may review the budget and the project reserve, to determine the impact projected subsidy increases would have on funding available for the program and number of families served.

For this purpose, the HA will compare the number of families who could be served under a higher Payment Standard with the number assisted under current Payment Standards.

File Documentation

A file will be retained by the HA for at least three years to document the analysis and findings to justify whether or not the Payment Standard was changed.

Quality of Units Selected

The HA will review the quality of units selected by participant families before determining any change to the Payment Standard to ensure that Payment Standard increases are only made when needed to reach the mid-range of the market.

HA Decision Point

The HA will review the quality and size of units where the Rents to Owner are above the Payment Standard by more than 35%. If more than 50% of families have selected above-average units or have selected larger units than the Voucher size, the HA may elect not to increase the Payment Standard or continue the analysis.

If the analysis continues, the HA will divide those rents between contracts within the first year and after the first year. If the Rents to Owner are more than 35% above the average, in any bedroom size, the HA will continue the analysis. If not, the HA may elect not to increase the Payment Standard for certain bedroom sizes.

Rent to Owner Increases

The HA may review a sample of the units to determine how often owners are increasing rents after the first year of the lease and the average percent of increase by bedroom size. The sample will be divided into units with and without the highest cost utility included.

A comparison will then be made to the applicable annual adjustment factor (AAF) to determine whether owner increases are excessive in relation to the published AAF.

Rent Reasonableness Data Base/Average Contract Rents

The HA will compare the Payment Standard to average rents in its Rent Reasonableness Data Base and to the average Contract Rents by unit size.

G. RENT ADJUSTMENTS [24 CFR 882.108]

Owners may not request rent adjustments in the Voucher Program to be effective prior to the expiration of the first year of the lease. Rent adjustments are effective:

- * With a 60-day notice to the family and a copy to the HA. The HA will advise the family as to whether the rent is reasonable and shall approve or disapprove the rent increase.
- * After a 60 day-notice following the HA's approval of the increase.

H. MINIMUM RENT

The HA has adopted a minimum rent of \$50.00. The minimum rent is based upon the Total Tenant Payment (TTP). As such, the applicable utility allowance shall be deducted from the TTP to determine the tenant payment (TP).

Chapter 12
RECERTIFICATION

INTRODUCTION

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

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

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

1. Recertification of Income and Family Composition
2. HQS Inspection

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

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

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

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

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

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

When families move to another dwelling unit:

*An annual recertification will be scheduled (unless a recertification has occurred in the last 120 days) and the anniversary date will be changed.

*The anniversary date for the recertification will not be changed but the new anniversary date will apply to inspection and owner rent adjustment.

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

Reexamination Notice to the Family

The HA will maintain a reexamination tracking system and the household will be notified by mail of the date and time of their interview at least 45 days in advance of the anniversary date. If requested as an accommodation by a person with a disability, the HA will provide the notice in an accessible format. The HA will also mail the notice to a third party, if requested as reasonable accommodation for a person with disabilities. These accommodations will be granted upon verification that they meet the need presented by the disability.

Procedure

The HA's procedure for conducting annual re-certifications will be:

- *Schedule the date and time of appointments and mail a notification to the family.
- *Permit the family to schedule the date and time of appointments.
- *Permit the family to come in anytime at their convenience during certain time periods.

Persons with Disabilities

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

Collection of Information

- *The HA will allow the family to complete the recertification form.
- *The HA representative will interview the family and enter the information provided by the family on the recertification form.
- *The HA will require the family to complete a Personal Declaration Form prior to all recertification interviews.

Requirements to Attend

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

- *The head of household only
- *The head of household and spouse
- *All adult household members

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

- *The appointment will be rescheduled
- *The spouse/any adult may recertify for the family, provided that the head comes in within 30 days to recertify

Failure to Respond to Notification to Recertify

The written notification must state which family members are required to attend the interview. The family may call to request another appointment date up to 10 days prior to the interview.

If the family does not appear for the recertification interview, and has not rescheduled or made prior arrangements with the HA, the HA will reschedule a second.

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

- *Schedule a third appointment; or
- *Terminate assistance to the family, and offer them an informal hearing.

Documents Required From the Family

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

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

Verification of Information

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

Tenant Rent Increases

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

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

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

Tenant Rent Decreases

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

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

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

HUD requires program participants to report all changes in household composition to the HA between annual reexaminations. This includes additions due to birth, adoption and court-awarded custody. The family must obtain HA approval prior to all other additions to the household.

The U.S. citizenship/eligible immigrant status of additional family members must be declared and verified as required at the first interim or regular recertification after moving into the unit.

Interim Reexamination Policy

The HAs will conduct interim reexamination when families have an increase in income.

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

*Families will not be required to report increases in income/assets between regular annual reexaminations.

*Families will be required to report increases in household income of more than \$100.00 per month

*Families will be required to report only the increases in household income which comes from a new source.

Decreases in Income

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

HA Errors

If the HA makes a calculation error at admission to the program or at an annual reexamination, an interim reexamination will be conducted to correct the error, but the family will not be charged retroactively.

Other Interim Reporting Issues

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

An interim reexamination will be scheduled for families with zero income every 120 days.

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

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

*If the family member leaves the job without good cause after six months and before twelve months, the rent will be calculated retroactively to include the employment income.

*This incentive is not provided to persons who work seasonally.

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

*Changes that will not result in a change in tenant rent or voucher size.

*Changes in income which is normal for the family, such as seasonal employment.

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

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

D. NOTIFICATION OF RESULTS OF RECERTIFICATIONS

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

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

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

Standard for Timely Reporting of Changes

The HA requires that families report interim changes to the HA within 15 days of when the change occurs. Any information, document or signature needed from the family which is needed to verify the change must be provided within 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 HA will notify the family and the owner of any change in the Housing Assistance Payment to be effective according to the following guidelines:

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

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

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

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

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

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

Decrease in Tenant Rent will be effective on the first of the month following 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 HA in a timely manner.

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

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

F. REPORTING OF CHANGES IN FAMILY COMPOSITION [24 CFR 882.213,887.359(a) (b)]

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

Increase in Family Size

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

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

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

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

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

*Addition by marriage/or marital-type relation.

