

SECTION 8
RENTAL ASSISTANCE
POLICY MANUAL
OF THE
HOUSING AUTHORITY
OF THE
COUNTY OF TULARE

Revised December 16, 2020

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SECTION 8 POLICIES

INTRODUCTION

The Housing Authority of the County of Tulare currently provides Section 8 rental assistance through the Voucher, Aftercare, Moderate Rehabilitation and the Moving-to-Work Demonstration Programs.

This policy will only apply to families that qualify as elderly or disabled families, who are participating the Moderate Rehabilitation Program, or who have been continuously receiving Section 8 Rental assistance through the Housing Choice Voucher Program since prior to May 1, 1999.

Throughout this policy, the following conventions will be used:

The Housing Authority of the County of Tulare will be referred to as HATC.

- Section 8 applicants will be referred to as Applicants
- Section 8 participants will be referred to as a Family(s), Client(s) or Participant(s). The term “family” can refer to a single person. A family does not become a Section 8 participant until the effective date of their first HAP contract.
- Tenant is used to refer to participants in terms of their relation to landlords.
- Landlord and Owner are used interchangeably.
- The Section 8 program is also known as the Housing Choice Voucher Program.

DEFINITIONS

1. **Absorption:** In portability, the point at which a receiving housing authority stops billing the initial housing authority for assistance on behalf of a portable family.
2. **Adjusted Income:** Annual income, less:
 - A. \$480 for each dependent (refer to definition #15)
 - B. \$400 for any elderly family (refer to definition #24)
 - C. Medical expenses in excess of three percent of annual income for any elderly family (refer to definition #54), or a fixed medical deduction of \$500 if the family chooses not to verify actual on-going medical expenses.
 - D. Child care expenses (refer to definition #10)
 - E. Handicap assistance expenses (refer to definition #36)
3. **Adult:** A household member who is 18 years or older or who is head of the household, or spouse, or co-head. An adult must have the legal capacity to enter a lease under state and local law.
4. **Affordability Adjustment:** An increase in the amount of a family's housing-assistance payments for vouchers to assure continued affordability of housing by participating families.

The Public Housing Agency (PHA) has the flexibility of making, or not making, affordability adjustments.

Affordability adjustments are made to offset increases in housing costs as a result of inflation.

5. **Aftercare:** The housing-assistance program for the disabled (Aftercare Program), provides rental assistance to very low-income persons who are certified to be physically, developmentally or mentally disabled. This certification, given by recognized supportive service agencies, must include participation by the disabled person in a planned and ongoing program(s) of rehabilitation, education or other supportive services that are directly related to the disability. The qualifying, supportive services rendered by the service agency or affiliated provider must be of such a nature that would allow a person to live independently within the community. The agency would give the participant a "Certificate of Disability."

6. Allowances: Amounts deducted from the household's annual income in determining adjusted annual income. Allowances are given for elderly families, dependents, medical expenses for elderly families, disability expenses and child-care expenses for children under 13 years of age.

7. Annual Income:

A. Annual income is the anticipated total income from all sources received by the family head and co-tenant (even if temporarily absent), and by each additional member of the family, including all net income derived from assets anticipated for the 12-month period following the effective date of initial determination, re-examination or re-determination of income, exclusive of income that is temporary, non-recurring or sporadic, as defined in paragraph C.1 of this section.

B. Income includes, but is not limited to:

(1) The gross amount, before any payroll deductions, of wages and salaries, overtime pay, commissions fees, tips and bonuses, and other compensation for personal services.

(2) The net income from operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.

(3) Interest, dividends and other net income of any kind from real and personal property (for this purpose, expenditures for amortization of capital indebtedness and an allowance for depreciation of capital assets shall not be deducted to determine the net income from real or personal property).

Where the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate as determined by HUD. On contracts for sale of real estate, deeds of trust or mortgages held by the applicant or tenant, only the interest portion of the monthly or annual payments received by the applicant or tenant is included as income. The gross amount of periodic payments received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum payment for the delayed start of a periodic payment.

- (4) The gross amount of periodic payments received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts.
- (5) Payments in lieu of earnings, such as unemployment and disability compensation, Worker's Compensation and severance pay. (However, lump-sum additions, such as insurance payments from Worker's Compensation, are excluded.)
- (6) Welfare assistance, including any amount being deducted from the family's grant because of fraud or failure to participate in economic self-sufficiency programs or comply with work activities.

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

- (a) The amount of the allowance or grant, exclusive of the amount specifically designated for shelter or utilities, plus
- (b) The maximum amount the welfare-assistance agency could, in fact, allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage.

- (7) Imputed Welfare Income:
- (a) A family's annual income includes the amount of imputed welfare income resulting from a specified welfare-benefits reduction.
 - (b) HATC will obtain the amount and term of any specified welfare-benefit reduction for a family member, the reason for such reduction, and any subsequent changes in the term or amount of such specified welfare benefit reduction from the Tulare County Social Services Agency through written notification from the Social Service Agency. HATC will use this information to determine the actual amount of imputed-welfare income for a family.
 - (c) A family's annual income will include the imputed welfare income, determined at reexamination of family income and composition, during the term of the welfare benefits reduction.
 - (d) The amount of the imputed-welfare income is offset by the amount of additional income a family receives that commences after the time the sanction was imposed. When such additional income from other sources is at least equal to the imputed-welfare income, the imputed -welfare income is reduced to zero.
 - (e) HATC will not include imputed-welfare income in annual income if the family was not an assisted resident at the time of the sanction.
- (8) Periodic and determinable allowances, such as alimony and child support payments, and regular contributions and gifts received from persons not residing in the dwelling.
- (9) Amounts of educational grants and scholarships paid directly to the student or to the educational institution, and amounts paid by the government for room and board.
- (10) All regular pay, special pay (except hazardous duty pay), and allowances of a member of the armed forces (whether or not living in the dwelling) who is head of the family, spouse or other family member whose dependents are residing in the unit.

- (11) Income of related persons who “live in” to provide care for a sick or incapacitated family member shall be included if his or her income is available to the family, and if the person is expected to contribute towards the family’s support. In such cases, only that part of their income, which is over and above wages paid by the family, shall be included. If these wages are deducted by the family as an unusual medical expense, then the entire amount of income of the “live-in” caretaker shall be included. In this type of situation, the “live-in” person is entitled to residual rights.
- (12) If it is not feasible to anticipate a level of income over a 12-month period, the income anticipated for a shorter period may be annualized, subject to a redetermination at the end of the shorter period.
- (13) If there is income coming into the home on a regular basis that is not specifically listed as excluded income, it will be counted.

C. Annual income does not include:

- (1) Temporary, non-recurring nor sporadic income, such as the following:
 - a. Casual, sporadic or irregular gifts; or
 - b. Amounts that are specifically received for, or in reimbursement of, the cost of medical expenses.
- (2) Payments received by participants in other publicly assisted programs as reimbursement for out-of-pocket expenses incurred (special equipment, clothing, transportation, reimbursement for child care, and so forth), which are made solely to allow participation in a specific program and cannot be used for other purposes.
- (3) Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and Worker’s Compensation), capital gains and settlement for personal or property losses, or deferred periodic amounts from Supplemental Security Income (SSI), Social Security benefits, and Department of Veterans Affairs disability benefits that are received in a lump-sum amount or in prospective monthly amounts. These amounts could become net family assets.
- (4) Any earned-income-tax credit to the extent it exceeds income-tax liability.
- (5) Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member.
- (6) Any state or local refunds or rebates for property taxes.

- (7) Payments made by a state agency to a family with a developmentally disabled family member living in the home to offset the cost of services and equipment needed to keep that family member at home.
- (8) Income from employment of children (including foster children) under the age of 18 years.
- (9) Amounts specifically excluded by any other federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the 1937 Act. The following types of income are subject to such exclusion:

 - a. The value of the allotment provided to an eligible household for coupons under the Food Stamp Act of 1977 (7 U.S.C. 2011-2029);
 - b. Payment or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8621-8629);
 - c. Payments to volunteers under the Domestic Volunteer Service Act of 1973 [42 USC 5044 (g), 5088]; Examples of programs under this Act include, but are not limited to:

 - the Retired Senior Volunteer Program (RSVP);
 - Foster Grandparent Program (FGP);
 - Senior Companion Program (SCP);
 - the Older American Committee Service Program; and
 - National Volunteer Antipoverty Programs such as VISTA, Peace Corps, Service Learning Program, and Special Volunteer Programs;
 - d. Payments received under the Alaska Native Claims Settlement Act [43 USC1626 (a)];
 - e. Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes [25 USC 459e];
 - f. Allowances, earnings and payments to individuals participating in programs under the Workforce Investment Act of 1998 (29 U.S.C. 2931);
 - g. Income derived from the disposition of funds of the Grand River Band of Ottawa Indians [Pub. L. 94-540, 90 Stat 2503-04];

- h. The first \$2000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U.S. Claims Court, the interests of individual Indians in trust or restricted lands, including the first \$2000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands (25 U.S.C. 1407–8);
- i. Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the In Re Agent Orange liability litigation, M.D.L. No. 381 (E.D.N.Y.) (Pub. L. 101–201 and 101–39);
- j. Payments received under the Maine Indian Claims Settlement Act 1980 (Public Law 96–420, 25 U.S.C. 1721) pursuant to 25 U.S.C. 1728(c);
- k. (xiv) Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation (Pub. L. 95–433);
- l. Allowances, earnings and payments to AmeriCorps participants under under the National and Community Service Act of 1990 (42 U.S.C. 12637(d));
- m. Any amount of crime victim compensation (under the Victims of Crime Act) received through crime-victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act (42 U.S.C. 10602);
- n. School Lunch Act (42 U.S.C. 1760(e)) and section 11(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1780(b));
- o. Payments, funds or distributions authorized, established, or directed by the Seneca Nation Settlement Act of 1990 (25 U.S.C. (1774f (b)));
- p. Compensation received by or on behalf of a veteran for service-connected disability, death, dependency, or indemnity compensation as provided by an amendment by the Indian Veterans Housing Opportunity Act of 2010 (Pub. L. 111–269) to the definition of income applicable to programs authorized under the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101) and administered by the Office of Native American Programs;

- q. A lump sum or a periodic payment received by an individual Indian, pursuant to the Class Action Settlement Agreement in the case entitled *Elouise Cobell et al. v. Ken Salazar et al.*, United States District Court, and District of Columbia, as provided in the Claims Resolution Act of 2010;
- r. Federal major disaster and emergency assistance provided to individuals and families under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Pub. L. 93-288, as amended) and comparable disaster assistance provided by States, local governments, and disaster assistance organizations (42 U.S.C. 5155(d));
- s. Any allowance paid under the provisions of 38 U.S.C. 1833(c) to children of Vietnam veterans born with spina bifida, children of women Vietnam veterans born with certain birth defects and children of certain Korean service veterans born with spina bifida;
- t. Any amounts in a “individual development account” as provided by the Assets for Independence Act, as amended in 2002 (Pub. L. 107-110, 42 U.S.C. 604h(4));
- u. Major disaster and emergency assistance received by individuals and families under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Pub. L. 93-288 as amended) and comparable disaster assistance provided by States, local governments and disaster assistance organizations (42 U.S.C. 5155(d)); and
- v. Per-capita payments made from the proceeds of Indian Tribal Trust cases as described in PIH Notice 2013-30 “Exclusion from Income of Payments under Recent Tribal Trust Settlements” (25 U.S.C. 117b(a)).
- w. Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056[f], e.g., Green Thumb, Senior Aides, Older Americans Community Service Employment Program;

- (10) If a live-in attendant, who would not otherwise live in the unit, is not expected to, and does not, therefore, contribute to the family's support, his/her income should not be counted. However, the head of the household must then submit a doctor's certificate, or such other certification as may be deemed necessary, stating that this employment is necessary to the care and well-being of the sick or incapacitated family member, or to enable another family member to seek or obtain employment outside the home. If the family pays out of pocket for the care provided, such payments may be deducted as unusual medical expenses. These attendants do not have residual rights. If a live-in attendant is a relative who would not otherwise live in the unit, the family may make a one-time option whether or not to count that person as a family member with residual rights or as a live-in attendant.

Assets – See “Net Family Assets”

8. **Asset Income:** Income received from assets held by household members. If assets total more than \$5,000, income from the assets is “imputed,” and the greater of actual asset income and imputed asset income is counted in annual income.
9. **Assisted Lease (Lease):** A written agreement between an owner and a family for the leasing of a dwelling unit to the family. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP contract between the owner and the housing authority.
10. **Child-Care Expenses:** Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such is necessary to enable a family member to be gainfully employed or to further his or her education. The amount deducted shall reflect reasonable charges for childcare, and in the case of childcare, necessary to permit employment, the amount deducted shall not exceed the amount of income received from such employment. When the deduction is to facilitate further education, the amount must not exceed a sum reasonably expected to cover class time and travel time to and from classes.
11. **Citizen:** A resident by birth or naturalization of the United States.
12. **Continued Assistance:** Continuing to make rental-assistance payments for eligible “mixed families” who were receiving rental assistance on June 19, 1995. Either the head-of-household or spouse must have legal residence to be eligible.
13. **Co-Tenant:** The husband or wife of the head-of-household, or person living with the head-of-household in a spousal relationship.

14. **Contract Rent:** “Contract rent” means the rent charged a tenant for the use of the dwelling accommodation and equipment (such as ranges and refrigerators, but not including furniture), services and reasonable amounts of utilities determined in accordance with the housing authority’s schedule of allowance for utilities.
15. **Dependent:** A member of the family household (excluding foster children), other than the family head or co-tenant, who is under 18 years of age, or is over 18 and a disabled person or handicapped person, or if a fulltime student.
16. **Disability-Assistance Expenses:** Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and auxiliary apparatus for a disabled family member and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.
17. **Disabled Family:** A family whose head, spouse or sole member is a person with disabilities; or two or more persons with disabilities living together.
18. **Disabled Person:** A person is considered disabled if for the purposes of the Section 8 Program if: (1) the following Social Security disability definition is met; or (2) the individual has a developmental disability as described in paragraph B.
 - A. Section 223 of the Social Security Act defines disability as an inability to engage in any substantial, gainful activity because of any physical or mental impairment that is expected to result in death or has lasted, or can be expected to last, continuously for at least 12 months; or, for a blind person at least 55 years old, inability because of blindness to engage in any substantial, gainful activities comparable to those in which the person was previously engaged with some regularity and over a substantial period.
 - B. Section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7) defines developmental disability in functional terms as:

“Severe, chronic disability that: (a) is attributable to a mental or physical impairment or combination of mental and physical impairments; (b) is manifested before the person attains age 22; (c) is likely to continue indefinitely; (d) results in substantial, functional limitations in three or more of the following areas of major like activity: (1) self care; (2) receptive and responsive language; (3) learning; (4) mobility; (5) self direction; (6) capacity for independent living; (7) economic self sufficiency; and (8) reflects the person’s need for a combination and sequence of special , inter-disciplinary or generic care, treatment or other services which are of life-long or extended duration and area individually planned and coordinated. Notwithstanding any other provision of law, no individual shall be considered a person with disabilities, for purposes of eligibility for low-income housing under this title, solely on the basis of any drug or alcohol dependence.”

A person having a physical or mental impairment that: (1) is expected to be of long, continued and indefinite duration; (2) substantially impedes his/her ability to live independently, and (3) is of such a nature that such ability could be improved by more suitable housing conditions. All three conditions must be met as defined by the regulations implementing the Fair Housing Act.

It should be noted that the receipt of veteran's benefits for disability, either service-incurred or otherwise, does not automatically establish disability as defined above, and the PHA must make the determination on the basis of a qualified medical practitioner's verification.

Disabled or handicapped status can be verified by a doctor's statement or other reliable medical source.

19. **Displaced (Involuntary):** Involuntarily displaced applicants are applicants who have vacated or will (within no more than six months from date of certification or verification), vacate housing as a result of:
 - A. A disaster (fire, flood, etc.);
 - B. Federal, state or local government action related to code enforcement, or public improvement/development; or
 - C. Action by a housing owner, which is beyond an applicant's ability to control, occurs despite the applicant having met all previous conditions of occupancy, and is other than a rent increase.
20. **Drug-Related Criminal Activity:** Illegal use or personal use of a controlled substance, and the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use, of a controlled substance.
21. **Drug Trafficking:** The illegal manufacture, sale, or distribution, or the possession with intent to manufacture, sell, or distribute, of a controlled substance.
22. **Economic Self-Sufficiency Program:** Any program designed to encourage, assist, train or facilitate the economic independence of HUD-assisted families or to provide work for such families. These programs include programs for job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, and any program necessary to ready a participant for work (including a substance-abuse or mental-health-treatment program), or other work *activities*.
23. **Educational Institution:** An educational institution includes a vocational school with a diploma or certificate program, as well as an institution offering a degree.

24. **Elderly Family:** A family whose head or co-tenant is a person who is an elderly, disabled or handicapped person. It may include two or more elderly, disabled or handicapped persons living together, or one or more such persons living with another person who is determined to be essential to his or her care and well-being.
25. **Elderly Person:** A person who is at least 62 years of age.
26. **Eligible Alien:** A person lawfully admitted for residence to the United States.
27. **Extremely Low-Income Family:** A family whose annual income does not exceed 30% of the median income for the area, as determined by HUD and adjusted by family size.
28. **Fair Housing Act:** Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988.
29. **Fair-Market Rents:** HUD publishes fair-market rents on an annual basis to determine modest, non-luxury rents for the area. These are the basis for determining the payment standards for the voucher program.
30. **Family:** “Family” means two or more persons who regularly live together as a family, provided the income and resources of all adult members of the family are available for, and actually used in, meeting the living expenses of the family. There may also be considered as part of the family group (including members of the family temporarily absent), persons whose income and resources are available for use in meeting the living expenses of the group. Lodgers may not be included in the family.

When considering child custody to meet eligibility as a family, an adult must have custody of a child for at least six months of the coming year for the child to be considered a family member.

In joint custody cases, two adults cannot both claim the same children for eligibility purposes.

31. **Family Members:** Family members include all household members, except live-in aides. All family members permanently reside in the unit, although they may be temporarily absent for short periods of time.
32. **Family Rent to Owner:** In the voucher program, the portion of rent to owner paid by the family.
33. **Family Unit Size:** The appropriate number of bedrooms for a family, as determined by the housing authority under its subsidy standards.

34. **Fixed Income:** Income subject to periodic payments at reasonably predictable levels from one or more of the following sources: Social Security, Supplemental Security Income, Supplemental Disability Insurance, pension plans, annuities, other retirement benefit programs, insurance policies, disability, or any other source of income subject to adjustment by a verifiable COLA or current rate of interest.
35. **Full-Time Student:** A person who is carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended.
36. **Gross Rent:** “Gross rent” means contract rent, plus the housing authority’s estimate of the cost to the tenant of reasonable quantities of utilities determined in accordance with the housing authority’s schedule of allowance for such utilities, where such utilities are purchased by the tenant and not included in the contract rent.
37. **Handicap-Assistance Expense:** Anticipated costs for care attendants and/or auxiliary apparatus for handicapped and disabled family members, which enable a family member (including the handicapped member), to work. The amount allowable as a deduction is the amount that exceeds three percent of annual income and cannot exceed the amount earned. Expenses can include alterations to vehicles.
38. **Head of the Household:** The head of the household is the person who assumes legal and moral responsibility for the household. A head-of-household must be at least 18 years of age or an emancipated minor.
39. **Housing Assistance Payment:** The monthly assistance by a housing authority, which includes payment to the owner for rent to the owner under the family’s lease, and any additional payment to the family if the total assistance exceeds the rent to owner.
40. **Housing Assistance Payments Contract:** A written contract between the PHA and an owner for the purpose of providing housing assistance payments to the owner on behalf of an eligible family (sometimes referred to as the HAP contract).