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

*Addition of any relation of the Head or Spouse

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

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

If a change due to birth, adoption, court-awarded custody, or need for a live-in attendant requires a larger size unit due to overcrowding, the change in Voucher shall be made effective immediately. The HA may determine whether to issue a Voucher in this instance based on funding availability. If there is no funding availability in either program, the family will be placed on the Transfer list.

G. CONTINUANCE OF ASSISTANCE FOR "MIXED" FAMILIES [24 CFR 812.10 (c)]

Under the Noncitizen Rule, "Mixed" families 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.

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 HA may offer temporary deferral of termination (See Chapter 15, "Denial or Termination of Assistance")

Chapter 13
MOVES WITH CONTINUED ASSISTANCE/PORTABILITY

INTRODUCTION

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

A. ALLOWABLE MOVES

A family may move to a new unit if:

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

B. RESTRICTIONS ON MOVES [24 CFR 982.314, 982.552]

*Families will be permitted to move within the HA's jurisdiction during the initial year of assisted occupancy.

*Families will be permitted to move outside the HA's jurisdiction under portability procedures during the initial year of assisted occupancy.

*Families will be permitted to move more than once in a 12-month period.

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

The HA may deny permission to move to if:

- *The family has violated a Family Obligation
- *The family owes the HA money
- *The family has moved or been issued a Voucher within the last twelve months

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

C. PROCEDURE FOR MOVES

Issuance of Certificate/Voucher

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

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

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

Notice Requirement

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

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

Time of Contract Change

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

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

D. PORTABILITY [24 CFR 982.353]

Portability applies to families moving out of or into the HA's jurisdiction within the United States and its territories. Under portability, families are eligible to receive assistance to lease a unit outside of the initial HA's jurisdiction. The unit may be located:

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

E. OUTGOING PORTABILITY [24 CFR 982.355]

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

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

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

Restrictions on Portability

1. Families will not be permitted to exercise portability during the initial 12 month period after admission to the program, if either the head or spouse had a domicile (legal residence) in the HA's jurisdiction at the date of their initial application for assistance unless the receiving and initial HA agree to allow the move.
2. If the family is in violation of a family obligation
3. If the family owes money to the HA.

Outgoing Portability Procedures

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

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

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

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

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

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

*Current information related to eligibility and rent payments.

*Persons designated for inquiries on eligibility and billing.

*The Administration Fee Schedule for billing purpose.

*A copy of the portability policies and procedures from this Administrative Plan.

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

- The Receiving HA decides to absorb the family into their own program
- The family leases up or fails to submit a Request for Lease Approval by the required date.
- Assistance to portable family is terminated by the Receiving HA
- The family requests to move to an area outside the Receiving HA's jurisdiction

Payment to the Receiving HA

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

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

Claims

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

Receiving HAs will be required to submit hearing determinations to the HA within 30 days.

F. INCOMING PORTABILITY [24 CFR 982.354, 982.355]

Absorption or Administration

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

*Incoming portable families who have not yet been absorbed may be absorbed before the HA selects new applicants from the Waiting List.

*The HA will absorb incoming Vouchers in cases where the Initial HA absorbs an equal number of the HA's outgoing Certificates.

The HA may absorb Voucher if such absorption does not exceed 10% of household assisted.

*The HA will absorb all incoming portable families provided that there is funding available.

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

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

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

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

Income and TTP of Incoming Portables

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

If the family's income exceeds the income limit of the HA, the family will not be denied assistance unless the family is an applicant (and over the Very-Low Income Limit)

If the family's income is such that a \$0 subsidy amount is determined prior to lease-up in the HA's jurisdiction, the HA will refuse to enter into a contract on behalf of the family at \$0 assistance.

Requests for Lease Approval

*A briefing will be mandatory for all portability families.

When the family submits a Request for Lease Approval, it will be processed using the HA's policies. If the Family does not submit a Request for Lease Approval or does not execute a lease, the Initial HA will be notified within 30 days by the HA.

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

If the HA denies assistance to the family, the HA will notify the Initial HA within 30 days and the family will be offered a review or hearing.

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

Terminations

The HA will notify the Initial HA in writing of any termination of assistance within 30 days of the termination. If an Informal Hearing is required and requested by the Family, the hearing will be conducted by the HA, using the regular hearing procedures included in this Plan. A copy of the hearing decision will be furnished to the Initial HA.

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

Required Documents

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

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

*A copy of the portability policies and procedures from their Administrative Plan.

*Current information related to eligibility and rent payments.

*Persons designated for inquiries on eligibility and billing.

*The Administrative Fee Schedule for billing purposes.

Billing Procedures

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

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

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

CHAPTER 14
CONTRACT TERMINATIONS

INTRODUCTION

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

A. CONTRACT TERMINATIONS

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

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

If the family continues to occupy the unit after the Section 8 contract is terminated, the family is responsible for the total amount of rent due to the owner. The owner must reimburse the HA for any subsidies paid by the HA for any period after the contract termination date.

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

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

The lease stipulates that the family cannot move from the unit until after the first of the lease. The family must notify the owner and HA of any proposed move out of the unit. The notice period to the landlord is determined by the lease, but may not exceed 60 days. If the family terminates the lease the family must provide a copy of the termination notice to the HA.

C. TERMINATION BY THE OWNER: EVICTIONS [24 CFR 982.310.982.455]

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

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

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

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

1. Serious or repeated violation of the terms and conditions of the lease.
2. Violation of Federal, State or local law that imposes obligations on the tenant in connection with the occupancy or use of the premises,
3. Other good cause, including:

Criminal activity by the tenant, any member of the household, a guest or another person under the tenant's control that threatens the health, safety or right to peaceful enjoyment of the premises by the other residents, or persons residing in the immediate vicinity of the premises.

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

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

4. Other good cause, after the first year of the lease, includes:
 - Business or economic reason for regaining possession of the unit;
 - Owner's desire to repossess the unit for personal use;
 - Tenant's refusal to accept offer of a new lease.

The eviction notice must specify the cause for the eviction.

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

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

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

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

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

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

the tenant is still in the unit and s/he is in compliance with the contract.

*The HA provides an information bulletin to owners describing eviction procedures under state and local law and HA requirements.

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

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

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

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

- 1.* The owner has violated any obligation under the HAP contract for the dwelling unit, including the owner's obligation to maintain the unit to HQS standards, including any standards the HA has adopted in this policy.
- 2.* The owner has violated any obligation under any other housing assistance payments contract under Section 8 of the 1937 Act (42 U.S.C. 1437f).
- 3.* The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.
- 4.* The owner has failed to comply with regulations, the mortgage or note, or the regulatory agreement for projects with mortgages insured by HUD or loans made by HUD.
- 5.* The owner has engaged in drug trafficking.

The HA may also terminate the contract if:

The HA terminates assistance to the family.

The family is required to move from a unit which is overcrowded.

Funding is no longer available under the ACC.

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

Notice of Termination

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

E. TERMINATIONS DUE TO INELIGIBLE IMMIGRATION STATUS [24 CFR 812.9]

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 if necessary to permit the family additional time for transition to affordable housing.

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 three years, or
- b) A determination has been made that other affordable housing is available.

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

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

Chapter 15
DENIAL OR TERMINATION OF ASSISTANCE

INTRODUCTION

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

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

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

Form of Denial/Termination

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

1. Denial for placement on the HA waiting list
2. Denying or withdrawing a certificate or 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

Mandatory Denial and Termination [24 CFR 982.552 (10)(d)]

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

1. If any member of the family fails to sign and submit HUD or HA required consent forms for obtaining information.
2. If no member of the family is a U.S. citizen or eligible immigrant.
3. If the family is under contract and 180 days have elapsed since the HA's last housing assistance payment was made.

Grounds for Denial or Termination of Assistance [24 CFR 982.552 (c)]

The HA may at any time deny program assistance for an applicant, or terminate program assistance for a participant, for any of the following grounds:

1. The family violates any family obligations under the program as listed in [24 CFR 982.551] See 982.553 concerning denial or termination of assistance for crime by family members.
2. Any member of the family has ever been evicted from federally assisted housing in the past five years.
3. If a HA has ever terminated assistance under the program for any member of the family.
4. If any member of the family has committed fraud, bribery, or any other corrupt criminal act in connection with any Federal housing program (see also 982.553(a)(1))
5. The family currently owes rent or other amounts to the HA or to another HA in connection with Section 8 or public housing assistance under the 1937 Act.
6. The family has not reimbursed any HA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owned by the family under the lease.
7. The family breaches an agreement with an HA to pay amounts owed to an HA, or amounts paid to an owner by and HA.
8. The family has engaged in or threatened abusive or violent behavior toward HA personnel.

*"Abusive or violent behavior towards HA personnel" includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language, written or oral, that is customarily used to insult or intimidate, may be cause for termination or denial.

*"Threatening" refers to oral or written threats or physical gestures that communicates an intent to abuse or commit violence.

Actual physical abuse or violence will always be cause for termination.

9. If a welfare-to-work (WTW) family fails, willfully and persistently, to fulfill its obligations under the welfare-to-work voucher program.
10. If the family has been engaged in criminal activity or alcohol abuse as described in Section 982.553

Family Self Sufficiency (FSS)

Failure to fulfill the obligations and conditions of the FSS contract is grounds for

termination of assistance. The HA will terminate assistance for FSS families who fail to comply with the FSS Contract of Participation without good cause.

B. FAMILY OBLIGATIONS [24 CFR 982.551]

1. The family must supply any information that the HA or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status (as provided by 24 CFR part 812). "Information" includes any requested certification, release or other documentation.
2. The family must supply any information requested by the HA or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.
3. The family must disclose and verify Social Security Numbers (as provided by 24 CFR part 750) and must sign and submit consent forms for obtaining information in accordance with 24 CFR part 760 and 24 CFR 813.
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 may not commit any serious or repeated violation of the lease.
7. The family must notify the owner and, at the same time, notify the HA before the family moves out of the unit or terminates the lease on notice to the owner.
8. The family must promptly give the HA a copy of any owner eviction notice.
9. The family must use the assisted unit for residence by the family. The unit must be the family's only residence.
10. The composition of the assisted family residing in the unit must be approved by the HA. The family must promptly inform the HA of the birth, adoption or court-awarded custody of a child. The family must request HA approval to add any other family member as an occupant of the unit.
11. The family must promptly notify the HA if any family member no longer resides in the unit.
12. If the HA has given approval, a foster child or a live-in aide may reside in the unit. If the family does not request approval or HA approval is denied, the family may not allow a foster child or live-in aide to reside with the assisted family.
13. 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.
14. The family must not sublease or let the unit.

15. The family must not assign the lease or transfer the unit.
16. The family must supply any information or certification requested by the HA to verify that the family is living in the unit, or relating to family absence from the unit, including any HA-requested information or certification on the purpose of family absences. The family must cooperate with the HA for this purpose. The family must promptly notify the HA of absence from the unit.
17. The family must not own or have any interest in the unit.
18. The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with the programs.
19. The members of the family may not engage in drug-related criminal activity or violent criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and person residing in the immediate vicinity of the premises. Under 24 CFR 5.2005(c)(2), criminal activity directly related to domestic violence, or stalking, engaged in by a member of a tenant's household or any guest or other person under the tenant's control, shall not be cause for termination of tenancy, occupancy rights, or assistance of the victim, if the tenant or immediate family member of the tenant is the victim.
20. Alcohol abuse by household members. 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 and person 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 Authority Discretion

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

The HA may impose, as a condition of continued assistance for other family members, a requirement that family members who participate in or were culpable for the action or failure will not reside in the unit. The HA may permit the other members of a family to continue in the program.

Enforcing Family Obligations

Explanations and Terms

The term "Promptly" when used with the Family Obligations always means "within 14 days. "Denial" or termination of assistance is always optional except where this Plan or the regulations state otherwise.

HQS Breach: The inspector will determine if an HQS breach as identified in 24 CFR 982.404 (b) is the responsibility of the family. Families may be given extensions to cure HQS breaches by the Program Coordinator.

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

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

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

Notification of Eviction: If the family requests assistance to move and they did not notify the HA of an eviction within 30 days of receiving the Notice of Lease Termination, the move will be denied.

Proposed additions to the family will be denied to:

*Persons who have been evicted from public housing

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

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

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

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

*Persons who currently owe rent or other amounts to the HA or to another HA in connection with Section 8 or public housing assistance under the 1937 Act.

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

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

*The date the family member moved out.

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

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

Limitation on Profit-making Activity in Unit:

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

*If the HA determines that the use of the unit as a business is not incidental to its use as a dwelling unit.