For the Section 8 program, the HAP contract is executed between the PHA and a private owner.
41. **Housing Quality Standards (HQS):** The HUD minimum quality standards for housing assistance under the Section 8 Program.
42. **Imputed Income:** An imputed income amount will be assessed to work-able adults. The annual imputed income amount is set at \$12,000. If the work-able adult already has income which is being reported, either that income or the imputed income will be used, whichever amount is greater.

43. **Imputed Asset Income:** For households with net family assets of more than \$5,000, the amount calculated by multiplying net family assets by a HUD-specified percentage. If imputed income is more than actual income from assets, the imputed amount is used in determining annual income.
44. **Imputed Welfare Income:** The amount of annual income not actually received by a family, as a result of a specified welfare-benefit reduction, that is nonetheless included in the family's annual income for purposes of determining rent.
45. **Income Category:** Designates a family's income range. There are three categories: low-income, very low-income and extremely low-income.
46. **Incremental Income:** The increased portion of income between the total amount of welfare and earnings of a family member prior to enrollment in a training program and welfare and earnings of the family member after enrollment in the training program. All other amounts, increases and decreases, are treated in the usual manner in determining annual income.
47. **Initial Housing Authority:** In portability, both: (1) a housing authority that originally selected a family that later decides to move out of the jurisdiction of the selecting housing authority; and (2) a housing authority that absorbed a family that later decides to move out of the jurisdiction of the absorbing housing authority.
48. **Initial Payment Standard:** The payment standard at the beginning of the HAP contract term.
49. **Initial Rent to Owner:** The rent to owner at the beginning of the initial lease term.
50. **Interim (Examination):** A reexamination of a household's income, expenses and household status conducted between the annual re-certifications when a change in a household's circumstances warrant such a reexamination.
51. **Lease:** A written agreement between an owner and tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing-assistance payments under a HAP contract between the owner and the housing authority.

- 52. Live-In Attendant:** A person who would otherwise not live in the unit and who is determined to be essential to the care and well being of an elderly, disabled or handicapped tenant. A live-in attendant is not considered a family member and is not expected to contribute to the family. Their income is not counted, and they have no residual rights to occupancy if the family vacates the unit. The housing authority must be furnished with the name of any live-in attendant(s), and may refuse to allow as an attendant persons who owe money to this agency. If a relative who would not otherwise live in the unit is chosen as a live-in attendant, the family will have a one-time option to decide if that person will be considered a family member with residual rights to the unit or as strictly a live-in attendant.
- 53. Lower-Income Family:** A family whose income is between 51% to 80% of the median income for the area, as determined by HUD, with adjustments for smaller or larger families, except that HUD may establish income limits higher or lower than 80% on the basis of its findings that such variations are necessary because of the prevailing levels of construction costs or unusually high or low income.
- 54. Manufactured Home:** A manufactured structure that is built on a permanent chassis, is designed for use as a principal place of residence, and meets the HQS.
- 55. Medical Expenses:** Those medical expenses, including medical insurance premiums that are anticipated during the period for which annual income is computed, and that are not covered by any insurance. (Medical expenses are allowed only for elderly, disabled or handicapped households.) The amount allowable as a deduction is the amount that exceeds three percent of annual income, if there is any amount of the three percent of annual income remaining after it has been deducted from any handicap assistance expenses, or the family may choose to take a flat \$500 deduction.
- Examples of medical expenses are dental expenses, transportation costs, prescription medicines, medical insurance premiums, eye glasses, hearing aids and batteries, the cost of a live-in resident assistant, monthly payments required on accumulated major medical bills, including that portion of the spouse's or children's' nursing home care paid from tenant family income(s).
- 56. Mixed Family:** A family whose members include those with citizenship or eligible immigration status and those without citizenship or eligible immigration status.
- 57. Moderate Rehabilitation Program:** This program encourages the preservation of existing rental housing by making it possible for marginally substandard units to be rehabilitated. Modeled after the Section 8 Existing Housing Program, it provides guaranteed rental assistance for 15 years to owners who rehabilitate housing for use by families eligible for Section 8 rental subsidies. The subsidy, in this case, stays with the unit, not with the family.
- 58. Monthly Adjusted Income:** One-twelfth of adjusted income.

59. **Monthly Income:** One-twelfth of annual income.
60. **Near- Elderly:** A person who is at least 55 years of age, but below the age of 62.
61. **Net Family Assets:** Value of equity in real property, savings, stocks, bonds and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD-homeownership programs less the cost of converting the assets to cash. The value of necessary items of personal property, such as furniture and automobiles, shall be excluded. (In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered as an asset, so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income under Section 812.106.)
In determining net family assets, PHAs shall include the value of any assets disposed of by an applicant or tenant for less than fair-market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or re-examination, as applicable. The amount counted will be the market value, less costs and the amount actually received. In the case of a divorce, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms.
62. **Non-Citizen:** A person who is neither a citizen nor national of the United States.
63. **Occupancy Standards:** The standards that the housing authority establishes for determining the appropriate number of bedrooms needed to house families of different sizes or composition.
64. **Owner:** Any person or entity, including a cooperative, having the legal right to lease or sublease existing housing.
65. **Operating Reserve:** An account credited with earned administrative fees that exceed expenditures for program administration during the PHA fiscal year. These funds may only be used for other housing purposes consistent with the PHA's authority and local law.
66. **Participant (Participant Family):** A family that has been admitted to the housing authority's program and is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the housing authority for the family (first day of initial lease).
67. **Payment Standards:** Payment standards are used by the PHA to calculate the amount of a family's housing assistance payment for the voucher program. Payment standards are established by unit size.

These payment standards cannot exceed the published FMRs or any approved community-wide exception rent, and will not be less than 90% or more than 110% of either of the above.

The payment standard used to calculate the family's share of rent will be either the standard for the size unit the family is eligible for, or the standard for the actual unit size chosen, whichever is smaller.

- 68. Portability:** "Portability" is defined as the ability for a Section 8 voucher holder to move from the jurisdiction of its current housing authority to the jurisdiction of another PHA.

A PHA that administers a housing voucher program must accept a housing voucher holder from another PHA's jurisdiction.

- 69. Proration of Assistance:** "Mixed families" with some members who are citizens or eligible aliens, and some who are not, will have assistance prorated on the basis of total number of family members, divided by number of citizens or eligible aliens. For each family member who is a non-eligible alien, the family will have \$25 deducted from their rental assistance.

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

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

- 72. Remaining Member of a Tenant Family:** "Remaining member of a tenant family" means an individual remaining in a unit when other member(s) of an assisted family have moved, unless this individual was an unrelated member of the former family who was necessary to care for the well being of an elderly, disabled or handicapped head-of-household or spouse, and whose income was not counted for eligibility or TTP purposes.

- 73. Rent:** "Rent" means gross rent, as defined in this section.

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

75. **Rent Reasonableness:** Once the contract and gross rents have been determined, the PHA must determine whether or not the rental rate is reasonable. The PHA must certify and document that the contract rent is reasonable in relation to rents currently being charged for comparable units in the private, unassisted market, and that the contract rent is not in excess of rent currently being charged by the owner for comparable unassisted units, taking into consideration the location, unit type, age and amenities to be sure there is a valid comparison. In order to satisfy these requirements, the PHA must have an overall knowledge of the rental market within its jurisdiction and data on the rents being charged for specific units.
76. **Security Deposit:** A dollar amount set according to the regulations, which can be used for rent or damages owed to the owner upon termination of the lease. The amount will equal one month's "contract" rent.
77. **Service Member:** Members of the Army, Navy, Marine Corps, Air Force, Coast Guard; commissioned officers of the Public Health Service and the National Oceanic and Atmospheric Administration who are engaged in active service; reservists ordered to report for military service; persons ordered to report for induction under the Military Selective Service Act and guardsmen called to active service for more than thirty (30) consecutive days.
78. **Single Person:** "Single person" means a person living alone, or intending to live alone, and who does not qualify as an elderly family or a displaced person, as defined in this section, or as the remaining member of a tenant family.
79. **Single-Room Occupancy Housing (SRO):** An SRO is a unit which contains no sanitary facilities or food preparation facilities, or which contains one, but not both, type of facility, and which is suitable for occupancy by a single, eligible individual capable of independent living. SRO housing may be used only if:
- A. The property is located in an area in which there is a significant demand for SRO units, as determined by the HUD field office; or
 - B. The PHA and the unit of general local government and the local PHA certify to HUD that the property meets applicable local health and safety standards for SRO housing.

In the absence of local health and safety standards for SRO housing, sanitary facilities, space and security must meet the requirements in the American Public Health Association's Recommended Housing Maintenance and Occupancy Ordinance.

Each SRO unit shall be occupied by one person only.

Exterior doors and windows accessible from outside the SRO unit shall be lockable.

- 80. Special Housing Types:** Special housing types include: SRO housing, congregate housing, group homes, shared housing, cooperatives (including mutual housing, and manufactured homes.
- 81. Subsidy Standards:** Standards established by a housing authority to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.
- 82. Suspension:** Stopping the clock on the term of a family's voucher for a period determined by the PHA from the time when the family submits a Request for Lease Approval for a unit until the time when the housing authority approves or denies the request.
- 83. Temporary Deferral:** Continuing rental assistance for families who were receiving assistance on June 19, 1995, who are either not legally in this country, or are a "mixed family" who is not eligible for continued assistance because either the head-of-household or spouse is not legally in this country. The maximum deferral period is 18 months.
- 84. Tenant:** The person or persons (other than a live-in aide) who executes the lease as lessee of the dwelling unit.
- 85. Tenant Rent:** The amount payable monthly by the family as rent. Other than for vouchers, where all utilities (except telephone) and other essential housing services are supplied by the owner. Tenant rent equals total tenant payment. Where some or all utilities (except telephone) and other essential housing services are not supplied by the owner and the cost thereof is not included in the amount paid as rent, tenant rent equals total tenant payment, less the utility allowance, down to a minimum rent amount of \$0.
- 86. Third-Party (Verification):** Oral or written confirmation of a household's income, expenses, or household composition provided by a source outside the household, such as an employer, doctor, school official, etc.
- 87. Tolling:** See suspension.
- 88. Total Tenant Payment (TTP):**
- A.** Total tenant payment is the amount calculated under Section 3(a)(1) of the 1937 Act, which is the higher of :
- (1)** 30% of the family's monthly adjusted income;
 - (2)** 10% of the family's gross monthly income;
 - (3)** Minimum rent of \$50; or

- (4) If the family is receiving payments for welfare assistance from a public agency and a part of such payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the family's housing costs, the portion of such payments which is so designated.
 - B. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under Section 3(a)(1) of the 1937 Housing Act shall be the amount resulting from one application of the percentage.
- 89. **Utility Allowance:** If the cost of utilities (except telephone) for an assisted unit is not included in the tenant rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by a PHA or HUD, of the monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary and healthful living environment.
- 90. **Verifications:**
 - A. The process of obtaining statements from individuals who can attest to the accuracy of the amounts of income, expense, or household member status (e.g., employers, public assistance agency staff, doctors).
 - B. The three types of verification are:
 - (1) Third-party verification, either written or oral, obtained from employers, public-assistance agencies, schools, etc.;
 - (2) Documentation, such as a copy of a birth certificate or bank statement; or
 - (3) Family certification or declaration (only used when third-party or documentation verification is not available).
- 91. **Very Low-Income Family:** A family whose annual income does not exceed 50% of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50% of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes.
- 92. **Veteran:** A person who has received an honorable discharge from the United States military service.
- 93. **Violent Criminal Activity:** Any illegal criminal activity that has as one of its elements the use, attempted use or threatened use of physical force against the person or property of another.

94. **Voucher:** The housing voucher is a document issued by a PHA, declaring a family to be eligible for participation in the housing voucher program and stating the terms and conditions for the family's participation.
95. **Voucher Holder:** A family holding a voucher with unexpired search time.
96. **Welfare Assistance:** Welfare or other payments to families or individuals, based upon need, that are made under programs funded, separately or jointly, by federal, state or local governments (including assistance provided under the Temporary Assistance for Needy Families (TANF) Program, as that term is defined under the implementing regulations issued by the Department of Health and Human Services at 45 CFR 260.31). [24 CFR 5.603(d)]
95. **Welfare Rent:** In "as-paid" welfare programs, the amount of the welfare benefit designated for shelter and utilities.
96. **Work-Able:** An adult under the age of fifty-five (55) and who is not permanently disabled.

CHAPTER 1

I. ELIGIBILITY REQUIREMENTS

- A.** To be eligible for admission, a family or single person's annual income must fall within the applicable income limits for the area.
- 1.** A family consists of:
- a.** Two or more persons who have a family-type relationship (see definition).
- (1)** Children or adults temporarily absent from the home may be considered family members if their permanent address is with the family and the absence will not be longer than 180 days.
- (2)** Children who are subject to a joint-custody agreement but who live with one parent at least 183 days of the year (50%), whether consecutively or not, will be considered members of the household. Should both parents be applicants, 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. If school records are inconclusive, then other pertinent records, such as doctor and hospital records, will be utilized.
- (3)** HATC will not add a foster child(ren) or foster adult(s) for anticipated placements, unless the governing agency identifies the foster child(ren) or foster adult(s) by name and advises a placement date within 60 days.
- b.** A single person who is:
- (1)** Eligible, by age, to receive an old-age benefit under Title II of the Social Security Act (see definition).
- (2)** Displaced by governmental action, or by a formally recognized disaster.

- (3) Disabled within the meaning of either Section 223 of the Social Security Act or Section 102(5) of the Developmental Disabilities Services and Facilities Construction Amendments of 1970 (see definition). For purposes of qualifying for low-income housing, does not include any individual who is an alcoholic or drug abuser whose current use of alcohol or drugs prevents the individual from participating in the program, or whose participation, by reason of such current alcohol or drug abuse, would constitute a direct threat to property or the safety of others.
 - (4) Pregnant, who is either 18 years of age or an emancipated minor (the pregnancy must be verified by a doctor).
 - (5) A remaining member of a tenant family who is an adult or emancipated minor remaining in a unit when other member(s) of an assisted family have moved, unless this individual was an unrelated member of the former family who was necessary to care for the well-being of an elderly, disabled or handicapped head-of-household or spouse, and whose income was not counted for eligibility.
 - (6) Other single persons.
- c. Families and single persons who are 55 years (Near-elderly), or elderly, or disabled will be housed prior to those single persons who do not qualify for one of the prior categories.
- d. A single person may require a “live-in attendant” who is essential to the care and well being of the single person.
- (1) Whose income is not to be counted for the purpose of determining eligibility or rent.
 - (2) Who is not obligated for the support of the tenant family.
 - (3) Who would not be living in the unit except to provide necessary supportive services.
 - (4) Such persons whose incomes are not counted for determining the eligibility and rent of the family would not be parties to the lease and would not be considered the remaining member of a tenant family in the event the lessee dies or vacates the dwelling unit.

- (5) The Housing Authority must be told the name of the person who will be living in the unit as the live-in attendant. The Housing Authority may disapprove the proposed aide if that person owes money to the Housing Authority, commits drug-related criminal activity or violent criminal activity, or commits fraud or bribery, or other criminal acts in connection with any federal housing program.
- (6) A live-in aide's family members may reside in the unit provided that the subsidy size is not increased, and the presence of the live-in aide's family does not overcrowd the unit.

B. Determination of Income Eligibility: If the PHA does not anticipate it will be ready to issue a voucher to a potentially eligible applicant within three months, a general assessment of the applicant's income eligibility will be made on the basis of information given on the application. If, however, the PHA anticipates it will have a voucher available for the applicant within the recommended time frame, detailed income verification procedures must be performed, as required by Section 882.116(c) of the regulations, and computed in accordance with Sections 889.102, 889.103 and 889.104 of the regulations. Once computed and verified, the PHA must compare the annual income to the appropriate income limits established by HUD for the program.

1. **Income Limits:** HUD established income-limit schedules for the PHA's areas of operation. Income limits apply only at admission and are not applicable for continued occupancy.
 - a. **The Very Low-Income Family Schedule** represents income limits that do not exceed 50% of the median income for a family of four for the area, adjusted for smaller and larger families. Families applying for initial participation must have annual incomes (see definition) which do not exceed these limits.
 - b. **Lower-Income Family Schedule** represents income limits that do not exceed generally 80% of the median income for a family of four for the area, adjusted for smaller and larger families.
2. **Other Factors Affecting Applicant Eligibility:** See Chapter Four, "Grounds for Termination or Denial of Assistance."

CHAPTER 2

I. RECEIPT OF APPLICATION AND ESTABLISHMENT OF A WAITING LIST

- A. Receipt of Application:** Telephone applications for Section 8 programs will be taken by the Housing Authority administrative office handling the Section 8 program. Applications will be accepted from families apparently eligible for any or all programs. A confirmation letter will be sent to each family.
- B. Processing of Applications:** The application constitutes the basic record of each family applying for admission. Each application shall reflect the date and time received preference status, estimated family income, race, gender, ethnicity and size of dwelling required. The application, together with all other materials relating to the family's eligibility and preference rating, etc., will be maintained in an active file for eligible applicants.
- C.** Applicants are required to inform HATC of any changes in their mailing address. Applicants are also required to respond to any requests from HATC to update the information on their application or to determine their continued interest in assistance.
- D. Families Determined to be Ineligible:** If an applicant family is determined to be ineligible on the basis of income, family composition, or for any other reason, the applicant shall be notified promptly by letter of the determination and the reasons therefore. The applicant shall be informed in the letter of his or her right to an informal hearing, to be requested within ten days from the date of the letter, to make a reply or explanation as he or she may wish. If, after the hearing, the applicant is still determined to be ineligible, the applicant shall be notified in writing. (See regulations and hearing procedure for applicants.)

The Housing Authority will retain inactive files for a period of three years. These files will contain copies of the application and all related correspondence, and will be maintained separately from the active files.

- E. Formally Closed Waiting Lists:** Applications may be suspended if the number of families on the waiting list is such that there is no possibility of reasonably estimating when they could receive assistance.

In such a case, application taking may be temporarily suspended (see regulations). The suspension of application taking will be publicly announced by publication of a notice in a newspaper of general circulation, as well as through minority media and other suitable means. The announcement will specify the effective date of the suspension.

Placement of Applicants on the Waiting List:

- 1.** A centralized waiting list for all Section 8 programs will be maintained by the PHA. The waiting list will show the family's name, the date and time of application, any preferences for which the applicant is eligible, and the appropriate size unit. The waiting list format must contain sufficient information for proper selection by the PHA of families who are next eligible for an allocation according to its Equal Opportunity Housing Plan. (See Chapter 8, "Selection of Families for Issuance of Vouchers.") It should be noted that if a family's eligibility has been determined immediately, all income has been verified, and the appropriate size allocation is available for which no other eligible family has been waiting, the PHA may immediately schedule a briefing.

All other families will have at least a temporary wait while income and other factors are being verified, as well as waiting for their name to be reached if other applicants are ahead of them on the waiting list. If verification occurred more than 90 days prior to selection, the information should be re-verified prior to briefing and issuing a voucher. The waiting lists for all programs will be purged on a regular basis in order to maintain an accurate record of the number of families actually wanting assistance.

- 2.** An application will be placed inactive when:
 - a.** Applicant so requests.
 - b.** The Housing Authority is unable to contact the applicant at the address shown on their application.
 - c.** The applicant fails to respond to Housing Authority requests for information.
 - d.** The applicant fails to provide requested verifications.

- e. The applicant fails to attend a briefing to obtain a voucher. If the applicant notifies the Housing Authority of extenuating circumstances, which prevented attendance, the applicant may be reinstated on the waiting list. Families may be reinstated on the waiting list in the same numerical sequence they previously occupied if such a decision is reached during an informal review. (See hearing procedures for applicants.)