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

*In the event of false citizenship claims, the HA will give the family member the opportunity to elect not to contend their status in lieu of termination of the entire family.

Drug-related or Violent Criminal Activity: Drug-related criminal activity means:

The manufacture, sale or distribution, or the possession with intent to manufacture, sell or distribute, of a controlled substance (as defined in the Controlled Substance Act);

The use or possession (other than with intent to manufacture, sell, or distribute) of a controlled substance.

Drug-related criminal activity does not include the prior use or possession of a controlled substance if the family member had an addiction to the substance and has recovered or is recovering from the addiction and does not currently use or possess the substance.

Violent criminal activity includes:

Any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against a person or property, and

The activity is being engaged in by any Family member.

Applicants will be denied assistance if they have been:

*arrested/convicted/evicted from a unit due to drug-related or violent criminal activity within the last 3 years prior to the date of the certification/recertification interview.

Participants may be terminated who have been:

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

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

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

Required Evidence

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

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

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

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

Notice of Termination of Assistance

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

- The reason(s) for the proposed termination.
- The effective date of the proposed termination.
- The family's right, if they disagree, to request an Informal Hearing to be held before termination of assistance.
- The date by which a request for an informal hearing must be received by the HA.

The HA will simultaneously provide written notice of the contract termination to the owner so that it will coincide with the Termination of Assistance. The Notice to the owner will not include any details regarding the reasons for termination of assistance.

C. PROCEDURES FOR NON-CITIZENS [24 CFR 812.9 (c) (d), 812.10 (d)]

Termination due to Ineligible Immigrant Status

Assistance may not be terminated while verification of the participant family's eligible immigration status is pending. Participant families in which all members are neither U.S. citizens nor eligible immigrants must have their assistance terminated. They must be given an opportunity for a hearing.

Temporary Deferral of Termination of Assistance

Ineligible families who were participants as of June 19, 1995, may request a temporary

deferral of termination of assistance in order to allow time to locate affordable housing and thereby preserve the family.

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

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

Criteria for Approving Temporary Deferral of Termination of Assistance

The HA will grant temporary deferral so long as the family makes reasonable efforts to find affordable housing and the Consolidated Plan indicates that the market lacks sufficient 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 HA 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 HA's data indicates that units are not available at the affordable rent, the deferral will be renewed.

- *If the HA determines that the vacancy rate for affordable housing is less than 5% in its jurisdiction, it will accept a written statement from the family that they have been unable to find affordable housing.

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

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

- *Automatically grant and extend temporary deferral of termination of assistance so long as the market for affordable housing is limited in the jurisdiction.

- *The initial deferral interval shall be granted on the family's request. Subsequent requests for deferral shall be granted on the basis of the family's statement that they are making efforts to find affordable housing, so long as the supply of affordable housing in the area remains low as determined by comparing 125% of Total Tenant Payment to the data in the HA's Rent Reasonableness System.

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

False or Incomplete Information

When the HA has clear, concrete, or substantial documentation (Such as a permanent resident card or information from another agency) that contradicts the declaration of citizenship made by an applicant or participant, an investigation will be conducted and the individual given an opportunity to present relevant information.

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

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

Procedure for Denial or Termination

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

After the HA has made a determination of ineligibility, the family will be notified of the determination and the reasons and informed of the option for prorated assistance (if applicable) or, for participants who qualify, for Temporary Deferral of Termination of Assistance.

D. \$0 ASSISTANCE TENANTS [24 CFR 982.455(a)]

Old Contracts

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

New Contracts

For contracts effective after 10/2/95, the HA has no liability for unpaid rent or damages, and the family may remain in the unit at \$0 assistance for up to 180 days after the last HAP payment. If the family is still in the unit after 180 days, the assistance will be terminated. If within the 180 days timeframe, an owner rent increase or a decrease in the Total Tenant Payment cause the family to be eligible for a housing assistance payment, the HA will resume assistance payments for the family.

In order for a family to move to another unit during the 180 days, the rent for the new unit would have to be high enough to necessitate a housing assistance payment.

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

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

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

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

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

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

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

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

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

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

1. Eligibility for Admissions
2. Verification Procedures
3. Certificate/Voucher Issuance and Briefings
4. Housing Qualify Standards and Inspections
5. Re-certifications
6. Appeals

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

- * Medical emergency
- * Incarceration
- * Family emergency

Procedure when Appointments are Missed or Information not Provided

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

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

- * The termination will be rescinded after the family cures the breach.
- * The notice will not be rescinded even if the family offers to cure the breach.
- * The notice will be rescinded if the family offers to cure and the family does not have a history of non-compliance.

Chapter 16
OWNER DISAPPROVAL AND RESTRICTION

INTRODUCTION

It is the policy of the HA to and 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 HA. The regulations define when the HA must disallow an owner participation in the program, and they provide the HA discretion to disapprove or otherwise restrict the participation of owners in certain categories. This Chapter describes the criteria for owner disapproval, and various penalties for owner violations.

A. DISAPPROVAL OF OWNER [24 CFR 982.306, 982.54 (d) (8)]

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

The HA will disapprove the owner for the following reasons:

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

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

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

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

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

*The owner has engaged in drug trafficking.

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

*The owner has a history or practice of renting units that fail to meet State or local housing codes.

*The owner has not paid State or local real estate taxes, fines or assessments.

B. OWNER RESTRICTIONS AND PENALTIES [24 CFR 982.302 (a)(8), 982.453]

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

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

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

DISAPPROVAL OF OWNERS/PARTICIPATION RESTRICTIONS

BREACH	Penalty (Termination-T, Disapproval-D)
HUD notification of owner debarment/suspension	T
HUD notification of violation of fair hsg/fed. equal opp.	T
Violation of contract obligations	D
Owner fraud, bribery or other corrupt act in federal housing program	T
Owner engaged in drug trafficking	T
History of noncompliance with HQS	D
History of renting units below code	D
State/local real estate taxes, fines or assessments	D

C. OTHER REMEDIES FOR OWNER VIOLATIONS

Overpayment

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

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

Chapter 17
CLAIMS, MOVE-OUT AND CLOSE-OUT INSPECTIONS
(For Contracts Effective Before October 2, 1995)

INTRODUCTION

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

A. OWNER CLAIMS

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

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

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

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

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

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

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

C. MOVE-OUT AND CLOSE-OUT INSPECTIONS

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

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

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

*The owner must notify the HA of the move-out and request an inspection within 48 hours of learning of the move-out in order to submit a claim for damages.