- f. If requested as a reasonable accommodation, the Housing Authority will reinstate an applicant who has been purged, back on the waiting list to the original date and time of their application.

CHAPTER 3

I. HATC'S RESPONSIBILITIES

- A.** HATC will comply with the consolidated ACC, the application, HUD regulations and other requirements and HATC's Section 8 Administrative Plan.

- B.** In administering the program, HATC must:
 - 1.** Publish and disseminate information about the availability and nature of housing assistance under the program;
 - 2.** Explain the program to owners and families;
 - 3.** Seek expanded opportunities for assisted families to locate housing outside areas of poverty or racial concentration;
 - 4.** Encourage owners to make units available for leasing in the program, including owners of suitable units located outside areas of poverty or racial concentration;
 - 5.** Affirmatively further fair-housing goals and comply with equal-opportunity requirements;
 - 6.** Make efforts to help people with disabilities find satisfactory housing;
 - 7.** Receive applications from families, determine eligibility, maintain the waiting list, select applicants, issue a voucher to each selected family, and provide housing information to families selected;
 - 8.** Determine who can live in the assisted unit at admission and during the family's participation in the program;
 - 9.** Examine family income, size and composition at admission and during the family's participation in the program. The examination includes verification of income and other family information;
 - 10.** Obtain and verify evidence of citizenship and eligible immigration status in accordance with 24 CFR Part 5;
 - 11.** Review the family's request for approval of the tenancy and the owner/landlord lease, including the HUD prescribed tenancy addendum;
 - 12.** Inspect the unit before the assisted occupancy begins and at least biennially during the assisted tenancy;
 - 13.** Determine the amount of the housing assistance payment for a family;
 - 14.** Determine the maximum rent to the owner and whether the rent is reasonable;
 - 15.** Make timely housing-assistance payments to an owner in accordance with the HAP contract;
 - 16.** Establish and adjust the utility-allowance schedule;

17. Administer and enforce the housing assistance payments contract with an owner, including taking appropriate action as determined by HATC, if the owner defaults (e.g., HQS violation);
18. Determine whether to terminate assistance to a participant family for violation of family obligations;
19. Conduct informal hearings on certain HATC decisions concerning participant families; and
20. Provide sound financial management of the program, including engaging an independent public accountant to conduct audits.

II. OWNER RESPONSIBILITIES

- A. The owner is responsible for performing all of the owner's obligations under the HAP contract and the lease.
- B. The owner is responsible for:
 1. Performing all management and rental functions for the assisted unit, including selecting a voucher holder to lease the unit, and deciding if the family is suitable for tenancy of the unit.
 2. Maintaining the unit in accordance with HQS, including performance of ordinary and extraordinary maintenance.
 3. Complying with equal-opportunity requirements.
 4. Preparing and furnishing HATC with information required under the HAP contract.
 5. Collecting from the family:
 - a. Any security deposit required under the lease.
 - b. The tenant contribution (the part of rent to owner not covered by the housing assistance payment).
 - c. Any charges for unit damage by the family.
 6. Enforcing tenant obligations under the lease.
 7. Paying for utilities and services (unless paid by the family under the lease).
- C. For provisions on modifications to a dwelling unit occupied or to be occupied by a person with disabilities see 24 CFR 100.203.

- D.** The owner is responsible for notifying HATC at least 60 days prior to any rent increase. Any proposed rent increase is subject to rent reasonableness requirements before it can be approved.

III. FAMILY RESPONSIBILITIES

A. Supplying required information:

1. The family must supply any information that HATC or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status. Information includes any requested certification, release or other documentation.
2. The family must supply any information requested by HATC or HUD for use in reexaminations of family income and composition in accordance with HUD requirements.
3. As a condition of admission to or continued assistance under the program, all members of the family who are 18 years of age or older must execute a consent form (including any release and consent), as required under authorizing any depository or private source of income, or any federal, state or local agency, to furnish or release to HATC or HUD such information as HATC or HUD determines to be necessary.
4. The family must promptly furnish HATC any letter or other notice by HUD to a member of the family that provides information concerning the amount or verification of family income.
5. The family must disclose and verify Social Security Numbers and must sign and submit consent forms for obtaining information.
6. Any information supplied by the family must be true and complete.

B. HQS Breach Caused by the Family:

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

C. Allowing HATC Inspection:

The family must allow HATC to inspect the unit at reasonable times and after at least 2 days notice,(except in the case of emergency).

D. Violation of Lease:

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

E. Family Notice of Move or Lease Termination:

The family must notify HATC and the owner before the family moves out of the unit or terminates the lease by giving at least a 30-day notice to the owner and HACT.

F. Owner Eviction Notice:

The family must promptly give HATC a copy of any owner eviction notice it receives.

G. Use and Occupancy of the Unit:

1. The family must use the assisted unit for a residence by the family. The unit must be the family's only residence.
2. HATC must approve the composition of the assisted family residing in the unit. The family must promptly inform HATC of the birth, adoption or court-awarded custody of a child. The family must request approval from HATC to add any other family member as an occupant of the unit. No other person, i.e., no one but members of the assisted family, may reside in the unit, except for a foster child/foster adult or live-in aide as provided in paragraph (4) of this section.
3. The family must promptly notify HATC if any family member no longer resides in the unit.
4. If HATC has given approval, a foster child/foster adult or a live-in aide may reside in the unit. HATC has the discretion to adopt reasonable policies concerning residence by a foster child/foster adult or a live-in aide and defining when HATC consent may be given or denied.
5. Members of the household may engage in legal profit making activities in the unit, but only if such activities are incidental to primary use of the unit for residence by members of the family. Any business uses of the unit must comply with zoning requirements and the affected household member must obtain all appropriate licenses and permission from the landlord.
6. The family must not sublease or let the unit.
7. The family must not assign the lease or transfer the unit.

H. Absence from the Unit:

The family must supply any information or certification requested by HATC to verify that the family is living in the unit, or relating to family absence from the unit, including any HATC-requested information or certification on the purposes of family absences. The family must cooperate with HATC for this purpose. The family must promptly notify HATC of its absence from the unit. Absence means that no member of the family is residing in the unit.

I. Interest in the Unit:

The family may not own or have any interest in the unit.

J. Fraud and Other Program Violation:

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

K. Crime by Family Members:

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

L. Abuse of Alcohol by Family Members:

The members of the family may not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.

M. Other Housing Assistance

An assisted family, or members of the family, may not receive Section 8 tenant-based assistance while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative (as determined by HUD or in accordance with HUD requirements) Federal, State or local housing assistance program.

CHAPTER 4

I. GROUNDS FOR DENIAL OR TERMINATION OF ASSISTANCE

HATC will review information from all available sources including the HUD EIV system, and may deny or terminate assistance to a family because of the family's action or failure to act. HATC will provide families with a written description of the grounds under which HATC is proposing to deny or terminate assistance and the process by which a tenant or an applicant may request an informal hearing. This chapter describes HATC policies for denying or terminating Section 8 assistance.

- A. Denial of assistance for an applicant may include any or all of the following:
 - 1. Denial of listing on the wait list;
 - 2. Denial or withdrawal of a voucher;
 - 3. Refusal to enter into a HAP Contract or approve a lease; and
 - 4. Refusal to process or provide assistance under portability procedures.
- B. 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; or
 - 3. Refusing to process or provide assistance under portability procedures.

II. THE HOUSING AUTHORITY MUST DENY ADMISSION OR TERMINATE ASSISTANCE FOR ANY OF THE FOLLOWING GROUNDS:

- A. The Housing Authority must deny or terminate tenancy to persons convicted of manufacturing or producing methamphetamines on the premises.
- B. The Housing Authority must deny or terminate tenancy to any household that includes any individual who is subject to a lifetime registration requirement under a State sex offender registration program.
- C. Housing assistance is restricted to citizens and non-citizens who have been lawfully admitted to the United States. Families who have no citizens or eligible alien members are not eligible. "Mixed families" may be eligible for prorated assistance. If the family fails to submit required evidence of citizenship or eligible immigration status based on non-citizen rule regulations and applicable informal hearing procedures and is not eligible or does not qualify for preservation or temporary deferral;

- D. If any member of the family fails to sign and submit consent forms allowing HATC to obtain wage and income information.

III. THE HOUSING AUTHORITY MAY DENY AN APPLICANT ADMISSION FOR PARTICIPATION IN THE PROGRAM, MAY DENY ISSUANCE OF ANOTHER VOUCHER TO A PARTICIPANT WHO WANTS TO MOVE TO ANOTHER DWELLING UNIT, AND MAY DECLINE TO ENTER INTO A CONTRACT OR TO APPROVE A LEASE, WHERE REQUESTED BY A PARTICIPANT, IN THE FOLLOWING CASES:

- A. If the applicant or participant currently owes rent or other money to the Housing Authority or another housing authority.
- B. If the applicant as a previous participant in the Section 8 program as an adult, or as a current participant, has not reimbursed the Housing Authority or another housing authority for any amounts paid to an owner on a claim for rent, damages or vacancy loss. If a previous tenant has been evicted from a Section 8 unit as an adult until any judgment submitted by the landlord to the PHA is paid in full.
- C. If the applicant or participant has breached an agreement to repay monies owed in the above instances.
- D. If the applicant or participant has committed any fraud in connection with any federal housing assistance program. This can include tampering with any required verification data.
- E. If any member of the family has been evicted from federally assisted housing as an adult in the last five years. If any family member has ever been evicted by court action from any housing owned or managed by the Housing Authority of the County of Tulare.
- F. If the applicant or participant has violated any of the family obligations listed below under the Section 8 housing program:
 - 1. The family must:
 - a. Supply any information that the Housing Authority or HUD determines to be necessary, including evidence of citizenship or eligible immigration status, and information for use in a regularly scheduled re-examination or interim reexamination of family income and composition.
 - b. Disclose and verify Social Security Numbers and sign and submit consent forms for obtaining information.

- c. Supply any information requested by the Housing Authority to verify that the family is living in the unit or information related to family absence from the unit.
 - d. Promptly notify the Housing Authority, in writing, when the family is away from the unit for an extended period of time, in accordance with Housing Authority policies.
 - e. Allow the Housing Authority to inspect the unit at reasonable times and after reasonable notice.
 - f. Notify the Housing Authority and the owner, in writing, before moving out of the unit or terminating the lease.
 - g. Use the assisted unit for residence by the family (the unit must be the family's only residence).
 - h. Promptly notify the Housing Authority, in writing, of the birth, adoption or court-awarded custody of a child.
 - i. Request the Housing Authority written approval to add any other family member as an occupant of the unit.
 - j. Promptly notify the Housing Authority, in writing, if any family member no longer lives in the unit.
 - k. Give the Housing Authority a copy of any owner eviction notice.
 - l. Pay utility bills and supply appliances that the owner is not required to supply under the lease.
2. Any information the family supplies must be true and complete. Any evidence that verification has been tampered with may be grounds for denial or termination.
3. The family, including each family member, must not:
- a. Own, or have any interest in, the unit (other than in a cooperative, or the owner of a manufactured home leasing a manufactured home space).
 - b. Commit any serious or repeated violation of the lease.
 - c. Commit fraud, bribery or any other corrupt or criminal act in connection with the program.

- d. Participate in illegal drug or violent criminal activity.
 - e. Sublease or let the unit or assign the lease or transfer the unit.
 - f. Receive Section 8 tenant-based program housing assistance while receiving another housing subsidy, for the same unit, or a different unit, under any other federal, state or local housing assistance program.
 - g. Damage the unit or premises (other than damage from ordinary wear and tear), nor permit any guest to damage the unit or premises.
- G. If a family member as an adult has ever been evicted by court action from public housing.
 - H. If the Housing Authority has ever terminated assistance under the certificate or voucher program for any family member as an adult.
 - I. If any member of the family commits drug-related, criminal activity or violent criminal activity. The HATC may terminate or deny assistance if the preponderance of evidence indicates that a family member has engaged in such activity, regardless of whether the family member has been arrested or convicted.
 - J. If a family has engaged in, or threatened, abusive or violent behavior toward Housing Authority personnel.
 - K. If any family member abuses or shows a pattern of abuse of alcohol and HATC determines that it has reasonable cause to believe that abuse or pattern of abuse may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.
 - L. If any family member fails to sign and submit consent forms or required verifications.
 - M. If the family is absent from their unit for over 180 days.
 - O. The Housing Authority will make any reasonable accommodations in rules, policies, practices or services, when such accommodations may be necessary to afford a person with disabilities equal opportunity to use and enjoy a dwelling unit, including public and common use areas.
 - P. The regulations provide that if the PHA determines an applicant to be ineligible for a voucher, the PHA must notify the applicant in writing of the reasons for the ineligibility and the right of the applicant to request, within ten days, a hearing.

4. DISCRETION TO ENTER INTO AN AGREEMENT:

In the cases where the family owes monies, the Housing Authority may, at its discretion, offer the applicant, or participant, the opportunity to enter into an agreement to pay amounts owed. If the Housing Authority elects to make such an offer, the agreement shall be on terms prescribed by the Housing Authority. The Housing Authority may, at any time, deny or terminate assistance for breach of such agreement.

If the amount owed is greater than \$5,000, then a repayment agreement may only be entered into with the Executive Director's or Deputy Executive Director's approval. If such an agreement is not approved, then the participant's assistance will be terminated and HATC may seek repayment in another manner.

TERMS OF THE REPAYMENT AGREEMENT

- A.** The length of the repayment agreement is determined by the amount of debt owed as follows:

<u>Amount Owed</u>	<u>Repayment Term</u>
≤ \$450	6 months
\$451 - \$900	1 year
\$901 - \$2,000	2 years
\$2,001 - \$5,000	3 years

The agreement shall require the participant to make an initial minimum payment of 10% of the total amount owed.

All moneys owed to HATC must be paid by the final due date on the repayment agreement. If the debt is not repaid in full by the final due date, then the participant's assistance will be terminated and HATC will seek repayment in another manner.

- B.** The Executive Director must approve any exceptions to these guidelines.

The Housing Authority will not process portability requests for participants who are making payments on a promissory note. At such time as the note is paid in full, they will have the option of moving to another jurisdiction.

If termination of assistance is required, the Housing Authority will notify the family and give the reasons for the termination. The family will also be notified of the hearing procedures provided in Chapter 19. If the matter is decided in favor of the Housing Authority, the Housing Authority will give the family and the owner a notice of termination of the contract, which will be effective the last day of the month following the month in which the notice was issued.

5. REINSTATEMENT ON WAITING LIST:

Applicants determined to be ineligible may become eligible and be reinstated on the waiting list in the same numerical sequence and be offered assistance in accordance with Housing Authority policies by paying in full any outstanding balance due.

6. CONFLICT OF INTEREST:

Sections 2.18 and 2.19 of the Annual Contributions Contract (ACC) contain conflict-of-interest provisions, which may prohibit some applicants from being determined eligible for assistance (e.g., members, officers or employees of the PHA; members of the governing body of the locality or localities which exercises any responsibilities or functions with respect to the program). The PHA will contact the HUD field office for specific guidance on this subject if it has any doubt on any specific applicant. In addition, the PHA will submit a request for a waiver of the conflict-of-interest provision to the HUD field office for a specific applicant if it has determined a waiver is merited.

7. PHA EMPLOYEES SHOULD NOT ESTABLISH SELECTION CRITERIA BASED UPON THE APPLICANT'S EXPECTED BEHAVIOR AS A TENANT:

In the Section 8 Existing Housing Program, tenant selection is the responsibility of the owner, and efforts by the PHA to pre-screen or voucher holders would result in owners relying on the PHA to assume a portion of their responsibility. In addition, owners' selection criteria vary widely, and any effort by the PHA to establish criteria of general applicability may result in denying the benefits of the program to families who might be acceptable to some owners. However, if asked, the Housing Authority will inform prospective landlords of the knowledge the Housing Authority may have about a family's current or previous tenancy, including any damage claims, money owed to the Housing Authority, or previous inspections.

CHAPTER 5

I. VERIFICATIONS

All income, family status, information on assets, and deduction qualification will be verified for admission and continued occupancy by the Housing Authority, as well as eligible alien status.

Additionally, if applicant is claiming the 'lease-in place' preference, verification must also be provided to ensure applicant qualifies to obtain such preference. Acceptable verification will consist of an executed lease agreement with current lease term. Also, current landlord will need to complete and return 'Landlord Participation' verification form. Applicants will not be able to qualify for the 'lease-in place' preference if they are currently renting/leasing a unit owned by a relative of the applicant or a listed household member (example: grandparent of minor child). Should applicant be unable to provide verification of 'lease-in place' preference, preference will be removed and they will be placed back on the wait list.

When an applicant or tenant reports annual income that appears to be less than adequate for the family's needs, or if the family appears to be eligible for income that is not reported to be received (i.e., TANF, welfare, unemployment compensation, child support, etc.), the absence of such income will be verified.

All verifications will be obtained within 90 days of initial lease date, or effective date for all subsequent re-examinations and re-determinations, to ensure that current and accurate data are being used in calculating rents and eligibility.

All income, which affect rent between admissions and re-examinations, will be verified in accordance with the above provisions.

Family composition changes reported between admissions and reexaminations will be verified, however, this will not require reverification of family income. Income will be subject to reverification at the subsequent reexamination.

Tenant files will contain documentation of all verifications.

- A.** All income, assets, family status, and each applicable deduction or exemption will be verified at the time of admission and at each subsequent re-examination or re-determinations requested for income changes. Families will fill out an Income Certification Questionnaire prior to meeting with an eligibility clerk showing all income, asset and deduction information for each adult member of the household.
- B.** Self-employed persons, or persons whose earnings are irregular, will be required to furnish summary data from books of account or certified statements, showing gross receipts, itemized expenses and net income.

- C. Verifications obtained by telephone or personal interview must be documented with the source, date, and person receiving the information clearly indicated.
- D. The following information will also be verified and documented in the tenant file:
 - 1. Disability, veteran or service-member status, when they are a factor in determining eligibility or priority, and/or the need for a live-in attendant.

The receipt of veteran's benefits for disability, either service-incurred or otherwise, does not automatically establish eligibility by disability.
 - 2. Full-time student status.
 - 3. Non-economic selection criteria when information provides the basis for denial of eligibility. This includes sex-offender registration.

II. RELEASE OF INFORMATION

In order to be eligible for assistance, each member of the family who is at least 18 years of age, and each family head and spouse regardless of age, shall sign one or more consent forms. At a minimum, the consent forms must contain the following:

- A. A provision authorizing HUD and HATC to obtain from State Wage Information Collection Agencies (SWICAs) any information or materials necessary to complete or verify the application for participation or for eligibility for continued occupancy;
- B. A provision authorizing HUD or HATC to verify with previous or current employers income information pertinent to the family's eligibility for, or level of, assistance; and
- C. A provision authorizing HUD or HATC to request income information from the IRS and the SSA for the sole purpose of verifying income information pertinent to the family's eligibility or level of benefits.

The family will be required to sign specific authorization forms when information is needed that is not covered by HUD's 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.

The family may have their assistance denied or terminated if they do not supply any information required by HATC or HUD.

III. VERIFICATION TECHNIQUES

Third-Party Verification Techniques

Upfront Income Verification (UIV) (Level 6/5): The verification of income before or during a family reexamination, through an independent source that systematically and uniformly maintains income information in computerized form for a number of individuals.

The EIV system is available to all PHAs as a UIV technique. PHAs are encouraged to continue using other non-HUD UIV tools, such as The Work Number (an automated verification system) and state government databases, to validate tenant-reported income.

Written Third-Party Verification (Level 4): An original or authentic document generated by a third party source dated either within the 60-day period preceding the reexamination or PHA request date. Such documentation may be in the possession of the tenant (or applicant), and is commonly referred to as tenant-provided documents. It is the Department's position that such tenant-provided documents are written third party verification since these documents originated from a third party source. The PHA may, at its discretion, reject any tenant-provided documents and follow up directly with the source to obtain necessary verification of information.

Examples of acceptable tenant-provided documentation (generated by a third party source) include, but are not limited to: pay stubs, payroll summary report, employer notice/letter of hire/termination, SSA benefit verification letter, bank statements, child support payment stubs, welfare benefit letters and/or printouts, and unemployment monetary benefit notices. Current acceptable tenant-provided documents must be used for income and rent determinations.

The PHA is required to obtain at a minimum, two current and consecutive pay stubs for determining annual income from wages. For new income sources or when two pay stubs are not available, the PHA should project income based on the information from a traditional written third party verification form or the best available information.

Note: Documents older than 60 days (from the PHA interview/determination or request date) is acceptable for confirming effective dates of income.

Written Third-Party Verification Form (Level 3): Also, known as traditional third-party verification. A standardized form to collect information from a third party source. The form is completed by the third party by hand (in writing or typeset). PHAs send the form directly to the third party source by mail, fax, or email.

It is the Department's position that the administrative burden and risk associated with use of the traditional third party verification form may be reduced by PHAs relying on acceptable documents that are generated by a third party, but in the possession of and provided by the tenant (or applicant). Many documents in the possession of the tenant are derived from third party sources (i.e. employers, federal, state and/or local agencies, banks, etc.).

The Department recognizes that third party verification request forms sent to third party sources often are not returned. In other instances, the person who completes the verification

form may provide incomplete information; or some tenants may collude with the third party source to provide false information; or the tenant intercepts the form and provides false information.

The Department requires PHAs to rely on documents that originate from a third party source's computerized system and/or database, as this process reduces the likelihood of incorrect or falsified information being provided on the third party verification request form. The use of acceptable tenant-provided documents, which originate from a third party source, will improve the integrity of information used to determine a family's income and rent and ultimately reduce improper subsidy payments. This verification process will also streamline the income verification process.

Oral Third-Party Verification (Level 2): Independent verification of information by contacting the individual income/expense source(s), as identified through the UIV technique or identified by the family, via telephone or in-person visit. PHA staff should document in the tenant file, the date and time of the telephone call (or visit to the third party), the name of the person contacted and telephone number, along with the confirmed information.

This verification method is commonly used in the event that the independent source does not respond to the PHA's faxed, mailed, or e-mailed request for information in a reasonable time frame, i.e., ten (10) business days.

Non-Third Party Verification Technique

Tenant Declaration (Level 1): The tenant submits an affidavit or notarized statement of reported income and/or expenses to the PHA. This verification method should be used as a last resort when the PHA has not been successful in obtaining information via all other verification techniques. When the PHA relies on tenant declaration, the PHA must document in the tenant file why third party verification was not available.

Exceptions to Third Party Verification Requirements

HUD is aware that in some situations, third party verification is not available for a variety of reasons. Oftentimes, the PHA may have made numerous attempts to obtain the required verifications with no success, or it may not be cost effective to obtain third party verification of income, assets, or expenses, when the impact on total tenant payment is minimal. In these cases, the PHA is **required to document in the family file the reason(s) why third-party verification was not available.**

1. **Third-party verification requirements.** In accordance with 24 CFR §960.259(c)(1) and 24 CFR §982.516(a)(2) for the Public Housing and the HCV programs, respectively, the PHA must obtain and document in the tenant file third party verification of the following factors, or must document in the tenant file why third-party verification was not available: (i) reported family annual income; (ii) the value of assets; (iii) expenses related to deductions from annual income; and (iv) other factors that affect the determination of adjusted income.

2. **How to comply with and reduce administrative burden of third-party verification requirements of family annual income.** PHAs can comply with and reduce administrative burden of third party verification requirements for employment, wage, unemployment compensation and social security benefits, and any other information that is verifiable using EIV by:

- a. Reviewing the EIV Income Report to confirm/validate tenant-reported income; and
- b. Printing and maintaining an EIV Income Report (or an EIV Individual Control Number (ICN) page for interim reexaminations as prescribed in Section 12 of this Notice) in the tenant file; and
- c. Obtaining current acceptable tenant-provided documentation to supplement EIV information; and
- d. Using current tenant-provided documentation and/or third-party verification to calculate annual income.

Note: Social Security benefit information in EIV is updated every three months. If the tenant agrees with the EIV-reported benefit information, PHAs do not need to obtain or request a benefit verification letter from the tenant. See PIH Notice 2010-03 for guidance on verifying Social Security benefit income through the EIV system.

The PHA may also reduce the administrative burden of obtaining third party verification by relying on acceptable documents that are generated by a third party, but provided by the tenant. Many documents in the possession of the tenant are derived from third party sources (i.e. employers, federal, state and/or local agencies, banks, etc.).

3. **When the PHA is required to request written third-party verification** The PHA must request written third-party verification under the following circumstances:

- a. When the tenant disputes the EIV information and is unable to provide acceptable documentation to support his/her dispute (24 CFR §5.236(b));
- b. When the PHA requires additional information that is not available in EIV and/or the tenant is unable to provide the PHA with current acceptable tenant-provided documentation. Examples of additional information, includes but is not limited to:
 - i. Effective dates of income (i.e. employment, unemployment compensation, or social security benefits)
 - ii. For new employment: pay rate, number of hours worked per week, pay frequency, etc.
 - iii. Confirmation of change in circumstances (i.e. reduced hours, reduced rate of pay, temporary leave of absence, etc.)

Note: 24 CFR §5.236(a), prohibits PHAs from taking adverse action based solely on EIV information.

IV. VERIFICATION HIERARCHY.

PHAs should begin with the highest level of verification techniques.

PHAs are required to access the EIV system and obtain an Income Report for each household. The PHA is required to maintain the Income Report in the tenant file along with the form HUD-50058 and other supporting documentation to support income and rent determinations for all mandatory annual reexaminations of family income and composition.

If the Income Report does not contain any employment and income information for the family, the PHA should attempt the next lower level verification technique, as noted in the below chart.

Level	Verification Technique	Ranking
6	Upfront Income Verification (UIV) using HUD’s Enterprise Income Verification (EIV) system (not available for income verifications of applicants)	Highest (Mandatory)
5	Upfront Income Verification (UIV) using non-HUD system	Highest (Optional)
4	Written Third-Party Verification	High (Mandatory to supplement EIV-reported income sources and when EIV has no data; Mandatory for non-EIV reported income sources; Mandatory when tenant disputes EIV-reported employment and income information and is unable to provide acceptable documentation to support dispute)
3	Written Third-Party Verification Form	Medium-Low (Mandatory if written third party verification documents are not available or rejected by the PHA; and when the applicant or tenant is unable to provide acceptable documentation)
2	Oral Third-Party Verification	Low (Mandatory if written third party verification is not available)
1	Tenant Declaration	Low (Use as a last resort when unable to obtain any type of third party verification)

Note: This verification hierarchy applies to income determinations for applicants and participants. However, EIV is not available for verifying income of applicants.

V. TYPE OF FILE DOCUMENTATION REQUIRED:

- A. For each new admission (form HUD-50058 action type 1), the PHA is required to do the following:

- i. Review the EIV Income Report to confirm/validate family-reported income within 120 days of the PIC submission date; and
 - ii. Print and maintain a copy of the EIV Income Report in the tenant file; and
 - iii. Resolve any income discrepancy with the family within 60 days of the EIV Income Report date.

- B. For each historical adjustment (form HUD-50058 action type 14), the PHA is required to do the following:
 - i. Review the EIV Income Report to confirm/validate family-reported income within 120 days of the PIC submission date; and
 - ii. Print and maintain a copy of the EIV Income Report in the tenant file; and
 - iii. Resolve any income discrepancy with the family within 60 days of the EIV Income Report date.

- C. For each interim reexamination (form HUD-50058 action type 3) of family income and composition, the PHA is required to have the following documentation in the tenant file:
 - ICN Page** when there is **no** household income discrepancy noted on the household's Income Discrepancy Report tab or Income Discrepancy Report. (PHAs have the discretion to print the EIV Income report, however, only the ICN page is required.)

 - EIV Income Report** when there **is** an income discrepancy noted on the household's Income Discrepancy Report tab or Income Discrepancy Report.

- D. For each annual reexamination of family income and composition, the PHA is required to have the following documentation in the tenant file:
 - i. **No Dispute of EIV Information:** EIV Income Report, current acceptable tenant-provided documentation, and *if necessary* (as determined by the PHA), traditional third-party verification form(s).
 - ii. **Disputed EIV Information:** EIV Income report, current acceptable tenant-provided documentation, and/or traditional third party verification form(s) for disputed information.
 - iii. **Tenant-reported income not verifiable through EIV system:** Current tenant-provided documents, and *if necessary* (as determined by the PHA), traditional third party verification form(s).

4. If the tenant does not provide the requested information, the PHA may mail or fax a third-party verification request form to the third party source. The PHA is **required** to request third party verification when the tenant disputes EIV information and the tenant is unable to provide acceptable documentation to support disputed information. However, the PHA should **also** remind the tenant that s/he is required to supply any information requested by the PHA for use in a regularly scheduled annual or interim reexamination of family income and composition.

The PHA may determine that the tenant is not in compliance with program requirements and terminate tenancy or assistance, or both, if the tenant fails to provide the requested information in a timely manner (as prescribed by the PHA).

To minimize tenant underreporting of income, PHAs are required to obtain an EIV Income Report for each family any time the PHA conducts an annual or interim reexamination of family income and composition.

In accordance with 24 CFR §5.236(b)(2)(3), PHAs are required to compare the information on the EIV report with the family-reported information. If the EIV report reveals an income source that was not reported by the tenant or a substantial difference in the reported income information, the PHA is required to take the following actions:

1. Discuss the income discrepancy with the tenant; and
2. Request the tenant to provide any documentation to confirm or dispute the unreported or underreported income and/ or income sources; and
3. In the event the tenant is unable to provide acceptable documentation to resolve the income discrepancy, the PHA is required to request from the third party source, any information necessary to resolve the income discrepancy; and
4. If applicable, determine the tenant's underpayment of rent as a result of unreported or underreported income, retroactively*; and
5. Take any other appropriate action as directed by HUD or the PHA's administrative policies.

*The PHA is required to determine the retroactive rent as far back as the existence of complete file documentation (form HUD-50058 and supporting documentation) to support such retroactive rent determinations.

Note: A substantial difference is defined as an amount equal to or greater than \$2,400, annually.

The tenant must be provided an opportunity to contest the PHA's determination of tenant rent underpayment. HUD regulations require PHAs to promptly notify tenants in writing of any adverse findings made on the basis of the information verified through the aforementioned income discrepancy resolution process. The tenant may contest the findings in accordance with the PHA's established grievance procedures, as required by HUD. The PHA may not terminate, deny, suspend, or reduce the family's assistance until the expiration of any notice or grievance period.

When there is an unsubstantial or no disparity between tenant-reported and EIV-reported income information, the PHA is required to obtain from the tenant, any necessary documentation to complete the income determination process. As noted previously, the PHA may reject any tenant-provided documentation, if the PHA deems the documentation unacceptable. The PHA may reject documentation provided by the tenant for only the following HUD-approved reasons:

1. The document is not an original; or
2. The original document has been altered, mutilated, or is not legible; or
3. The document appears to be a forged document (i.e. does not appear to be authentic).

The PHA should explain to the tenant, the reason(s) the submitted documents are not acceptable and request the tenant to provide additional documentation. If at any time, the tenant is unable to provide acceptable documentation that the PHA deems necessary to complete the income determination process, the PHA is required to submit a traditional third party verification form to the third party source for completion and submission to the PHA.

If the third party source does not respond to the PHA's request for information, the PHA is required to document the tenant file of its attempt to obtain third-party verification and that no response to the third-party verification request was received.

The PHA should then pursue lower-level verifications in accordance with the verification hierarchy.

VI. DISCLOSURE OF AN INDIVIDUAL'S EIV INFORMATION:

The Federal Privacy Act (5 USC §552a, as amended) prohibits the disclosure of an individual's information to another person without the written consent of such individual. As such, the EIV data of an adult household member may not be shared (or a copy provided or displayed) with another adult household member, unless the individual has provided written consent to disclose such information.

However, the PHA is not prohibited from discussing with the head of household (HOH) and showing the HOH how the household's income and rent were determined based on the total family income reported and verified.

EIV information and any other information obtained by the PHA for the purpose of determining eligibility and level of assistance for a PIH rental assistance program may not be disclosed to third parties for any reason (even for similar verifications under other programs, such as eligibility for low income housing tax credit units, other federal or state assistance programs), unless the tenant has authorized such disclosure in writing.

VII. WHAT TO DO IF THE EIV INFORMATION IS INCORRECT:

Sometimes the source or originator of EIV information may make an error when submitting or reporting information about tenants. HUD cannot correct data in the EIV system. Only the originator of the data can correct the information. When the originator corrects the data, HUD will obtain the updated information with its next computer matching process. Below are the procedures tenants and PHAs should follow regarding incorrect EIV information.

Employment and wage information reported in EIV originates from the employer. The employer reports this information to the local State Workforce Agency (SWA), who in turn, reports the information to HHS' National Directory of New Hires (NDNH) database.

If the tenant disputes this information, s/he should contact the employer directly, in writing to dispute the employment and/or wage information, and request that the employer correct erroneous information.

The tenant should provide the PHA with this written correspondence so that it may be maintained in the tenant file. If employer resolution is not possible, the tenant should contact the local SWA for assistance.

Unemployment benefit information reported in EIV originates from the local SWA. If the tenant disputes this information, s/he should contact the SWA directly, in writing to dispute the unemployment benefit information, and request that the SWA correct erroneous information. The tenant should provide the PHA with this written correspondence so that it may be maintained in the tenant file.

SS and SSI benefit information reported in EIV originates from the SSA. If the tenant disputes this information, s/he should contact the SSA at (800) 772-1213, or visit the local SSA office. SSA office information is available in the government pages of the local telephone directory or online at <http://www.socialsecurity.gov>.

Note: The tenant may also provide the PHA with third-party documents which are in the tenant's possession to support their dispute of EIV information. The PHA, with the tenant's consent, is required to submit a third party verification form to third party sources for completion and submission to the PHA, when the tenant disputes EIV information and is unable to provide documentation to validate the disputed information. The tenant's failure to sign the consent form is grounds for termination of tenancy and/or assistance in accordance with 24 CFR §5.232.

Debts owed to PHAs and termination information reported in EIV originates from the PHA. If a current or former tenant disputes this information, s/he should contact the PHA (who reported the information) directly in writing to dispute this information and provide any documentation that supports the dispute. If the PHA determines that the disputed information is incorrect, the PHA will update or delete the record from EIV. Former tenants may dispute debt and termination information for a period of up to three years from the end of participation date in the PIH program.

Identity Theft. Seemingly incorrect information in EIV may be a sign of identity theft. Sometimes someone else may use an individual's SSN, either on purpose or by accident. SSA does not require an individual to report a lost or stolen SSN card, and reporting a lost or stolen SSN card to SSA will not prevent the misuse of an individual's SSN. However, a person using an individual's SSN can get other personal information about that individual and apply for credit in that individual's name. So, if the tenant suspects someone is using his/her SSN, s/he should check their Social Security records to ensure their records are correct (call SSA at (800) 772-1213); file an identity theft complaint with the local police department and/or Federal Trade Commission (call FTC at (877) 438-4338, or visit their website at: <http://www.ftc.gov/bcp/edu/microsites/idtheft/>); and s/he should also monitor their credit reports with the three national credit reporting agencies (Equifax, TransUnion, and Experian). The tenant should provide the PHA written documentation of filed identity theft complaint. (Refer back to paragraph on Employment and wage information regarding disputed EIV information related to identity theft).

Tenants may request their credit report and place a fraud alert on their credit report with the three national credit reporting agencies at: www.annualcreditreport.com or by contacting the credit reporting agency directly.

VIII. VERIFICATION OF DEDUCTIONS

- A. **Verifying Dependent Deductions:** Clerks must obtain a copy of each family member's birth certificate, Social Security card, and/or other appropriate documentation to verify the name, sex, SSN, date of birth, disability and relationship to the head.
- B. **Verifying Full-Time Student Status:** Upon consent by the family member, the clerk should pursue third party verification of full-time student status. Documentation may include current enrollment status letter, which includes school name and address, dates of enrollment and total number of classes or credits attempted in a given quarter/semester, current school transcript, most recent grade report, etc. The clerk should mail verification requests directly to the school and receive the completed verification directly from the school.
- C. **Verifying Elderly Family Deduction for Disabled Families:** If the head, spouse or sole member is receiving disability benefits from the Social Security Administration (SSA), the family member is disabled. Or, for those individuals with disabilities that do not receive disability payments from SSA, the clerk may use a disability verification form to document that the tenant meets the HUD eligibility definition of a person with disabilities. The clerk should send the form directly to a doctor, but such statement should meet the HUD-required disability definition.

- D. Verifying Medical Expenses:** Verification requests should be mailed directly to health care providers and Pharmacists. In the event the health care provider or pharmacist does not respond to the clerk's verification request, the clerk may review tenant-provided documents. However, the clerk should review tenant-provided documents with scrutiny to ensure that expenses are not counted twice and ineligible expenses are not counted.

Allowable medical expenses:

- Acupuncture
- Artificial Limbs
- Braille Books and Magazines
- Chiropractor
- Crutches
- Dental Treatment
- Hearing Aids
- Health Insurance Premiums
- Home Care
- Hospital Services
- Laboratory Fees
- Long-Term Care
- Monthly Payment on Medical Bills
- Prescription Medicines
- Nursing Home
- Optometrist
- Oxygen
- Surgery
- Therapy
- Transportation

The clerk should review all medical expense documents provided by the family very closely to ensure that the clerk is accurately anticipating regular, ongoing, and anticipated expenses during the coming year. The clerk should be careful not to include medical bills from previous years that were recently paid in full during the current year. If the tenant is making regular payments on bills accrues from previous years, the clerk should be careful to count the lower of the monthly payments times twelve, or the remainder of the bill, whichever is lower.

- E. Verifying Disability Assistance Expense:** Families are entitled to a deduction for unreimbursed medical expenses to cover care attendants and auxiliary apparatus expenses for each member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including the member who is a person with disabilities) to be employed. This deduction may not exceed the earned income received by family members who are 18 years of age or older, and who are able to work because of such attendant care or auxiliary apparatus. The allowable disability-assistance expense is that portion that exceeds three percent of annual income.

Allowable auxiliary apparatus items are:

- Wheelchairs
- Ramps
- Adaptations to vehicles
- Special equipment to enable a blind person to read or type,
- Special “reading” computers or software for the blind

The privacy requirements have a significant impact on how clerks verify disability status, medical expenses, and disability-assistance expenses. Privacy requirements require that patients sign a specific authorization before a covered entity could release their medical information to a third party for purposes not related to the patient’s healthcare. Clerks may find that many verification requests will not be completed and returned directly to the clerk. Clerks will then have to rely on tenant-provided documentation and document in the tenant file why third-party verification was not available.

Clerks must remember that they are not permitted to inquire about the nature or extent of a person’s disability. The clerk may not inquire about a person’s diagnosis or details of treatment for a disability or medical condition. Under no circumstances should a clerk request a participant’s medical record(s).