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

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

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

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

*In the event that the HA is unable to inspect within 14 days, the owner will be permitted to use date-stamped photographs to substantiate the claim.

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 rules. If the maximum allowable security deposit is insufficient to reimburse the owner for the unpaid tenant rent or other amounts which the family owes under the lease, the owner may request reimbursement from the HA up to the limits for each program.

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

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

1* The HA will offer the family 7 days to contest the claim. If the family disputes the claim, the HA will schedule an informal meeting with the owner and tenant in order to resolve the difference.

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

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

*Meetings will not be rescheduled if neither party attends.

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

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

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

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

3* The HA does not give the tenant an opportunity to contest the claim.

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

Other Requirements for Claims Processing

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

*Costs of filing eviction to remove the tenant or any other legal fees, any not be reimbursed.

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

All unpaid rent, damage, and vacancy loss claim forms must be fully complete when they are submitted, and they must be submitted within 14 days of the date the owner learned of the move-out.

Chapter 18
OWNER OR FAMILY DEBTS TO THE HA

INTRODUCTION

This Chapter describes the HA's policies for the recovery of monies which have been overpaid for families, and to owners. It describes the methods that will be utilized for collection of monies and the guidelines for different types of debts. It is the HA's policy to meet the informational needs of owners and families, and to communicate the program rules in order to avoid owner and family debts. Before a debt is assessed against a family or owner, the file must contain documentation to support the HA's claim that the debt is owed. The file must further contain written documentation of the method of calculation, in a clear format for review by the owner, the family or other interested parties.

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

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

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

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

Late Payments

A payment will be considered to be in arrears if:

- *The payment has not been received by the close of the business day on which the payment was due. If the due date is on a weekend or holiday, the due date will be at the close of the next business day.
- *The payment is not received by the close of the business day 5 days after the due date.

If the family's repayment agreement is in arrears, the HA will:

- *Require the family to pay the balance in full
- *Pursue civil collection of the balance due
- *Terminate the housing assistance

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

*The family will be permitted to move.

*The family will be required to pay the balance in full prior to the issuance of a voucher.

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

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

*if the family repays the past due amount, they will be permitted to move.

Repayment Schedule for Monies Owed to the HA

<u>Amount Owed</u>	<u>Maximum Term</u>
0-\$500	3-6 months
\$501 - \$1,000	6-10 months
\$1,001 - \$2,500	12-18 months

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

*If the family already has a Repayment Agreement in place

*If the HA determines that the family committed program fraud

Guidelines for Repayment Agreements

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

*Monthly payments may be decreased in cases of hardship with the prior notice of the family, verification of the hardship, and the approval of the Executive Director

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

*Family size exceeds the HQS maximum occupancy standard

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

*A natural disaster

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

*The HA will not enter into more than one Repayment Agreement at a time with the same family.

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

*If a Payment Agreement is in arrears more than 30 days, any new debts must be paid in full.

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

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

*The HA will require the family to repay the amount in full

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

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

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

Family Error/Late Reporting

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

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

*Families who owe money to the HA due to the family's failure to report increases in income will be required to repay in a lump sum within 30 days. If the family pays the amount in full within this time period, the HA may continue assistance to the family.

Program Fraud

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

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

*Families who owe money to the HA due to program fraud will be required to repay the amount in full within 30 days. If the full amount is paid within this time period, and the family is still eligible, the HA may continue assistance to the family.

If a family owes an amount which equals or exceeds \$10,000 as a result of program fraud, the case will be referred to Inspector General. Where appropriate, the HA will refer the case for criminal prosecution.

Repayment Procedures for Program Fraud

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

- *The duration of the agreement will not exceed the duration of the violation
- *The maximum time period for a Repayment Agreement will be 24 months
- *The family will be required to pre-pay 10% of the amount owed prior to or upon execution of the Repayment Agreement

D. OWNER DEBTS TO THE HA

If the HA determines that the owner has retained Housing Assistance or Claim Payments the owner is not entitled to, the HA may reclaim the amounts from future Housing Assistance or Claim Payments owed the owner for any units under contract.

If future Housing Assistance or Claim Payments are insufficient to reclaim the amounts owed, the HA will:

- *Require the owner to pay the amount in full within 30 days
- *Enter into a repayment agreement with the owner for the amount owed
- *Pursue collections through the local court system
- *Restrict the owner from future participation

E. WRITING OFF DEBTS

Debts will be written off if:

- *The debtor's whereabouts are unknown and the debt is more than 2 years old
- *A determination is made that the debtor is judgment proof
- *The debtor is deceased
- *The debtor is confined to an institution indefinitely or for more than 2 years.

Chapter 19
COMPLAINTS AND APPEALS

INTRODUCTION

The informal hearing requirements defined in HUD regulation are applicable to participating families who disagree with an action, decision, or an action of the HA. This Chapter describes the policies, procedures and standards to be used when families disagree with an HA decision. The procedures and requirement are explained for preference denial meetings, informal reviews and hearing. It is the policy of the HA to ensure that all families have the benefit of all protections due to them under the law.

A. COMPLAINTS TO THE HA

The HA will respond promptly to complaints from families, owners, employees, and members of the public. All complaints will be documented. The HA does not require that complaints other than HQS violations be put in writing. HQS complaints may be reported by telephone.

Categories of Complaints

1. Complaints from families: If a family disagrees with an action or inaction of the HA or owner.

*Complaints from families will be referred to the Program Coordinator

2. Complaints from Owners: If an owner disagrees with an action or inaction of the HA or a family.

*Complaints from families will be referred to the Program Coordinator

3. Complaints from staff: If a staff person reports an owner or family either violating or not complying with program rules.

*Complaints from families will be referred to the Program Coordinator

4. Complaints from the general public: Complaints or referrals from persons in the community in regard to the HA, a family or an owner

*Complaints from families will be referred to the Program Coordinator

B. PREFERENCE DENIALS [24 CFR 982.210 (d)]

When the HA denies a preference to an applicant, the family will be notified in writing of the specific reason for the denial and offered the opportunity for a meeting with HA staff to discuss the reasons for the denial and to dispute the HA's decision.

The person who conducts the meeting must be:

*Any officer or employee of the HA including the person who made the decision

C. INFORMAL REVIEW PROCEDURES FOR APPLICANTS [24 CFR 982.545 (d) (12), 982.554]

Reviews are provided for applicants who are denied assistance before the effective date of the HAP Contract. The exception is that when an applicant is denied assistance for citizen or eligible immigrant status, the applicant is entitled to an informal hearing.

When the HA determines that an applicant is ineligible for the program, the family must be notified of their ineligibility in writing. The notice must contain:

The reason(s) they are ineligible,
The procedure for requesting a review if the applicant does not agree with the decision and
The time limit for requesting a review

The HA must provide applicants with the opportunity for an Informal Review of decisions denying:

*Qualification for preference
Listing on the HA's waiting list
Issuance of a Certificate or Voucher
Participation in the program

Informal Reviews are not required for established policies and procedures and HA determinations such as:

1. Discretionary administrative determinations by the HA
2. General policy issues or class grievances
3. A determination of the family unit size under the HA subsidy standards
4. Refusal to extend or suspend a Certificate or Voucher
5. Disapproval of lease
6. Determination that unit is not in compliance with HQS
7. Determination that unit is not in accordance with HQS due to family size or composition

Procedure for Review

A request for an Informal Review must be received in writing by the close of the business day, no later than 7 days from the date of the HA's notification of denial of assistance. The informal review will be scheduled within 14 days from the date the request is received.

The Informal Review may not be conducted by the person who made or approved the decision under review, nor a subordinate of such person.

The Review may be conducted by:

*A staff person who is at the Executive level or above

The applicant will be given the option of presenting oral or written objections to the decision. Both the HA and the family may present evidence and witnesses. The family may use an attorney or other representative to assist them at their own expense.

*The review may be conducted by mail and/or telephone if acceptable to both parties.

A Notice of the Review findings will be provided in writing to the applicant within 14 days after the review. It shall include the decision of the review officer, and an explanation of the reasons for the decision.

All requests for a review, supporting documentation, and a copy of the final decision will be retained in the family's file

D. INFORMAL HEARING PROCEDURES [24 CFR 982.555(a-f), 982.54 (d)(13)]

The HA will provide a copy of the hearing procedures in the family briefing packet. When the HA makes a decision regarding the eligibility and/or the amount of assistance, applicants and participants must be notified in writing. The HA will give the family prompt notice of such determination which will include:

- The proposed action or decision of the HA;
- The date the proposed action or decision will take place;
- The family's right to an explanation of the basis for the HA's decision.
- The procedure for requesting a hearing if the family disputes the action or decision;
- The time limit for requesting the hearing.
- *To whom the hearing request should be addressed
- *A copy of the HA's Hearing Procedures

The HA must provide participants with the opportunity for an Informal Hearing for decisions related to any of the following HA determinations:

1. Determination of the family's annual or adjusted income and the computation of the housing assistance payment
2. Appropriate utility allowance used from schedule
3. Family unit size determination under HA subsidy standards
4. Determination to terminate assistance for any reason
5. Determination to pay an owner claim for damages, unpaid rent or vacancy loss.

The HA must always provide the opportunity for an informal hearing before termination of assistance.

Informal Hearings are not required for established policies and procedures and HA determination such as:

1. Discretionary administrative determination by the HA
2. General policy issues or class grievances
3. Establishment of the HA schedule of utility allowances for families in the program
4. An HA determination not to approve an extension or suspension of a certificate or voucher term
5. An HA determination not to approve a unit or lease
6. An HA determination that an assisted unit is not in compliance with HQS HA

must provide hearing for family breach of HQS because that is a family obligation determination

7. An HA determination that the unit is not in accordance with HQS because of the family size
8. An HA determination to exercise or not exercise any right or remedy against the owner under a HAP contract.

Notification of Hearing

It is the HA's objective to resolve disputes at the lowest level possible, and to make every effort to avoid the most severe remedies. However, if this is not possible, the HA will ensure that applicants and participants will receive all of the protections and rights afforded by the law and the regulations.

When the HA receives a request for an informal hearing, a hearing shall be scheduled within 14 days. The notification of hearing will contain:

1. The date and time of the hearing
2. The location where the hearing will be held
3. The family's right to bring evidence, witnesses, legal or other representation at the family's expense
4. The right to view any documents or evidence in the possession of the HA upon which the HA based the proposed action and, at the family's expense, to obtain a copy of such documents prior to the hearing

*The HA's Hearing Procedures

*After a hearing date is agreed to, the family may request to reschedule only upon showing "good cause," which is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family.

*If the family does not appear at the scheduled time, and did not make arrangements in advance, the HA will automatically reschedule the hearing.

*If a family does not appear at a scheduled hearing and has not rescheduled the hearing in advance, the family must contact the HA within 24 hours, excluding weekends and holidays. The HA will reschedule the hearing only if the family can show good cause for the failure to appear.

Families have the right to:

Present written or oral objections of the HA's determination

Examine the documents in the file which are the basis for the HA's action, and all documents submitted to the Hearing Officer;

Copy any relevant documents at their expense;

Present any information or witnesses pertinent to the issue of the hearing;

Request that HA staff be available or present at the hearing to answer questions pertinent to the case; and

Be represented by legal counsel, advocate, or other designated representative at their own expense

*If the family requests copies of documents relevant to the hearing, the HA will make the copies for the family and assess a charge of .20 per copy. In no case will the family be allowed to remove the file from the HA's office.

In addition to other rights contained in this Chapter, the HA has a right to:

Present evidence and any information pertinent to the issue of the hearing;

Be notified if the family intends to be represented by legal counsel, advocate, or another party;

Examine and copy any documents to be used by the family prior to the hearing;

Have its attorney present; and

Have staff persons and other witnesses familiar with the case present.

The Informal Hearing shall be conducted by the Hearing Officer appointed by the HA who is neither the person who made or approved the decision, nor a subordinate of that person. The HA appoints hearing officers who are HA.

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The hearing shall concern only the issues for which the family has received the opportunity for hearing. Evidence presented at the hearing may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

No documents may be presented which have not been provided to the other party before the hearing if requested by the other party. "Documents" includes records and regulations.