IX. GENERAL NOTES ON VERIFICATIONS:

- A.** Self-employed persons, or persons whose earnings are irregular, will be required to furnish summary data from books of account or certified statements, showing gross receipts, itemized expenses, and net income.
- B.** Verifications obtained by telephone or personal interview must be documented with the source, date, and person receiving the information clearly indicated.
- C.** The following information will also be verified and documented in the tenant file:

1. Veteran or service-member status when it is a factor in determining eligibility, preference or priority. The receipt of veteran's benefits for disability, either service-incurred or otherwise, does not automatically establish eligibility by disability.
2. Family medical needs requiring a larger unit.
3. Non-economic selection criteria when information provides the basis for denial of eligibility (i.e., fraud or monies owed).
4. **Social Security numbers.**

Applicants and participants (including each member of the household) are required to disclose his/her assigned SSN, with the exception of the following individuals:

- a. Those individuals who do not contend to have eligible immigration status (individuals who may be unlawfully present in the United States). These individuals in most instances would not be eligible for a SSN.
- b. Existing program participants as of January 31, 2010, who have previously disclosed their SSN and HUD has determined the SSN to be valid.
- c. Existing program participants as of January 31, 2010, who are 62 years of age or older, and had not previously disclosed a valid SSN. This exemption continues even if the individual moves to a new assisted unit.

SSN Documentation:

The PHA must request the applicant and participant (including each member of the household), who are not exempt under Section 5 of this Notice, to provide documentation of each disclosed SSN. Acceptable evidence of the SSN consists of:

- a. An original SSN card issued by SSA;
- b. An original SSA-issued document, which contains the name and SSN of the individual; or
- c. An original document issued by a federal, state, or local government agency, which contains the name and SSN of the individual.

Penalties for Failure to Disclose and/or Provide Documentation of the SSN:

- a. **Applicants.** The PHA must deny the eligibility of an assistance applicant if s/he (including each member of the household required to disclose his/her SSN) does not disclose a SSN and/or provide documentation of such SSN. However, if the family is otherwise eligible to participate in the program, the family may maintain his/her position on the waiting list for a period of time as determined by the PHA. The maximum time the family may remain on the waiting list, pending disclosure of requested information is 90 days. If all household members have not disclosed their SSN at the time a unit becomes available, the PHA must offer the available unit to the next eligible applicant family on the waiting list.
- b. **Participants.** The PHA must terminate the assistance of Section 8 program participants (the entire household) and terminate the tenancy of Public Housing participants (the entire household) if his/her SSN) does not disclose his/her SSN and provide the required documentation.

However, if the family is otherwise eligible for continued assistance or tenancy in the program, the PHA, at its discretion, may defer the family's termination and provide the family an opportunity to comply with the requirement within a period **not to exceed** 90 calendar days from the date the PHA determined the family noncompliant with the SSN disclosure and documentation requirement, if the PHA determines:

1. The failure to meet the SSN disclosure and documentation requirements was due to circumstances that could not have been foreseen and were outside the control of the family;
and
2. There is a reasonable likelihood that the family will be able to disclose the SSN and provide such documentation of the SSN by the deadline.

If the family is unable to comply with the requirements by the specified deadline, the PHA must terminate the tenancy or assistance, or both of the entire family.

5. The citizenship/eligible non-citizen status must be determined for each family member, regardless of age.

Prior to being admitted, all household members will be required to sign a Declaration of Section 214 Status under penalty of perjury, or, in the case of minors, to have one completed on their behalf.

- a. U.S. Citizens and U.S. Nationals will not be required to further document evidence of citizenship unless there is reason to doubt a claim of citizenship.
- b. Non-citizens who are 62 years of age or older will be required to provide a documentation verifying their age.
- c. All other non-citizens will be required to provide one of the INS documents referred to in 24 CFR 5.510 for the tenant file and a signed verification consent form. HATC will also verify their status through the INS SAVE system. If the INS SAVE system cannot confirm eligibility, HATC will mail information to the INS so a manual check can be made of INS records.
- d. The family's assistance will not be denied, delayed, reduced or terminated because of a delay in the process of determining eligible status under this Section, except to the extent that the delay is caused by the family.

X. TIMING OF VERIFICATIONS:

For applicants and participants verifications are valid for 90 days from date of receipt. If the family caused the delay in providing verification, their assistance may be denied or terminated and they will have to repay HATC for any overpayments made on their behalf.

XI. FREQUENCY OF OBTAINING VERIFICATIONS:

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

Information concerning any requests for accommodation or for a live-in aide will be verified at time of request.

Information regarding fixed income and assets under \$5000 will be verified prior to admission. Once verified at admission, participant will be required to verify these items at least triennially.

All other information concerning income, family composition, and expenses, such as medical and child-care costs, will be verified at least annually.

XII. CHECKING VERIFIED FINDINGS PRIOR TO ADMISSION:

If there is a delay of any consequence between the determination of the family's eligibility and the time it can be admitted to a unit, the family will be questioned before admission in regard to any change in status. If changes are reported, they will be verified to determine their effect on eligibility, preference, and priority rating, rent and unit size required.

XIII. SUMMARY OF VERIFICATION DATA

Verification data is to be reviewed and evaluated as received for completeness, accuracy and conclusiveness. Where the information received is not completely adequate in all respects, follow-ups or new efforts to obtain such information are to be made and carried through to conclusion. If during the verification process it becomes evident that, for one or more reasons, the family is ineligible, the investigation is to be discontinued and the family notified of their ineligibility and the reasons therefore. In such a case, the family is entitled to an informal hearing (see "Hearing Procedures"). If it is determined that the family has tampered with any verification data, it can be grounds for denial of assistance or eviction.

CHAPTER 6

I. COMPUTATION OF ANNUAL INCOME

Once the PHA has verified all income necessary to determine family annual income, as covered in the previous section, it must compute the family's annual income in accordance with program regulations. Income will be calculated in accordance with the procedures outlined below:

A. Project the income from all known sources expected to come into the home during the 12-month period following the date of certification, re-examination or re-determination. Regular periods of seasonal work and lay-offs should be included.

B. Annual Income:

Annual income is the anticipated total income from all sources received by the family head and co-tenant (even if temporarily absent), and by each additional member of the family, including all net income derived from assets anticipated for the 12-month period following the effective date of initial determination, re-examination or re-determination of income, exclusive of income that is temporary, non-recurring or sporadic, and exclusive of certain other types of income. (See the definition of income.)

C. Where it is difficult to project income for the coming 12-month period, it may be necessary to:

1. Estimate the anticipated income from all sources, based upon verified information. If any estimates are used, based upon specific verifications or other information, in computing income or allowable expenses on an annual basis, the PHA should clearly identify the rationale for its estimate and the specific method used.
2. Base the projection on amounts of actual income for the past 12 months, if circumstances are expected to be the same.
3. Annualize known income amounts for a 12-month period, even though those amounts are not expected to last for the full 12 months. In such cases, a special re-determination would need to be scheduled for a future date.

D. When the Applicant Family's Total Assets Exceed \$5,000, including imputed amounts of assets disposed of for less than market value during the last two years (see "asset" definition), it is necessary for the PHA to make both of the following calculations to comply with program regulations:

1. Calculate the dollar amount included in the family's annual income, which is specifically derived from assets, such as interest on savings accounts, dividends, interest portions of payments from sale of property, net income from rental of property, etc.; and
2. Calculate the dollar amount resulting from multiplying the value of the family's total assets by the current passbook rate.

The PHA must then use the larger of the dollar amounts obtained from these two separate calculations in its final computation of the family's annual income. The resulting amount is to be included with other income sources to derive total family income.

- E.** The total tenant payment shall be the higher of the following, rounded to the nearest dollar:
1. Thirty percent of monthly adjusted income; or
 2. Ten percent of monthly annual income; or
 3. The welfare rent in as-paid situations; or

The total tenant payment shall not be increased by more than ten percent during any 12-month period as a result of redefinition or changes in government regulations. However, total tenant payment may be increased by more than ten percent during any 12-month period to the extent that the increase is solely attributable to increases in income.

- F.** Adjusted income is calculated by taking the family's annual income and taking any or all of the following deductions for which it is eligible:
1. A \$480 deduction for each dependent, i.e., each family member (other than the head, spouse or foster children) who is either under 18 years of age, is a full-time student of any age, or is over 18 years of age and disabled or handicapped.

2. The annual amount of verified medical expenses that exceeds three percent of the family's annual income, for families who qualify as "elderly families." The family may choose to take a fixed medical deduction amount of \$500 for ongoing expenses rather than verifying actual expenses. Medical expenses include medical insurance premiums that are anticipated during the period for which annual income is computed, and that are not covered by any insurance. (Medical expenses are allowed only for elderly, disabled or handicapped households.) The amount allowable as a deduction is the amount that exceeds three percent of annual income, if there is any amount of the three percent of annual income remaining after it has been deducted from any handicap assistance expenses.

Examples of medical expenses are dental expenses, transportation costs, prescription medicines, medical insurance premiums, eye glasses, hearing aids and batteries, the cost of a live-in resident assistant, monthly payments required on accumulated major medical bills, including that portion of the spouse's or children's' nursing home care paid from tenant family income(s).

HATC will also permit a deduction for expenditures on non-prescription medicines in cases where a doctor, pharmacist or licensed caretaker certifies that such non-prescription medicines are necessary for the diagnosis, cure, mitigation, treatment or prevention of disease or for treatments affecting any part or function of the body. As per IRS regulations, expenses that are merely beneficial to one's health will not be allowed.

3. Amounts of reasonable babysitting expenses incurred to the extent the amount allowed does not exceed the income received by the applicant from employment for which these expenses are incurred, or to allow a family member to attend school.
4. Handicapped assistance expenses to pay for care attendants and/or auxiliary apparatus for handicapped and disabled family members, which enable a family member (including the handicapped member) to work. The amount allowable as a deduction is the amount that exceeds three percent of annual income and cannot exceed the amount earned (see definitions).

5. Income from federal, state, or local training programs will be excluded for rent computation purposes to the extent that such income exceeds any TANF and/or wages coming into the home prior to the start of the training program.

Where there are both medical- and handicapped-assistance expenses, the deduction would equal the total of both amounts, less three percent of annual income.

CHAPTER 7

I. DETERMINATION OF FAMILY'S UNIT SIZE

- A. Dwellings are to be assigned so that it will not be necessary for persons of opposite sex, other than husband and wife, to occupy the same bedroom, except that if necessary, two children of opposite sex six years of age or under may share the same bedroom. At admission, one child under one year of age may be permitted to occupy the parents' bedroom; and if necessary, for continued occupancy, one child under two years of age may be permitted to occupy the parents' bedroom. Living rooms may be used for sleeping purposes if necessary.

A child or adult who is temporarily away from the home is considered a member of the family in determining the family unit size as long as the unit is their permanent address and they will not be away from the unit for longer than 180 days.

Unless a live-in aide lives with the family, a one person family will always be assigned a one bedroom unit.

The appropriate unit size for which the family is eligible must be listed on both the application for tenant eligibility and recertification, and the voucher.

A two-bedroom unit may be used by a two-member family, which consists of a single parent and child, if the child is of the same sex, or by a couple who, due to medical reasons, must have separate bedrooms, as approved by the PHA.

These principles result in the following standards:

<u>Voucher Size</u>	<u>Minimum Number of Persons in Household</u>	<u>Maximum Number of Persons in Household</u>
0-BR	1	2
1-BR	1	3
2-BR	2	5
3-BR	3	7
4-BR	6	9
5-BR	8	11

- B. Occupancy Standards Flexibility:** The criteria and standards prescribed for the determination of an applicant's unit size to be listed on its voucher should apply to the vast majority of families. In some cases, however, the relationship, age, sex, health or disability of the family members may warrant the assignment of a different unit size than that which would result from strict application of the criteria. Such flexibility is permissible to the extent the determinations are made on the basis of such factors. Any allowable determinations of this type, however, should be fully documented in the applicant's file.

For example, an elderly, or disabled person who requires a live-in attendant, or other accommodation, may be assigned a voucher to provide a larger-sized unit than normal occupancy standards would allow.

1. **Smaller-Sized Units:** The family may select a smaller-sized unit, provided there is at least one sleeping room of appropriate size for each two persons in the household. (For example, a three-bedroom voucher holder with five family members could select a two-bedroom unit if there would be two bedrooms for four of the family and a living/sleeping room for the fifth member.) The family would need to sign a statement saying that they have requested the smaller unit.
2. **Larger-Sized Units:** Families may choose a larger-sized unit, but would only receive the subsidy for the unit size for which their family is entitled and they would pay a greater portion of the rent.

C. Effect of Subsidy Size on Benefit Payment Standard:

The family unit size, chosen by using HATC's subsidy standard, is used to determine the maximum Voucher rent subsidy. The payment standard for a family is the lower of:

1. The payment standard amount for the family unit size; or
2. The payment standard amount for the actual unit size rented by the family.
3. Payment Standards:

The Housing Authority will revise the payment standards, as necessary, to prevent the tenant's share of rent from being a burden, or if FMRs are decreased. The following factors will be evaluated when payment standard revisions are being considered:

- a. Participant rent burden, including burden to quality of housing.
- b. Local vacancy rates by bedroom size.

CHAPTER 8

I. SELECTION OF FAMILIES TO RECEIVE VOUCHERS

Families who are eligible will be selected from a centralized waiting list, as set forth below.

- A. A preference will be given to any family displaced by redevelopment action on the part of a city or the county.
- B. The Housing Authority will accept referrals from the Tulare County Health and Human Services Department and CSET to ensure the continuing viability of the Moving-to-Work Program. Families referred for these slots must meet and maintain eligibility criteria established by the referring agencies.
- C. Thirty-nine (39) slots will be maintained on a renewable basis for families referred for the Aftercare Program. Only families with disabled family members, who are referred by approved referral agencies, will be eligible. Families referred for these slots must meet and maintain eligibility criteria established by the referring agencies.
- D. Twenty (20) slots will be maintained on a renewable basis for families referred by the Tulare County Health and Human Services Department, Child Protective Services, for the Family Reunification Program. These families must be in danger of losing their children, or unable to regain custody of their children, because they do not have adequate housing in order to be eligible
- E. Selected senior and family complexes will be given preference. Interested senior complexes may submit an application for such preference, subject to availability of available vouchers.
- F. At such time as the Housing Authority certifies the existence of a tight rental market, such that it is extremely difficult for a voucher-holder to lease a housing unit under the Section 8 program, the Housing Authority may give preference to applicants who have written verification from a landlord with an available unit who will rent to them on the Section 8 program.
- G. A local preference will be extended to families who are residents of Tulare County. Applicants must provide acceptable documentation to establish that they are residing in Tulare County at the time of their application and when they come up to the top of the waiting list. Acceptable documentation to establish residency in Tulare County include, a current lease, utility bill within the last 30 days, and a wage statement indicating residency in the last 30 days. Applicants who are working in Tulare County, who have been notified that they are hired to work in Tulare County, and full-time students of a Tulare County school, who cannot get a similar education in their own county, shall be considered as residents. Use of

this preference will not have the purpose or effect of delaying or otherwise denying admission to the program based on the race, color, ethnic origin, gender, religion, disability or age of any member of an applicant family.

- H.** Veteran's preference, as required by California state law, will be taken into consideration.
- I.** In the event of two or more eligible applicants for the same unit size with identical preference and priority status, the date and time sequence of applications will govern selection, with the applicant who filed the earliest being offered the first available allocation of appropriate size.
- J.** Families and single persons who are elderly, disabled, or displaced, or over 55 years of age (Near-elderly) will be housed prior to single persons who do not qualify for one of these categories.
- K.** In the event that HATC's leasing rate falls below 97%, preference will be given to an applicant who is able to 'lease-in place'. Preference will continue to be weighted until lease up rate reaches 97%. Once target lease up rate is obtained, preference will continue to be documented as part of the application intake process, however, it will not be weighted until such time that lease up rate falls below 97% at any other given time.
- L.** No discrimination because of race, color, creed, religion, sex, age, disability, familial status or national origin. The foregoing preferences and priorities will be followed without regard to race, color, religion, sex, handicap, familial status or national origin.
- M.** Available vouchers will be issued to families in the following order:
 - 1.** Absorbing families porting in from other jurisdictions.
 - 2.** Other waiting-list families in order of preference.
 - 3.** During each Housing Authority fiscal year, at least 75% of families admitted must be extremely low-income (incomes not exceeding 30% of area median – see definition). This does not apply to families housed with vouchers awarded when an owner opts out of a project-based HUD contract.

CHAPTER 9

I. ISSUANCE OF VOUCHERS AND BRIEFING SESSIONS

Objectives:

It is the policy of this Housing Authority to attempt to expand housing opportunities and avoid concentrations of the most economically and socially deprived families, and to encourage families to move to areas of low poverty or ethnic concentration. In order to achieve these goals, studies will be conducted to determine census tracts that contain low-poverty and low-minority levels. Low poverty will be considered any census tract that has a population of which 35% or less are under the poverty level. Low minority will be considered any census tract that has a population, of which fewer than 55% are minorities. In order to encourage families on the Section 8 program to move to those areas, the agency hereby adopts the following policy:

1. The agency will conduct outreach to landlords of units in areas of low poverty to encourage them to rent units to tenants under the Section 8 program.
 2. The agency will encourage families during the briefing to move to areas of low poverty by providing maps to show those areas and providing a list of landlords with units in those areas who accept Section 8. They will be told of the advantages of moving to areas with more jobs, better schools and greater opportunities for their families.
 3. The families will be informed of the option for portability to areas with low poverty or better job opportunities.
- A. When allocations become available, the next family on the waiting list will be contacted to provide any necessary verifications. Following the verification process, the family will be scheduled for a briefing and issued a voucher

Briefings are conducted to ensure that families understand the program and its requirements. All families who have been determined eligible for the Section 8 program or who are moving to another unit must attend a briefing. The briefing provides a broad description of owner and family responsibilities, HATC's policies and procedures, and how to lease a unit. The issuance of a voucher does not constitute admission to the program. Admission occurs when the lease and contract become effective.

The PHA will maintain a system to assure that it will be able to honor all outstanding vouchers within its Annual Contributions Contract (ACC) authorization, and that it will comply, to the maximum extent feasible, with the unit distribution in the said contract.

B. Preparation and Contents of Vouchers: These are the sole documents, which authorize a family to look for an eligible rental unit for the program. The voucher specifies the appropriate unit size necessary to meet the family's needs and the maximum rent for a unit the family may choose. The voucher also sets forth a number of requirements regarding both family and PHA responsibilities that apply, not only while the voucher is in effect, but also after a HAP contract is executed on behalf of a family. Before the voucher is given to the family, their completed application for eligibility or recertification should be carefully gone over with the family with an explanation of how the TTP has been determined. If the family's income has changed, or if the verification forms are more than 60 days old, new or updated verifications are necessary. This may require the PHA to delay the issuance and briefing. After the briefing, the PHA must be certain to retain a copy of the voucher for the family's file.

1. Family Responsibilities:

- a. Finding a housing unit that meets all program requirements.
- b. Submitting a request for lease approval.
- c. Paying the rent to the owner.
- d. Abiding by the family obligations for program participants.

2. PHA Responsibilities:

- a. Inspecting the family's dwelling unit.
- b. Notifying the family and owner whether or not the lease for the unit selected is approved, or providing a list of necessary repairs.
- c. Making housing assistance payments to the owner on behalf of the family, pursuant to a HAP contract in effect.
- d. Providing fair housing complaint forms (Form HUD-903), if requested by the family, and other services and assistance as may be required.
- e. Providing a list of known Section 8 landlords to voucher holders, and providing assistance to disabled families who are having difficulty locating a unit, when asked.

3. **Term of the Voucher:** The term is for a 60-day period, within which the family must submit a request for lease approval, if it is to utilize the allocation. The maximum term will not include the time from which the family has submitted a valid Request for Lease Approval to the time when the Housing Authority disapproves the unit. Disabled families may request an extended period as a reasonable accommodation.