*The family must request an audio recording of the hearing, if desired, 14 days prior to the hearing date.

The Hearing Officer may ask the family for additional information and/or might adjourn the Hearing in order to reconvene at a later date, before reaching a decision.

*If the family misses an appointment or deadline ordered by the Hearing Officer, the action of the HA shall take effect and another hearing will not be granted.

The Hearing Officer will determine whether the action inaction or decision of the HA is legal in accordance with HUD regulations and this Administrative Plan based upon the evidence and testimony provided at the hearing. Factual determinations relating to the individual circumstances of the family will be based on a preponderance of the evidence presented at the hearing.

A notice of the Hearing Findings shall be provided in writing to the HA and the family within 14 days and shall include:

A clear summary of the decision and reasons for the decision'

If the decision involves money owed, the amount owed; and

The date the decision goes into effect

The HA is not bound by hearing decisions:

Which concern matters in which the HA is not required to provide an opportunity for a hearing

Which conflict with or contradict to HUD regulations or requirements;

Which conflict with or contradict Federal, State or local laws; or

Which exceed the authority of the person conducting the hearing.

The HA shall send a letter to the participant if it determines the HA is not bound by the Hearing Officer's determination within 14 days. The letter shall include the HA's reasons for the decision.

All requests for a hearing, supporting documentation, and a copy of the final decision will be retained in the family's file.

E. HEARING AND APPEAL PROVISIONS FOR "RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS" [24 CFR 812.9]

Assistance to the family may not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of the decision on the INS appeal.

Assistance to a family may not be terminated or denied while the HA hearing is pending but assistance to an applicant may be delayed pending the HA hearing.

INS Determination of Ineligibility

If a family member claims to be an eligible immigrant and the INS SAVE system and manual search do not verify the claim, the HA notifies the applicant or participant within ten days of their right to appeal to the INS within thirty days or to request an informal hearing with the HA either in lieu of or subsequent to the INS appeal.

If the family appeals to the INS, they must give the HA a copy of the appeal and proof of mailing or the HA may proceed to deny or terminate. The time period to request an appeal may be extended by the HA for good cause.

The request for an HA hearing must be made within fourteen days of receipt of the notice offering the hearing or, if an appeal was made to the INS, within fourteen days of receipt 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 not other eligible family members the HA will:

Deny the applicant family

Defer termination if the family is a participant and qualifies for deferral

Terminate the participant if the family does not qualify for deferral

If there are eligible members in the family, the HA will offer to prorate assistance or give the family the option to remove the ineligible members.

All other complaints related to eligible citizen/immigrant status:

If any family member fails to provide documentation or certification as required by the regulation, that member is treated as ineligible. If all family members fail to provide, the family will be denied or terminated for failure to provide.

Participants whose termination is carried out after temporary deferral may not request a hearing since they had an opportunity for a hearing prior to the termination.

Participants whose assistance is pro-rated (either based on their statement that some members are ineligible or due to failure to verify eligible immigration status for some members after exercising their appeal and hearing rights described above) are entitled to a hearing based on the right to a hearing regarding determinations of Tenant Rent and Total Tenant Payment.

Families denied or terminated for fraud in connection with the non-citizens rule are entitled to a review or hearing in the same way as terminations for any type of fraud.

F. MITIGATING CIRCUMSTANCES FOR APPLICANTS/PARTICIPANTS WITH DISABILITIES

When applicants are denied placement on the waiting list, or the HA is terminating assistance, the family will be informed that presence of a disability may be considered as a mitigating circumstance during the informal review process.

Chapter 20
HOMEOWNERSHIP PROGRAM

INTRODUCTION

Section 8(y) of the United States Housing Act of 1937, as amended by Section 555 of the Quality Housing and Work Responsibility Act of 1998, provides for the use of Section 8 assistance for the purpose of homeownership. The Housing Authority believes that it may have potential tenants and applicants who may qualify for a homeownership program. Section 8 assistance will not cover down payment, closing costs or other fees. This section provides the basic framework for the administration of a homeownership program.

A. QUALIFICATIONS

1. Qualified applicants and existing participants will be eligible for this program.
2. Applicants for the homeownership program must have gross monthly income that exceeds at least two times the voucher payment standard in effect at admission to the program. The head and spouse must demonstrate sufficient monthly gross income to cover all homeownership and family related expenses. Welfare income may not be counted toward this requirement. The minimum income requirement must be met by sources other than public assistance.
3. The family must demonstrate that the head or spouse is currently employed full-time and has been continuously employed for a minimum of one (1) year prior to receiving the homeownership assistance (elderly and disabled are exempted from the requirement).
4. Only "first-time" homeowners will be considered. Qualified families may not have owned title to a principal residence in the last three years (36 months). A right to purchase title (not executed) under a lease/purchases option does not count as an ownership option
5. Any head or spouse that has previously defaulted on a mortgage obtained through the homeownership option is barred from receiving future homeownership assistance.

B. COUNSELING

The HA will provide for the following counseling to those applicants and participants in the homeownership program:

Pre-Assistance Counseling

1. Families who are eligible for the program will be required to attend and attend Pre-Assistance homeownership counseling sessions.

2. The sessions will focus on the following areas:
 - a) Selecting the home that best suits the family's needs (schools, transportation, etc.);
 - b) Defining what level of affordability the family meets;
 - c) Home maintenance;
 - d) Budgeting and money management;
 - e) Credit counseling;
 - f) Financial issues associated with purchasing a home;
 - g) Real Estate Agent issues;
 - h) Homeownership financing, down payments, fees, taxes, types of mortgages and other financial issues;
 - i) Types of assistance that may be available to the prospective homebuyer;
 - j) Comparable real estate sales issues;
 - k) Advantages of purchasing a home outside low-income areas and areas of concentration of low-income families;
 - l) How to negotiate a purchase price;
 - k) Other important topics.

C. FINANCING PURCHASE OF HOME

Families selected to participate in the Section 8 homeownership program must secure their own financing. All underwriting must comply with the requirements for FHA-insured single family mortgage loans.

- 1) Variable rates and balloon payment shall be discouraged;
- 2) Seller financing shall be acceptable provided that the rate is comparable to the average commercial rate.
- 3) Monthly mortgage, plus taxes, must be considered affordable;
- 4) Housing Authority must pre-approve all financing.