C. Briefing Sessions:

1. **Briefing Sessions:** It is important that the briefing session be organized to give families the opportunity to ask questions, discuss the information provided, and clearly understand their rights, duties and obligations as assisted families.
2. **Briefing Methods:** The PHA may choose to brief families individually or in group sessions.
3. **Briefing Session Information to be Disseminated:** The regulations govern the kind of information and specific items that must be given to families in the briefing session. These are:
 - a. A description of how the program works
 - b. The term of the voucher and HATC's policy regarding extensions.
 - c. Family and owner responsibilities under the lease and contract
 - d. How to find a suitable unit.
 - e. What is this PHA's jurisdiction and where the family may rent a unit. This should include areas where housing of suitable price and housing quality may be found, especially non-impacted areas.
 - f. Applicable housing quality standards.
 - g. Significant aspects of federal, state and local fair housing laws.
 - h. Applicable payment standards, how the TTP is determined, how housing assistance payments are determined, and the rent reasonableness test.
 - i. Informing the families that copies of the Housing Quality Standards (HQS), HAP contract and other pertinent documents and forms are available to them upon request.

- j. Informing the families of housing opportunities within the area.
 - k. Informing the families of available affirmative placement activities for individuals experiencing problems.
 - l. Actively encouraging families to consider their allocation as a means of finding housing in any non-impacted area, and explaining the benefits of such a move.
 - m. Informing families as to their responsibilities as a tenant to their landlord and to the PHA.
 - n. Informing families of the HATC policies of providing known information to prospective landlords.
 - o. An explanation of portability.
4. **The Briefing Packet:** At the same time the PHA issues a voucher, it must give the family a briefing packet containing the required information listed below.
- a. Information on the TTP, the bedroom size and the applicable payment standard appropriate for the family size. The PHA must explain to the families all of the factors that could affect their rent.
 - b. PHA's schedule of allowances for tenant-furnished utilities and other services. The PHA must make available to families information on the amount of the allowance given for utilities and other services (when not included in the rent) appropriate to the bedroom size of their unit.
 - c. Housing Quality Standards (HQS) used by the PHA. What the family should look for when leasing a unit.
 - d. Information regarding lead-based paint poisoning hazards, symptoms and precautions. Form HUD-52591 tells the family about the dangers of lead-based paint poisoning, how to prevent it, how to tell when a child may be suffering from it, and how to provide treatment for the child.
 - e. Equal Opportunity Complaint Form (Form HUD-903) or the Spanish version thereof (Form HUD-169-EO(2)). This brochure explains the 1968 Fair Housing Law and the remedies available to families who believe they have been discriminated against.
 - f. Request for Lease Approval (Form HUD-52517-A).

- g. Prohibited Lease Provisions.
- h. A model lease agreement and the HUD require “tenancy addendum” that must be included with the lease.
- i. Hearing procedures for both participants and applicants.
- j. “Fair Housing USA,” a brochure on fair housing rights.
- k. The term of the voucher and Housing Authority policy on extensions.
- l. Where the family may lease a unit, including portability.
- m. A map showing non-impacted areas showing schools and possible job locations.
- n. The Housing Authority policy on release of information to landlords.
- o. A list of landlords known to take the Section 8 program.
- p. Family obligations under the program and grounds for termination of assistance.
- q. A sign-off form giving prospective landlords tenant information on address and current landlords. Prospective landlords will be given any information in the tenant file, if they request it.

D. Voucher Extensions, Expirations and Reissuances:

- 1. **Voucher Extensions:** If a family is unable to find an acceptable unit within the specified 60-day term, the voucher will expire. One extension of 30 will be given if the family requests it. If there is a request for a “Reasonable Accommodation” due to a disability the PHA may consider the following items in making a determination to grant one further extension of 30 days.
 - a. Extenuating circumstances, such as hospitalization, family emergencies, etc., which affected the family’s ability to locate an acceptable unit but are not expected to affect their search during the additional period, if granted.

CHAPTER 10

I. LEASE APPROVAL PROCESS

- A. HATC will approve a lease if all of the following conditions are met:
1. The unit is eligible;
 2. The unit is inspected by HATC and passes the HQS inspection;
 3. The lease can be approved and includes the HUD-required lease addendum;
 4. The rent to owner is reasonable;
 5. The owner is eligible; and
 7. The family continues to meet all eligibility and screening criteria.
- B. If tenancy approval is denied, HATC will advise the owner and the family in writing, and advise them also of any actions they could take that would enable HATC to approve the tenancy.
- C. When the family finds a unit that is suitable for its needs, it must submit to the PHA a completed Request for Lease Approval, signed by both parties, along with a copy of the lease agreement and other required documents as discussed in the briefing. The PHA will review the request to determine if the owner is eligible to participate in the program, if the unit is eligible, and if the lease is complete. The information provided by the owner and tenant on the form is also used as part of the basis for determining rent reasonableness and to schedule the unit inspection. The request for lease approval must be submitted while the family's voucher is effective.
- D. Determination of Owner Eligibility:**
1. No present or former member or officer of the PHA (except tenant commissioner), no employee of the PHA who formulates policy or influences decisions with respect to the programs, no tenant who is a candidate for employment with the PHA in a policy or decision-making position, and no public official or member of a governing body or state legislature who exercises functions or responsibilities with respect to the Section 8 program, or any member of Congress of the United States during his/her tenure or for one year thereafter, shall have any direct or indirect interest in this contract or in any proceeds or benefits arising from it.

2. The Housing Authority may not approve a lease if the parent, child, grandparent, grandchild, sister or brother of any family member owns the unit, unless requested to do so as a reasonable accommodation for a verified disability.
3. Owners do not have the right to participate in the Section 8 program. Owners may be barred if:
 - a. The owner has violated obligations under a Housing Assistance Payments (HAP) contract under Section 8 of the 1937 Act (42 U.S.C. 1437f).
 - b. HATC has been informed by HUD (or otherwise) that the owner has been disbarred, suspended, or subject to a limited denial of participation under 24 CFR part 24;
 - c. 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;
 - d. The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.
 - e. The owner has engaged in drug trafficking.
 - f. 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.
 - g. The owner has a history or practice of renting units that fail to meet state or local housing codes.
 - h. The owner has not paid state or local real estate taxes, fines or assessments.
 - i. The owner has been threatening, abusive, belligerent or confrontational with Housing Authority staff and behaves in a manner that disrupts the normal Housing Authority operations.
 - j. The owner knew or reasonable should have known he/she received and cashed rental assistance checks to which he/she was not entitled.

- k. The owner has a history or practice of failing to terminate tenancy of units assisted under section 8 or any other federally assisted housing program for activity engaged in by the tenant, any member of the household, a guest or another person under the control of any member of the household that:
 - (1) Threatens the right to peaceful enjoyment of the premises by other residents;
 - (2) Threatens the health or safety of other residents, of employees of HATC or of owner employees or other persons engaged in management of the housing;
 - (3) Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises; or
 - (4) Drug-related criminal activity or violent criminal activity.
- 1. This is not an all-inclusive list. Other issues may be determined to be grounds for barring an owner.

E. Determination of Unit Eligibility: Unit eligibility is determined by *four* criteria. First, the gross rent for the unit must be reasonable and must not exceed the applicable rent limitations for voucher holders who are moving to another unit. Secondly, the unit must meet the program's housing quality standards (HQS). Thirdly, the rental of the unit under the program must not violate the regulations if the unit is located in a project that receives federal, state or local subsidy. Finally, the type of housing requested must be allowed by HUD for the voucher program.

- 1. HATC will approve any of the following types of housing in the voucher program:
 - Single-family dwellings
 - Apartments
 - Manufactured housing
- 2. The following types of housing cannot be assisted under the Section 8 Voucher Program:
 - a. A public-housing or Indian-housing unit;
 - b. A unit receiving project-based assistance under a Section 8 Program;
 - c. Nursing homes, board and care homes, or facilities providing continual psychiatric, medical or nursing services;
 - d. College or other school dormitories;

- e. Units on the grounds of penal, reformatory, medical, mental, and similar public or private institutions;
- f. A unit occupied by its owner or by a person with any interest in the dwelling unit.
- g. A unit receiving any duplicative federal, state, or local housing subsidy. Housing subsidy does not include the housing component of a welfare payment, a social security payment received by the family or a rent reduction because of a tax credit.

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

- (1) Congregate housing
- (2) Group homes
- (3) Shared housing
- (4) Cooperative housing
- (5) Independent group residences

3. Determinations of Rent Reasonableness for Vouchers and Acceptability Within Rent Limitations for Voucher Holders who are moving: The following points are emphasized:

- a. **Gross Rent Computations:** In order to determine the unit's gross rent, the rental rate requested by the owner (contract rent) must be added to the applicable allowance for the utilities and services that will be tenant-supplied (i.e., not supplied by the owner or included in the contract rent). The utility allowance must be computed by using the information in the Request for Lease Approval, which shows those utilities and services that are the tenant's responsibility. The dollar amount of the allowance to be provided the tenant for each applicable item is shown on the PHA's schedule of allowances for tenant-furnished utilities. This is shown by bedroom size (of the actual unit, not the size unit the family is authorized on their voucher), structure type and fuel type. The total dollar amount of all applicable allowances is added to the contract rent, which equals the unit's gross rent. If requested as a reasonable accommodation for verified disability, the Housing Authority will approve a special utility allowance.
- b. HATC maintains a utility allowance schedule for all tenant-paid utilities (except telephone), for cost of tenant-supplied refrigerators and ranges, and for other tenant-paid housing services (e.g., trash collection (disposal of waste and refuse)).

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

HATC reviews the utility allowance schedule annually and revises any allowance for a utility category if there has been a change of 10% or more in the utility rate since the last time the utility allowance schedule was revised. HATC maintains information supporting the annual review of utility allowances and any revisions made in its utility allowance schedule. Participants may review this information at any time by making an appointment with HATC.

HATC uses the appropriate utility allowance for the size of dwelling unit actually leased by the family rather than the family unit size as determined under HATC subsidy standards. For manufactured homes, HATC will use the detached single family schedule for calculating utility allowances.

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

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

The utility allowance is for utilities consumed by the voucher tenant only. Situations where common area utilities are measured and billed through the assisted unit's utility meter will not be allowed.

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

- c. **Rent Reasonableness:** Once the contract rent has been determined, the PHA must determine whether or not the rental rate is reasonable. The PHA must certify and document that the contract rent is reasonable in relation to rents currently being charged for comparable units in the private, unassisted market, and that the contract rent is not in excess of rents currently being charged by the owner for comparable unassisted units.

In order to satisfy these requirements, the Housing Authority inspectors will survey the rental market to maintain a working knowledge of unassisted rents at all times. They will make the determination if a requested rent is comparable to at least two unassisted units, taking into consideration the location, unit type, age and amenities, to be sure there is a valid comparison. If they determine that a rent is not reasonable, they will indicate what the appropriate rent should be.

Owners may review the determination made on their unit and may submit additional information or make improvements to the unit that will enable HATC to establish a higher market comparable.

By accepting each monthly housing assistance payment from HATC, the owner, or the owner's representative, certifies that the rent to owner is not more than the rent charged by the owner for comparable unassisted units in the premises. Owners must give HATC any information requested on rents charged by the owner for other units in the premises or elsewhere.

- d. Rent reasonableness will be determined before any rent increase, if there is a five-percent decrease in the published FMR published 60 days before the contract anniversary, if directed by HUD, or at any other time at the discretion of the Housing Authority.

3. **Housing Quality Standard Determinations:**

- a. **Initial Inspection:** Before approving a lease, the Housing Authority shall inspect the unit for compliance with housing quality standards which are designated in Appendix III. If there are defects or deficiencies that must be corrected in order for the unit to be decent, safe and sanitary, the owner shall be advised by the Housing Authority of the work required to be done. Before a contract is executed, the unit must be reinspected to ascertain that the work has been done.

- b. Periodic Inspection:** In addition to the initial inspection, the Housing Authority will inspect each unit at least biennially, and at such other times as may be necessary, to be assured that the owner and tenant are meeting the obligation to maintain the unit in a decent, safe and sanitary condition, and to provide the agreed-upon utilities and other services.

The Housing Authority will take into account complaints and any other information coming to its attention in scheduling inspections. All complaints concerning compliance with the housing qualify standards shall be retained in the Housing Authority's files for three years.

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

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

Supervisory inspections on at least five percent of the total number of units that were under lease during the previous fiscal year will be conducted.

- c. Move-Out Inspections:** Move-out inspections will only be conducted as a special request by either the tenant or the landlord. There will be a charge for such inspections which must be paid prior to scheduling the inspection. The results of such an inspection will be available to both the tenant and the owner.

F. Determination Necessary for Leasing of Units in Federally Subsidized Rental Projects: If a voucher holder selects a unit in a project under any of the following programs, certain determinations must be made by the PHA before any lease approval can be granted:

1. Section 221(d)(3) Below Market Interest Rate (BMIR) and Market Interest Rate (MIR) – HUD program.
2. Section 236 (insured or non-insured) – HUD program.
3. Section 202 – HUD program.
4. Section 515 interest credit – Rural Development program.

If the unit selected by a participant is located in any of these types of projects, the PHA must determine whether the project already has 40%, or more, of its units covered by one or more of the following programs:

- a. Section 8 Housing Assistance.
 - b. Section 23 Rental Assistance.
 - c. Rent Supplement Assistance.
 - d. Section 236 “Deep Subsidy” Rental Assistance.
 - e. State or local subsidy programs (other than property tax exemption or abatement).
5. If the voucher holder’s leasing of the unit under the program would result in the project exceeding the 40% limitation, the request for lease approval must be disapproved. The PHA may, however, request HUD to approve an exception to the 40% limitation for the purpose of relieving the hardship of a particular family or families. Such a request should provide information which shows that the waiver is necessary because either:
- a. There is not a sufficient supply of alternate decent, safe and sanitary housing available in the community for eligible families;
or
 - c. The family is already a resident of the project, and their situation is such that moving would create a hardship for them.

Such waiver requests should be submitted to the HUD field office for a determination.

- d. The voucher payment standard for such units must be the basic rent amount.

6. Notification of Lease Approval or Disapproval:

- a. **Approval:** If the PHA determines that all applicable program requirements have been met with respect to the Request for Lease Approval, as discussed in Section I. E. above, the PHA notifies the owner and the family, computes the share of the contract rent payable by the family, and completes the HAP contract.
- b. **Disapproval:** If the PHA determines that the lease cannot be approved for any reason, including the condition of the unit, the PHA notifies the owner and family:
 - (1) Of the reasons the lease or proposed dwelling unit was disapproved.
 - (2) That if the conditions requiring disapproval are corrected by the owner, the owner or the tenant must notify the PHA.
 - (3) If the disapproval was due to the condition of the unit, the tenant or the owner must schedule a reinspection.

The PHA may approve the unit if the conditions have been corrected satisfactorily within the given time constraints.

CHAPTER 11

I. COMPUTATION OF RENT, EXECUTION OF LEASE AND HAP CONTRACT

Once a Request for Lease Approval has been approved, the PHA must prepare the Housing Assistance Payments (HAP) contract for execution by the owner and the PHA. In order to complete the documents, the PHA must make the following computations:

- A. Adjusted income is calculated by taking the family's annual income and making any or all of the following deductions for which it is eligible:
 - 1. A \$480 deduction for each dependent, i.e., each family member (other than the head, spouse or foster children) who is either under 18 years of age, is a full-time student of any age, or if over 18 years of age and disabled or handicapped.
 - 2. The annual amount of verified medical expenses that exceed three percent of the family's annual income, for families who qualify as "elderly families." If families verify on-going medical expenses and choose not to verify specific amounts, they will be given a fixed medical deduction amount of \$500.
 - 3. The total amount of verified annual babysitting expenses to the extent the amount allowed does not exceed the income received by the applicant from employment for which these expenses are incurred, or babysitting to allow a family member to attend school.
 - 4. Handicapped assistance expenses to pay for care attendants and/or auxiliary apparatus for handicapped and disabled family members, which enable a family member (including the handicapped member) to work. The amount allowable as a deduction is the amount that exceeds three percent of annual income and cannot exceed the amount earned (see definition).
 - 5. A \$400 deduction per family who qualifies as an "elderly" family (see definition).
- B. The total tenant payment shall be the higher of the following, rounded to the nearest dollar:
 - 1. Thirty percent of monthly adjusted income.
 - 2. Ten percent of monthly gross income.
 - 3. The welfare rent as defined in Section 813.107 of the regulations.

4. A prorated amount based upon the number of citizens and eligible alien family members versus non-eligible family member
5. The agency has established a minimum TTP of \$50, as allowed by HUD and a minimum rent of \$0. The agency will not make Utility Reimbursements.

A family's assistance is based on the applicable payment standard for the unit size they are eligible for or the actual size of unit chosen (whichever is smaller).

6. A "mixed family" with some members who are citizens or eligible aliens and some, who are not, will have their assistance prorated. For every non-eligible alien family member, \$25 dollars will be added to the family's share of rent.

C. Security deposits collected prior to the owner and tenant signing the Request for Lease Approval may remain at the amount collected. However, the owner may want to adjust the deposit amount if it is less than the family's TTP. The maximum an owner can collect after signing the request is an amount equal to two month's "contract" rent.

D. Execution of the Housing Assistance Payments Contract and Lease: Once all items with respect to the HAP contract and lease have been approved and appropriately completed by the PHA, the PHA must arrange for the HAP contract to be signed by the owner and for the lease to be executed by the owner and tenant. The PHA then signs the HAP contract and returns a signed copy to the owner and the tenant and keeps a copy for the tenant file. All contracts must be executed within 60 days of the effective date.

CHAPTER 12

I. RE-EXAMINATIONS

A. As required by law, the Housing Authority will annually re-examine the status of each tenant family relating to eligibility for continued occupancy, the rent charged and the size of the unit required.

1. HATC will send a notification letter to the family letting them know that it is time for their required reexamination and scheduling an appointment. The letter includes form(s) for the family to complete in preparation for the interview. The letter includes instructions permitting the family to reschedule the interview if necessary. Accommodations will be made for individuals who are physically unable to come to HATC's office for an appointment. At the option of HATC, either a mail packet will be sent or a home visit scheduled.

During the reexamination, the family must provide all information regarding income, assets, expenses, and other information including current family composition, income, asset and deduction necessary to determine the family's share of rent. The family must sign the HUD consent form and other consent forms that later will be mailed or faxed to the sources that will verify the family circumstances. Where possible, up-front verification systems will be used to verify family circumstances.

2. Rents will be reviewed at the time of the annual re-examination and be changed as necessary. No decrease or increase in rent will be made until all the facts have been verified. Increases will only be considered if the landlord submits a written request 60 days prior to the anniversary date. The same procedures used for determining the family's share of the contract rent for the initial HAP contract are also applicable for re-examination.

Since re-examinations are coordinated with HAP contract anniversary or termination dates (except for the Moderate Rehabilitation program), any PHA-approved changes in the contract rent must be made, along with any utility allowance changes that may be effective, to arrive at the new gross rent and subsequent determinations of housing assistance payment levels. Contract rent adjustments will be subject to rent reasonableness determinations. Annual adjustments are negotiated between the tenant and the landlord; they are not subject to annual adjustment factors.

B. Notification of Re-Examination Results: Once the re-examination process has been completed, the family must be notified whether or not it continues to be eligible for assistance (as determined by Section 882.212 of the regulations, which states that a family's eligibility for housing assistance payments continues until the family's share of the rent equals or exceeds the applicable contract rent for the unit it occupies.)

- 1. Families Determined Ineligible:** If a family has been determined ineligible for continued assistance, the family must be notified in writing with a statement of the reasons and offered the opportunity to request an informal hearing. In addition, because the HAP contract is expiring at the time of the re-examination, it cannot be renewed, and the family and owner must both be informed in writing of the termination date. If the family desires to continue in occupancy, the owner and family must make their own separate leasing arrangements.

In cases at re-examination or re-determination where the family's TTP is such that there would be no assistance payment, the family and the landlord will be notified that assistance will be terminated. The family will also be informed that, should their income drop within six months, they will be eligible to come back in to start receiving assistance again.

Cases where the family was receiving assistance as of June 19, 1995, and the head and/or spouse are not citizens or eligible aliens, the family may be eligible for prorated assistance. If they are not eligible for prorated assistance, or do not choose to have their assistance prorated, they will be eligible to have termination of assistance deferred for a maximum of eighteen months. Deferral will be reconsidered in six-month intervals.

If the unit becomes substandard due to action or inaction of the family, the family would be ineligible for continued assistance. If the H.A. cannot definitively determine that the problem is caused by the family, the Housing Authority will assume that the fault is with the landlord, and will issue a new voucher to the family.

- 2. Families Determined Eligible:**

- a.** If, upon re-examination, it is found that the size or composition of a family or household has changed so that the unit occupied by the family contains a number of rooms less or greater than necessary to provide decent, safe and sanitary accommodations, as described in the occupancy standards, the family will be recertified to move.

In such cases, the Housing Authority will recertify the family to move 60 days prior to the anniversary date, or as soon as income verification is complete. The family may then move with assistance as soon as their new unit passes inspection.

- b.** If a family requests to move, agrees to move at the owner's request, is required to move as above, or their current unit does not pass inspection, they will be given a voucher to move either 60 days prior to the end of their current contract, or as soon as their income verification is complete, whichever comes last. These families will be required to attend a briefing.

The Housing Authority will pay subsidies on behalf of the participant for two units for up to one week.

- c.** If the tenant and landlord wish to renew the current contract and the unit passes inspection, they will both sign an amendment to the contract, showing the new amounts and the effective date of the changes. The family will be given at least 30 days' notice of any rent increase.

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

Owners must notify HATC of any changes in the amount of the rent at least 60 days before the changes go into effect. Any such changes are subject to HATC's determination that they are reasonable.

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

- d.** "Mixed families" who were receiving assistance as of June 19, 1995, where the head and/or spouse are not citizens or eligible aliens, may choose to have their rental assistance prorated, based upon the TTP and the gross rent, according to HUD regulations, or may defer termination for a maximum of three years.

- e. **Other Eligibility Factors:** The regulations state that the family may be determined ineligible for a desired move with continued assistance if the family owes money for unpaid rent or for other responsibilities under the lease with their owner, including amounts for damages to the units, which may be in excess of the family's security deposit. It is recognized however, that the owner's determinations on damage generally may not be known until sometime after the unit is actually vacated (depending upon the amount of time allowed owners by applicable state and local law). In addition, there may be disputes between the owner and tenant on the legitimacy of the charges assessed, which may have to be settled in court.

Therefore, the PHA will allow the family to receive another voucher for purposes of moving to a new unit with continued assistance. If the family does, in fact, end up liable for damages to its former unit, the HA will require that the family sign a promissory note to pay any such liability prior to their next re-examination determination for continued eligibility. Such a procedure has the advantage of avoiding any early termination of the new owner's contract and will also provide the family with time to repay any funds it may owe.

C. **Families Who Owe Money to the PHA:**

Repayment Agreement When Assisted Family Moves: Prior to issuance of a new voucher, the family must sign an agreement to repay the Housing Authority any amounts owed to the Housing Authority, by virtue of a claim paid by the Housing Authority to an owner for unpaid rent, damages or vacancy payments, or money owed to the Housing Authority for retroactive rent.

- a. Assistance for families who have signed a repayment agreement previously with the PHA, who are behind in their payments, will be terminated at the end of their current contract, unless the payments are brought current.
- b. The Housing Authority will not process portability requests from residents who are paying on a promissory note. At such time as the note is paid in full, they will be allowed to move to another jurisdiction.

All repayment agreements must be in writing, dated, signed by both the tenant and the PHA, include the total retroactive rent amount owed, amount of lump sum payment made at time of execution, if applicable, and the monthly repayment amount. At a minimum, repayment agreements must contain the following provisions:

1. Reference to the paragraphs in the Public Housing lease or Section 8 information packet whereby the tenant is in non-compliance and may be subject to termination of tenancy or assistance, or both.
2. The monthly retroactive rent repayment amount is in addition to the family's regular rent contribution and is payable to the PHA.
3. Late and missed payments constitute default of the repayment agreement and may result in termination of tenancy and/or assistance.

PHAs are required to determine retroactive rent amount as far back as the PHA has documentation of family reported income. For example, if the PHA determines that the family has not reported income for a period of five years and only has documentation for the last three years, the PHA is only able determine retroactive rent for the three years for which documentation is available.

Repayment Time Period. The period in which the retroactive rent balance will be repaid is based on the monthly payments and original retroactive balance.

Repayment Options. Tenants have the option to repay the retroactive rent balance as follows:

1. In a lump sum payment; or
 2. Monthly installment; or
 3. A combination of 1 and 2, above
- For example, a tenant may owe \$1,000, make a lump-sum payment of \$300 and enter into a repayment agreement for the remaining balance of \$700.

The length of the repayment agreement is determined by the amount of debt owed as follows:

Amount Owed	Repayment Term
≤ \$450	6 months
\$451 - \$900	1 year
\$901 - \$2,000	2 years
\$2,001 - \$5,000	3 years

1. The agreement shall require the tenant to make an initial minimum payment of ten percent of the total amount owed.
2. All moneys owed to HATC must be paid by the final due date on the repayment agreement. Failure to comply with the repayment agreement terms may subject the tenant to eviction, and HATC will seek repayment in another manner.
3. The Executive Director must approve any exceptions to these guidelines.

CHAPTER 13

I. INTERIM RE-DETERMINATIONS

- A. Any interim re-determinations of the family's TTP, whether requested by the family or required by the PHA, must follow the verification procedures and TTP calculations, using the application for tenant eligibility and recertification, for the interim re-determination. The figures used for the contract rent, gross rent and the utility allowance do not change. Failure of an assisted family to cooperate in providing information necessary for PHA-required, interim re-determinations is grounds for termination of assistance.

Participant will not have to go through the process of reverification of income when adding any other member to the lease. Reverification of income will occur at the next regular reexamination date.

Once rent is established, that rate remains in effect until the next annual re-examination, special re-examination or an interim rent adjustment for an unanticipated change in income or family composition. Any time any of the following circumstances occur, the file will be reviewed:

1. A decrease in family income, which would lower the rent.
2. A change in income source into the home.
3. A change in family composition.
4. Loss of a family member through death, divorce, or other circumstances, or addition of a family member through marriage, birth, or other circumstances, must be reported by the family and is subject to formal verification by HATC. The family's eligibility must be reexamined and re-determined. Failure to report such changes in circumstances within ten days of the change will result in a retroactive increase of the family's portion of the rent. This time period may be extended in exceptional circumstances.

5. The addition of family members through birth, adoption or court-awarded custody of a child will be reviewed and approved by HATC. Participants must inform HATC within 10 days of any such addition, or they will be in violation of the family obligations. HATC will allow the addition of a family member through marriage provided the new spouse meets program eligibility requirements. In the case of same-sex relationships or other relationships, HATC will allow the addition of a significant other if a committed relationship can be demonstrated and the person meets program eligibility requirements. In either instance, participants must also inform HATC within ten days of any such addition, or they will be in violation of the family obligations.
6. HATC approval is required to add any other persons (including family members, boyfriends/girlfriends of the Head of Household and foster children) as occupants of the unit.
7. Family additions are at HATC's discretion.
8. HATC will not add a foster child(ren) or foster adult(s) for anticipated placements unless the governing agency identifies the foster child(ren) or foster adult(s) by name and advises a placement date within 60 days.

The participant must supply HATC with documentation sufficient to prove the above.

On a case-by-case basis where a family unit dissolves, assistance will be awarded to the custodial parent, if there are minors. If there are no minors, assistance will be awarded to any member of the household who originally received the assistance is another adult was added later to the household. Otherwise, the assistance will be awarded to the family member(s) remaining in the unit, unless individual circumstances, including abuse, necessitate a different decision. If there is a dispute regarding who is entitled to remain in the unit, the assistance will be awarded as ordered by the court, and the Housing Authority will not decide between the claimants for the assistance.

Additionally, if the only remaining members of the household are all minors (due to a parent's death or incarceration for example), another adult who has guardianship of the minors (such as a parent who was not part of the household, aunt, uncle, or a grandparent), may take over the assistance on behalf of the minor children at the discretion of HATC, following normal screening procedures and income verification.

Failure to report within ten (10) days the occurrence of the last two changes set forth above will require a retroactive rent charge, when necessary.

- B.** Families reporting changes, as specified above, shall be given an interim re-determination, and if necessary after verification, their rent will be changed. In the event rent is decreased in accordance with this provision, the tenant must report all changes in family circumstances (such as an increase in income), which occur prior to the next regular re-examination.
1. All changes reported that do not require a change in TTP prior to the next required reexamination, will be filed in the tenant file with any supporting documents and verification requests/responses. Verifications will be performed at the time of the next required reexamination.
 2. Increases in rent resulting from rent reviews are effective the second month following the reported change.
 3. Decreases in rent are effective the first of the month following the report of the change.
- C.** Interim re-determinations do not affect the family's required re-examination dates, no matter how often they may be performed during the HAP contract term.
- D.** Failure to report required changes within the required time period, or if it has been determined that a tenant has misrepresented to management the facts upon which the rent is based so that the rent paid is less than should have been charged, then the increase in rent shall be made retroactive to the date the change should have been made. If management determines that the tenant has been subsidized through the tenant's willful misrepresentation of income, assets or family composition, management shall notify the tenant that rental assistance will be terminated, and that the tenant has the right to request a hearing (see "Terminations").
- E.** If the family composition for a qualifying "elderly" or "disabled" family, housed after May 1, 1999, which is on a traditional income based assistance program with no time limit changes such that it would no longer qualify as either "elderly" or "disabled", the family would be required to change over to the Moving to Work Demonstration Program with a fixed subsidy amount and a five year time limit. The time limit would begin following the processing of the family composition change.
- F. **Special Re-Examinations:**** If at the time of admission, re-examination or re-determination, a family is clearly eligible, but it is not possible to make an estimate of family income for the next 12-month period with any degree of accuracy, a special re-determination should be scheduled. Prior to the time the special re-determination is scheduled, the family's rate of income (based upon the income expected to be received by the family from the date of the current determination to the date of the special re-determination) is to be projected for a 12-month period for rent purposes, even though it is known that income will not continue for that entire period.

Special re-determinations must be clearly set for a definite time, and controls established, to assure compliance. The special re-determination shall be scheduled for either 30, 60, 90 or 120 days, depending upon the staff member's estimate of time required for the family circumstances to stabilize.

If, at the time of such special re-determination, it is still not possible to make a reasonable estimate of family income, special re-determinations will continue to be scheduled and conducted until such time as a reasonable estimate of family income can be made for the next 12 months.

- G.** Families, who have a pattern of welfare, then work, then are unemployed, or any similar pattern, should not be given special re-determinations if such an income pattern is expected to continue. A reasonable 12 months' estimate of their income may be based upon past income patterns.

CHAPTER 14

I. MOBILITY OF ASSISTED FAMILIES

For families already participating in the Voucher Program, the HATC will allow the family to move to a new unit if the assisted lease for the old unit has terminated, the landlord does not want to renew the lease, the family and landlord mutually agree to terminate the lease, or, after the first year of the HAP contract., the tenant gives the landlord a sixty-day notice to vacate.

- A. **Income Review:** The family must comply with requests from the PHA for any updated income information and other such records the PHA may need since re-verification of the family's income is required prior to issuing the family a voucher to move.
- B. If the family has been determined eligible, the PHA must issue the family a new voucher. Although such families may be familiar with the operation of the program, they may still need much of the same information and services as provided first-time voucher holders, so attendance at a briefing is required.
- C. **Requirements Applicable to Families who are Required to Move due to Condition of Present Unit:** The PHA may find it necessary to terminate a HAP contract with an owner whose unit no longer meets the HQS due to the owner's lack of upkeep, and where the owner refuses to correct the deficiencies. Affected families must be issued a new voucher for use in locating a new unit, and the voucher should be issued in advance of the termination date, if at all possible. (The PHA may wish initially to abate one or more housing assistance payments prior to contract termination.) It is important that the PHA provide as much assistance as possible.
- D. If and when an acceptable unit is located that is available for occupancy by the family, and the lease with the current owner can be terminated in accordance with its terms, the HAP contract with the current owner must be terminated and housing assistance payments provided for the new unit.
- E. **Direct Assistance:** The PHA must provide assistance to families who allege that illegal discrimination is preventing them from finding suitable units. Other assistance may be provided at the discretion of the PHA.
- F. If the family owes money to any Housing Authority and has not signed a promissory note, or they are not current on a note already signed, they will not be eligible for a new voucher.

- G. Ineligibility Notice Requirements:** If the family has been determined ineligible for a new voucher for use in relocating to a new unit, the family must be notified by the PHA in writing, and be given an opportunity for an informal hearing.
- H.** Unless a move is required due to breach of HQS or a change in family size, families will only be allowed to move two times in any 12-month period.

II. MOBILITY OF ASSISTED FAMILIES OUTSIDE THE PHA'S JURISDICTION

Voucher holders may move to the jurisdiction of another PHA, provided they do not owe money to the Housing Authority and are in good standing. If they owe money, they will not be allowed a voucher to move to the jurisdiction of another PHA until that money is paid in full.

- A.** Families who wish to port out of the HATC jurisdiction must:
 - 1.** Have a mutual lease termination agreement signed with their landlord;
 - 2.** Be at the end of their lease agreement with their landlord;
 - 3.** Have a voucher because the landlord does not wish to renew the lease;
 - 4.** Have received a voucher because their unit did not pass inspection; or
 - 5.** Have given the landlord a 60-day notice if they are in the second or subsequent year of their lease.
- B.** After the family who wishes to port out of the HATC jurisdiction has received their voucher from their caseworker, they must fill out a portability request form stating to which Housing Authority's jurisdiction they wish to port. At that time, their paperwork will be forwarded to the portability clerk for referral to the receiving agency.
- C.** If there is insufficient funding by HUD to support current contracts and outstanding vouchers, the PHA may deny portability requests to families wishing to move to jurisdictions with higher Voucher payment standards or more lenient subsidy standards if that jurisdiction will not be absorbing the family. The PHA must verify that information before denying the portability request.

CHAPTER 15

I. EVICTIONS

The contract and the assisted lease shall provide that the owner shall not terminate the tenancy, except for:

- A. Serious or repeated violation of the terms and conditions of the lease.
- B. Violations of federal, state or local law, which impose obligations on the tenant in connection with the occupancy or use of the dwelling unit and surrounding premises.
- C. Other good cause, as provided in the lease, including but not limited to, the following:
 - 1. Failure by the family to accept the offer of a new lease by the owner.
 - 2. A family history of disturbances of neighbors or destruction of property, or of living or housekeeping habits resulting in damage to the unit or property.
 - 3. Criminal activity by family members, involving crimes of physical violence to persons or property.
 - 4. Any drug-related, criminal activity on or near the premises.
 - 5. The owner's desire to utilize the unit for personal or family use, or for a purpose other than use as a residential rental unit.
 - 6. A business or economic reason for termination of the tenancy (such as sale of the property, renovation of the unit, desire to rent the unit at a higher rent).
- D. Applicable provisions of 42 USC 925, Violence Against Women Act supersedes these policies and shall be applicable.
- E. The owner must give the PHA a copy of any eviction notices served to the tenant.

II. Family Eligibility for Continued Assistance. Termination of Tenancy is not Automatic Termination of Assistance.

- A.** If the family is evicted, the PHA may determine the family eligible for another voucher, provided they have not violated any of the Section 8 Program family obligations.

- B.** If the family is determined to be ineligible for continued assistance at the time of termination of tenancy, the PHA is required to notify the family and to provide an informal hearing on the determination.

CHAPTER 16

I. TERMINATION OF HAP CONTRACTS

In the following cases, the Housing Authority may terminate housing-assistance payments that are being made on behalf of the participant under an outstanding contract.

A. Automatic HAP Contract Terminations: The HAP contract automatically terminates at the time:

1. The owner terminates the lease.
2. The tenant terminates the lease.
3. The owner and the tenant agree to terminate the lease.
4. The Housing Authority terminates the HAP contract.
5. The Housing Authority terminates assistance for the family.
6. There have been at least six months since the last HAP payment was made.
7. The owner does not wish to enter into a new HAP contract, nor wishes to extend the current one, and the family accepts a voucher to move.

B. PHA-Initiated HAP Contract Terminations: Under the following circumstances, the PHA may find it necessary to terminate the HAP contract prior to its regular termination date.

1. If the participant has violated any family obligation under the Section 8 Existing Housing Program. This could be caused by either the action or inaction of the family which makes the unit uninhabitable, unsafe or substandard. Examples could include failure to pay for any utilities the lease requires the family to pay for, failure to provide or maintain appliances the lease requires the family to provide, or damage to the unit by the family or their guests. Furthermore, HATC may terminate assistance to a family because of any HQS breach it causes.

If the Housing Authority cannot definitively determine that it is the tenant's fault, then the Housing Authority will assume the responsibility is the landlords. In such instances, the family would not be eligible for continued assistance.

2. If the participant has breached an agreement for repayment of monies owed to the Housing Authority.
3. If a Welfare-to-Work family (WTW) fails to fulfill its obligations under the Welfare-to-Work Voucher Program.
4. If the Housing Authority has reason to believe that a family may have committed fraud, the Housing Authority will take action to determine whether or not there has been program abuse. If a determination of fraud has been made in connection with any federal housing assistance program, the contract may be terminated.

Any allegations of fraud will be investigated by the family's caseworker by calling in the family to discuss the charges, then following up with necessary verifications. Anonymous information will be treated with skepticism, and, unless the family confirms the information or alternative verification is obtained, the allegation will not be pursued.

If fraud is confirmed and the Housing Authority determines to terminate assistance, both the family and the owner will be provided with a 30-day notice of termination of the HAP contract. The family will be informed of their right to request a hearing on the matter. The Housing Authority may require repayment by the family of excess housing assistance payments made on their behalf by the Housing Authority.

5. If the owner fails to maintain a dwelling unit in a decent, safe and sanitary condition, the Housing Authority may exercise any of its rights and remedies under the contract, including termination of housing-assistance payments (even if the family continues in occupancy) and termination of the contract.
 - a. HATC will not make any housing-assistance payments for a dwelling unit that fails to meet HQS, unless the owner corrects the defect within the period specified by HATC and the correction is verified. If a defect is life threatening, the owner must correct the defect within no more than 24 hours. For other defects the owner must correct the defect within no more than 30 days or any HATC-approved extension.
 - b. When an owner has been given an opportunity to correct the deficiencies, but has failed to do so within in the required timeframe, HATC will halt, or abate, rent payments for the dwelling unit on a pro-rated basis. Abated payments will not be repaid to the owner.

II. SECURITY DEPOSIT DISPOSITIONS

A. Security Deposit:

The maximum deposit the owner may collect will be the one-month “contract rent.” For units leased in place, deposits in excess of this amount do not have to be refunded until the family vacates the unit, subject to the lease terms.

CHAPTER 17

DENIAL OR TERMINATION OF ASSISTANCE DUE TO INSUFFICIENT FUNDING

In the event of the PHA having insufficient funding from HUD to maintain the Section 8 assistance at current levels, and if cancellations would not decrease projected expenditures sufficiently, the following steps would be taken:

1. Portability requests from families who wish to move to jurisdictions with higher Voucher payment standards or more lenient subsidy standards where the jurisdiction will not be absorbing the family will be denied.
2. Vouchers issued to families off the waiting list who have not submitted paperwork for approval of a unit will be voided.
3. Vouchers issued to families whose previous Section 8 contract has been cancelled but who have not yet submitted paperwork for approval of a unit will be voided.
4. Vouchers issued to families who have submitted paperwork for approval of a unit which has not yet passed inspection will be voided.
5. Families whose current contract will be canceling will not be issued a voucher.
6. Current contracts for Section 8 tenants will be cancelled. Priorities for such terminations will be determined by the PHA Board of Commissioners.