D. DOWN PAYMENTS

Families will be required to provide any required down payment in order to conclude the real estate transaction. The Housing Authority will refer the participant to any form of down payment assistance that may be available.

E. HOME INSPECTIONS

The HA will require that the two following inspection will be performed:

- 1) An initial Housing Quality Standards (HQS) by the HA (only performed once);
- 2) An independent professional home inspection. This inspection shall identify any defects in the home. The Section 8 family will be required to pay for the cost of the home inspection. A copy of the report must be provided to the HA. The HA has the right to disapprove a unit for homeownership based upon the results of this report.
- 3) The family and the HA will determine if any pre-purchase repairs are necessary. The seller will be required to make all repairs.
- 4) The home inspection requirement will be contained in the contract of sale. The contract shall state that the purchaser is not obligated to purchase unless the inspection is satisfactory to the purchaser

and the HA. It shall also state that the purchaser is not responsible for making any repairs.

F. STATEMENT OF HOMEOWNER OBLIGATIONS

The HA and the family shall execute a "Statement of Homeowner Obligations" form that specify all obligations for participation in the program. This document will be substituted for the Request for Lease Approval, Lease Agreement, Lease Addendum and HAP Contract.

The HA reserves the right to make assistance payments directly to the family or the lender. In the event that payment is made to the family, they will be responsible to pay the lender. Failure to make payment to the lender may result in termination from the program.

The voucher payment standard shall be used for the homeownership program. There will be no separate homeownership payment standard.

G. HOMEOWNERSHIP ASSISTANCE PAYMENTS

The homeownership assistance payment shall be based upon the lesser of the following:

- 1) Payment Standard minus Total Tenant Payment (TTP); or
- 2) Family's monthly "homeownership expenses" minus TTP.

The family is responsible for all expenses not covered by the assistance.

"Homeownership expenses" shall include: mortgage, real estate taxes, home insurance, PHA allowance for maintenance expenses, allowance for major repairs & replacement and the utility allowance.

H. TERM OF ASSISTANCE

The maximum term of the assistance shall be ten (10) years (except for elderly & disabled). The term shall be aggregated for purposes of multiple home purchases.

I. PORTABILITY

The family may exercise its homeownership option outside the initial HA jurisdiction if the receiving HA is administering a Section 8 homeownership program and is accepting new families into their program. The receiving HA has the option of absorbing the family or billing the initial HA for the assistance. The receiving HA will be responsible for counseling and application of their homeownership policies.

J. TERMINATION OF ASSISTANCE

Assistance may be terminated under the following circumstances:

- 1) Fraud or program abuse;
- 2) Conclusion of the ten year term of assistance;
- 3) Family moves out of the unit (no longer occupies the unit)

Chapter 21
PROJECT-BASED VOUCHER ASSISTANCE

INTRODUCTION

The Town of Secaucus is located about 2 miles from New York City. The vacancy rate in Secaucus is very low and the average rent is much higher than the other communities in the county. The Housing Authority has been a proactive and aggressive in its outreach to local landlords. The Housing Authority has issued a Request for Proposals which has been published in local papers in order to attract potential landlord that would like to participate in a project based voucher program. The RFP was for up to 25 units of PBVs.

A. ADMINISTRATION OF PROJECT BASED VOUCHER ASSISTANCE

All facets of the Project-based voucher assistance will be administered in accordance with HUD regulations (currently 24 CFR part 983 and FR-4633-N-01).

B. CONSISTENCY WITH PHA PLAN

The project-based voucher option is exercised consistently with the objectives of the PHA Plan, specifically to promote the statutory goals of deconcentrating poverty and expanding housing and economic opportunities.

C. CAP ON NUMBER OF DWELLING UNITS ALLOWED

There is a 25% cap on the number of dwelling units in any one building that may have project-based voucher assistance.

The following building types, however, are exempt from this cap:

Project-based dwelling units in single-family properties

Dwelling units specifically for elderly families (as defined in 5 CFR 5.403(b)), or families receiving supportive services.

D. FAMILY CHOICE TO MOVE WITH PROJECT-BASED VOUCHER

The family choice has two components:

Mobility

The family may move out of the unit after 12 months.

Continued Assistance

If a family moves out of its project-based unit after the first year of occupancy, the PHA will offer the family available rental assistance under the housing choice voucher program.

E. CONTRACT TERM

The contract terms of the project-based voucher assistance will be for one year. Annual renewal of the contract will be dependent on HUD funding for the housing

choice voucher program.

F. CONTRACT RENTS & ADJUSTMENT TO RENTS

Gross rents shall not exceed 110% of the HUD published Fair Market Rents, or any HUD-approved exception payment standard.

The owner can request adjustments to rent once annually, at the time of contract renewal. Adjusted rents must be reasonable in comparison with rents charged for comparable units in the private, unassisted local market (see 42 U.S.C. 1437(f) (o) (10) (A), 24 CFR 982.507 and SEMAP "rent reasonableness 24 CFR 985.3(b).)

G. TENANT SELECTION & PLACEMENT ON WAITING LIST

Selection preference will be given to "in place" tenants (tenants who already reside in the building receiving project-based voucher assistance).

The PHA will maintain a single waiting list for both housing choice voucher program applicants and applicants to project-based voucher assistance. Applicants who refuse one form of assistance will be allowed to retain their position on the waiting list until an offer of the other form of assistance is available.

Admission to the project-based voucher assistance program is subject to the same statutory requirement regarding income targeting (see Chapter 3 "Applying for Admission" "F. Deconcentration Rule" 3-4.)

H. UNIT INSPECTION & HOUSING QUALITY STANDARDS

Units receiving assistance under the project-based voucher assistance program must meet or exceed standards defined in HUD 42 U.S.C. 1437f(o) (8). See Chapter 10 "Housing Quality Standards and Inspections".

All units will pass HQS before entering into a HAP contract. However, regulations for project-based voucher assistance do not require that the PHA inspect each unit in the project annually. The PHA will inspect a "representative sample" of the project-based voucher units annually for any given project under contract.

I. VACANCY PAYMENTS

The PHA will continue providing assistance for a unit that becomes vacant for up to a maximum of 60 days. This vacancy payment will only be made if the vacancy is not the fault of the owner and the owner takes "every reasonable action" to minimize the likelihood and extent of vacancies.