All terminated voucher holders and families in good standing whose current contract is cancelled will be placed back on the waiting list according to the date of their original application.

CHAPTER 18

I. EQUAL OPPORTUNITY, FAIR HOUSING AND REASONABLE ACCOMMODATION

HATC shall affirmatively further fair housing in the administration of the Section 8 program. It is the policy of HATC to fully comply with all federal, state and local nondiscrimination laws; the Americans with Disabilities Act; and the U. S. Department of Housing and Urban Development regulations governing Fair Housing and Equal Opportunity.

No person shall, on the grounds of race, color, sex, sexual orientation, religion, national or ethnic origin, familial status, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under the HATC's programs.

HATC will provide federal/state/local information to applicants for and participants in the Section 8 Housing Program regarding discrimination and any recourse available to them if they believe they may be victims of discrimination. Such information will be made available during the applicant briefing session, and all applicable fair housing information and discrimination complaint forms will be made a part of the voucher holder's briefing packet.

II. REASONABLE ACCOMMODATION

In accord with Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1992, and the Fair Housing Act, as amended; no otherwise qualified individual with disabilities shall, solely by reason of disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity of HATC's. HATC will take appropriate measures to ensure that an individual with disabilities shall have equal access to available services, programs.

The Housing Authority will make the Section 8 program accessible to disabled applicants and tenants, in any way it is financially feasible to do so, and does not fundamentally alter the program or conflict with program regulations.

Specifically, if necessary to accommodate a verified disability, the Housing Authority will:

- A. Reinstatement, if requested, an application the waiting list, if they have been purged, back to their original date and time.
- B. Approve a special utility allowance.
- C. At the discretion of the PHA (except as requested as reasonable accommodation for a disability), the Housing Authority may choose to offer the following types of housing options:

1. Single-room occupancy (SROs)
1. Congregate housing.
2. Group homes.
3. Shared housing.
4. Cooperatives.
5. Mobile-home pad rental.

Such housing options will be in accordance with HUD regulations. If requested as a reasonable accommodation, the Housing Authority must allow the requested housing type.

- D.** Allow a lease for a unit owned by a relative.
- E.** In its activities to encourage participation by owners, include encouragement of participation by owners having accessible units;
- F.** When issuing a housing voucher to a family, which includes an individual with disabilities, include a current listing of available accessible units known to HATC and; if necessary and requested by the family, assist the family in locating an available accessible dwelling unit;
- G.** Take into account any special problem in locating an accessible or suitable unit when considering requests by eligible individuals with disabilities for extensions of Housing Choice Vouchers.
- H.** Any applicant or participant with one or more disabled household members may request a reasonable accommodation to any of HATC rules, policies, practices or services in order to take full advantage of the programs and services offered by the Agency. Upon receipt of the initial request, HATC may require verification of the need for such accommodation. No action will be taken on the request until the verification is returned.
- I.** Questions to Ask in Granting the Accommodation
1. Is the requestor a person with disabilities?

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

- 2.** Is the requested accommodation related to the disability? If it is apparent that the request is related to the apparent or documented disability, the answer to this question is yes. If it is not apparent, HATC will obtain documentation that the requested accommodation is needed due to the disability. HATC will not inquire as to the nature of the disability.

 - a.** Would the accommodation constitute a fundamental alteration? HATC's business is housing. If the request would alter the fundamental business that HATC conducts, that would not be reasonable. For instance, HATC would deny a request to have HATC do grocery shopping for a person with disabilities.
 - b.** Would the requested accommodation create an undue financial hardship or administrative burden? Frequently, the requested accommodation costs little or nothing. If the cost would be an undue burden, HATC may request a meeting with the individual to investigate and consider equally effective alternatives.
- J.** All requests for reasonable accommodation must be submitted in writing to the eligibility clerk who will then forward the request to the Deputy Executive Director or the Executive Director for a decision. After a decision is made, the clerk and the family will be notified of the decision. A record of all requests and their outcome will be kept on an accommodations log in the administrative office.

CHAPTER 19

ASSISTANCE IN FAMILY/OWNER RELATIONS

- A. Degree of PHA Involvement:** Except as noted in Section B below, the PHA has discretion in deciding upon the degree of its involvement in family/owner complaints. At a minimum, however, the PHA must be prepared to provide information about program requirements and contractual obligations of both parties. In many cases, PHA clarification of these items may be sufficient to resolve problems and prevent potential lease terminations, evictions and non-participation of specific owners. Although the disagreements between specific families and owners will vary considerably and each case will have to be handled individually, the PHA's role should always be that of emphasizing the fulfillment of program responsibilities and contractual obligations contained in the family's voucher, the lease between the family and the owner, and the PHA's HAP contract with the owner.
- B. Equal Opportunity Complaints:** If a disagreement between the owner and the family involves alleged discrimination on the part of the owner, the PHA must provide assistance to the family in accordance with Objective IV of its approved Equal Opportunity Housing Plan, which must include the following:
1. The PHA must inform the family of its rights under federal, state and local law, including the right to file a formal complaint under one or more of these laws.
 2. If the family wishes to file a complaint under Title VIII of the Civil Rights Act of 1968, the PHA must:
 - a. Assist the family in completing Form HUD-903, "Discrimination Complaint" (Form HUD-903-A Spanish version); or
 - b. Refer the family to local fair housing organization or HUD field office, where such assistance can be obtained.
- C. Assistance to Owners:** The regulations require that the owner must be responsible for the performance of ordinary and extraordinary maintenance. These responsibilities may include interior and exterior painting and maintenance to stairwells, common areas and exterior grounds. The PHA should remind the owner of their maintenance responsibilities at the time of initial inspection, at each annual inspection, and when assisted families complain to the PHA about the condition of the unit.

- D. Administrative Errors and Omissions:** It is crucial that the PHA establish and maintain a high degree of accuracy in administering its program. From time to time, minor administrative errors or omissions may be discovered, which require immediate PHA action
- E. Prevention:** One of the minimum requirements of the PHA is the establishment of adequate quality-control systems. Also, the PHA must provide adequate training for new staff, as well as providing monitoring and evaluation of its other employees, and further training, as necessary. In addition, the PHA staff, through tenant and owner briefings and other oral and written communication, must ensure that tenants and owners are fully informed about program requirements.
- F. Cures:** If errors or omissions are discovered, the PHA must immediately correct the deficiency as follows:
1. For errors that affect the tenant's share of the contract rent, the correct payment (and subsequent calculation of the correct housing assistance payment to be provided the owner) must immediately be established by an amendment to the lease and HAP contract. In addition:
 - a. If the tenant's share of the rent had been incorrectly established too high, the PHA must also immediately refund the total amount due to the tenant and make up the difference from the housing assistance payment account or from administrative fees.
 - b. If the tenant's share of the rent was incorrectly established too low, the PHA may require repayment by the family within a reasonable period of time, and if not repaid, may terminate the assistance for the family.
 2. For errors that affect the owner's housing-assistance payment, the correct calculation of the housing assistance payment to be provided on behalf of the family must immediately be established, and an amendment to the lease and HAP contract must be executed. In addition:
 - a. If the owner's housing-assistance payment had been incorrectly established too high, the PHA must make an attempt to recoup the overpayment.
 - b. If the owner's housing-assistance payment had been incorrectly established too low, the PHA must make up the difference from the housing assistance payments.

CHAPTER 20

I. INFORMAL HEARING FOR DENIAL, REDUCTION OR TERMINATION OF ASSISTANCE

PHA Requests: The regulations provide that if the PHA determines an applicant to be ineligible for a voucher, the PHA must notify the applicant in writing of the reasons for the ineligibility and the right of the applicant to request, within ten days, an informal hearing. After conducting such a hearing, if requested, the PHA must also notify the applicant of the decision in writing.

These informal hearings must also be followed before the PHA refuses to renew a voucher, and before it terminates or reduces housing assistance payments to participants under the program.

A. Informal Review Procedures – Applicants:

This section sets forth the procedures for an informal review accorded applicants who have been determined by the Housing Authority as ineligible to participate in the Section 8 Housing Choice Voucher Program.

1. **Eligibility for an Informal Review:** Applicants are entitled to an informal review if they have been determined by the Housing Authority to be ineligible for participation based upon any of the grounds for denial listed below:
 - a. They are taken off the waiting list.
 - b. They are denied a voucher.
 - c. A contract for assistance for the family is not executed.
2. **Notice to the Applicant:** The Housing Authority shall give an applicant prompt, written notice of a decision denying assistance to the applicant, including a decision denying placement on the Housing Authority waiting list, issuance of a voucher or participation in the program. This notice is to state that the applicant may request an informal review of the decision.
3. **Request by the Applicant:** If the applicant requests an informal review, the request must be made in writing and must be within ten working days from the date of the notice.

4. **Designation of Person to Conduct the Review:** The applicant review is to be conducted by any person, or persons, designated by the Housing Authority, other than a person who made or approved the decision under review or a subordinate of such person. The applicant shall be given an opportunity to present written or oral objections to the decision of the Housing Authority at the review. The applicant will be promptly notified in writing by the Housing Authority of the final decision after the informal review, including a brief statement of the reasons for the final decision.

5. **Decisions Not Subject to Review Procedures:** Applicants cannot request an informal review for the following purposes:
 - a. To review discretionary, administrative determinations of the Housing Authority, or to consider general policy issues or class grievances.
 - b. To review the Housing Authority's determination of the number of bedrooms entered on a voucher.
 - c. To review the Housing Authority's determination that a unit located by a voucher holder does not meet housing quality standards.
 - d. To review the Housing Authority's decision not to approve the lease for a unit.
 - e. To review the Housing Authority's decision to disapprove a request by a voucher holder to extend the term of the voucher.
 - f. To discuss restrictions on assistance to non-legal residents.

B. Informal Hearings – Participants:

This section sets forth the procedures for an informal hearing for Section 8 Housing Choice Voucher Program participants.

1. Informal hearings are accorded to participants in the following cases:
 - a. A determination of the amount of the total tenant payment or tenant rent (not including determination of the Housing Authority's schedule of utility allowances).
 - b. A decision to deny or terminate assistance on behalf of the participant.

3. **Notice to Participant:** A notice from the Housing Authority to the participant, which adversely affects the family in cases outlined in B.1(a-g) above, will contain a brief statement of the reasons for the decision. It will state that if the participant does not agree with the decision, they may request an informal hearing, and shall state the time within ten working days from the date of the notice by which the request for the hearing must be made. The participant will be advised that all requests must be made in writing.
4. Hearings requested for termination or denial of assistance must be held prior to that termination. Hearings for other reasons are not required to be held prior to the effective date of those decisions.

II. ALL HEARINGS

The designated PHA hearing officer will conduct hearings. Participants may, at their own expense, be represented. The hearing officer will regulate the conduct of the hearing, with both the PHA and participant given the opportunity to present evidence and question any witnesses. Evidence may be considered without regard to admissibility under rules for judicial proceedings. The family has the right to examine Housing Authority documents that are relevant to the hearing, and may copy these documents at their expense. Documents not available to the family may not be used in the hearing.

The Housing Authority will also have the right to examine, and copy at its expense, any family documents that will be presented at the hearing. Any documents not available to the Housing Authority before the hearing may not be presented.

CHAPTER 21

I. PRIVACY RIGHTS

Each adult in an applicant or participant household is required to sign HUD's Form 9886, Authorization for Release of Information and Privacy Act Notice. This form incorporates the Federal Privacy Act statement and describes the conditions under which family information will be released.

- A. Prospective landlords will be given any information in the tenant file, if they request it.
- B. Prospective landlord must be given a participant's current address, and the name and address, if known, of the landlord at the participant's current address.

The Request for Tenancy Approval notifies owners of this requirement and directs them to contact their Housing Authority representative to obtain this information, if desired.

HATC will give every applicant/participant a copy of HATC's policy on providing information to owners.

HATC will maintain any police, criminal, or medical records in a separate file system. Police and criminal records will be destroyed once the time limits for any appeals have expired.

HATC will comply, on a case-by-case basis, with information requests from federal, state or local law-enforcement officers following verification of their status in law enforcement.

II. PUBLIC RECORDS POLICY

Applicants or tenants will not be charged for copies of any documents which they have signed. However, if an applicant, participant or their authorized representative needs copies of any information held by HATC, the charge for all copies made will be ten cents per page.

AFTERCARE PROGRAM

The Aftercare Program has a Section 8 voucher allocation of 39 “slots” from HUD to the Housing Authority to provide rental assistance specifically for handicapped or disabled tenants.

Memorandums of Understanding have been signed by the Housing Authority and four agencies: the State of California Department of Rehabilitation, the Tulare County Mental Health Agency, the Center for Independent Living and the Central Valley Regional Center. They sign certificates of disability for their clients and refer them to the Housing Authority for these Section 8 vouchers. Each agency maintains its own waiting list. As vacancies occur, the agencies are notified by the PHA to refer the next families on their lists.

The agencies are responsible to provide ongoing support services to their clients receiving aftercare subsidies, and for annually renewing their certificate of disability.

Aftercare participants who are issued a voucher by HATC must lease a unit within HATC’s jurisdiction for at least 12 months. After that time, the participant may lease a unit anywhere in HATC’s jurisdiction or outside HATC’s jurisdiction and are subject to the guidelines previously established in HATC’s administrative plan regarding portability.

All other aspects of this program are subject to the regular Section 8 policies.

FAMILY UNIFICATION PROGRAM

The Family Unification Program has a Section 8 voucher allocation of 20 “slots” from HUD to the Housing Authority to provide rental assistance specifically for families for whom the lack of adequate housing is a primary factor in the separation, or the threat of imminent separation, and to emancipated youth who lack adequate housing.

Memorandums of Understanding have been signed by the Housing Authority and Tulare County Health and Human Services Department Child Welfare Division. They refer clients to the Housing Authority for these Section 8 vouchers. The agency maintains its own waiting list. As vacancies occur, the agency is notified by the PHA to refer the next families on the list. The Housing Authority will notify families currently on the Section 8 waiting list to contact their caseworker through Tulare County Health and Human Services Child Welfare division to be placed on their list if they qualify. Such families will maintain their position on both waiting lists.

Family Unification participants who are issued a voucher by HATC must lease a unit within HATC’s jurisdiction for at least 12 months. After that time, the participant may lease a unit anywhere in HATC’s jurisdiction or outside HATC’s jurisdiction and are subject to the guidelines previously established in HATC’s administrative plan regarding portability.

All other aspects of this program are subject to the regular Section 8 policies.

HOMEOWNERSHIP PROGRAM

The Housing Authority will be exploring the feasibility of establishing a Section 8 Homeownership Program for its Moving-to-Work Program graduates.

APPENDIX I

05/2020

INCOME LIMITS

<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>
39,150	44,750	50,350	55,900	60,400	64,850	69,350	73,800
		<u>9</u>	<u>10</u>	<u>11</u>			
		78,300	82,750	87,750			

80% of Median

<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>
24,500	28,000	31,500	34,950	37,750	40,550	43,350	46,150
		<u>9</u>	<u>10</u>	<u>11</u>			
		48,950	51,750	54,550			

50% of Median

Income limits for larger families will be calculated as needed.

APPENDIX II

Voucher Payments Standards

Bedroom Size	0	1	2	3	4	5
Payment Standard	710	714	1,035	1,312	1,534	1,765

APPENDIX III

**HOUSING AUTHORITY OF THE
COUNTY OF TULARE**

**SECTION 8 PROGRAM
HOUSING QUALITY STANDARDS
INSPECTION CRITERIA**

REVISED 11/98

PROJECT AND UNIT SITE

1. Overall Project: Generally good repair; no hazards; no excessive noise, air pollution, neighborhood hazards, fire hazards, rodents or excessive traffic.
2. Any existing driveway and parking must have all-weather surface.
3. Sidewalks: No tripping areas.
4. Landscaping: Maintained; no holes; no fire or safety hazards.
5. No trash; abandoned vehicles or parts; no obstacles.
6. Fences: In good repair; no rotten posts; gates in good working order; pickets in place.
7. Trash Receptacles: Clear of debris and maintained; no rodents.
8. Site must have good drainage; no standing water.
9. Domestic water supply must meet Health Department safety standards.
10. Site free of vermin, rodents and insect infestation.
11. If off-street parking is not available, the Housing Authority will not be responsible for any damage done to the yard by parked vehicles.
12. Visible addresses required.

UNIT – GENERAL

1. Unit and equipment must be free of vermin, rodents and/or insect infestation.
2. Unit must have adequate space, including living room, kitchen area, bathroom, and at least one bedroom or living/sleeping room of adequate size for each two persons.
3. Unit must have adequate storage.
4. Paint: No chipping or peeling paint; no lead-based paint; paint must be in generally good condition.
5. Smoke alarms are required in each unit; alarms must be in good working order, and at least one located in central hallway leading to the sleeping quarters.

6. Unit must have heater and either a cooler or air conditioner. Heating and cooling systems must be adequate for unit size, in good working order and safe. Systems must be adequate for heating and cooling to each room in dwelling. Heaters that burn oil, gas or kerosene must be vented. Gas lines cannot be copper or aluminum. Heater must be thermostatically controlled. Filter must be clean.
7. Water Heater: Must be in a space with adequate ventilation, both top and bottom, and in good working order; must be adequate for unit size; must have pressure relief valve and drain. Drain must be terminated six inches above finished floor or to outside, six inches above the ground. Gas supply must have shut-off; no copper or aluminum lines. If located in garage area, must be placed on a platform at least 18 inches above floor.
8. Floors: Must be in good repair; no defects such as holes or bulges; no tripping areas. Coverings must be in good repair; no rips or tears.
9. Doors: Must be in good repair, and doors to outside must be lockable. Jambs and thresholds must be in good repair with no splits. Interior doors must have doorstops.
10. Windows: Must be in good repair with no cracks or loose panes. Windows that open must have locks permanently attached to the frames and good screens. If there are security bars over windows that open, they must have quick-release latches in good working order.
11. Curtain rods are required. Any window coverings present must be in good repair.
12. Electrical: All wiring and lights must be in good repair; no exposed wiring. Outlets must be grounded in wet locations. There must be at least one outlet on each wall over four feet in length.
13. Lighting must be adequate, and bulbs must have covers in good repair.
14. Interior Walls: No bulges, peeling paint, large cracks, holes or any deteriorating condition.
15. Ceilings: Minimum height of 7'6", except kitchen, baths or halls, which must have a minimum height of 7'0".

UNIT EXTERIOR

1. Continuous Foundation: All vents in good repair.
2. Roof must be weather-tight and in good repair with no leaks; fascia board in good condition.
3. No deteriorating exterior wood.

4. Window screens on all windows that open must be in good condition and in good structural repair with no holes.
5. Exterior Wall Coverings: No bulges, large cracks, holes, peeling paint, loose siding, deteriorating conditions or defects.
6. All hose bibs in good repair.
7. Exterior lights in good working order, covers in place.
8. Mailboxes must be acceptable and in good repair.
9. Stoops, steps, landings and/or porches must be in good repair; no tripping areas; handrails, if necessary, must be in good repair.
10. All exterior doors must be weather-stripped with a threshold and bottom seal; doors must be in good repair with working locks and dead bolts.
11. Electrical service must be in good repair; no knockouts missing; no hazardous conditions; no exposed electrical wiring.
12. Utilities for unit must be either separately metered or paid by landlord.
13. Unit must have approved public or private sewage system in good working order; no sewer gases; no apparent stoppage, broken lines or sink holes.
14. Garages and carports must be in good repair.
15. A one-hour firewall and door required between garage and unit.

KITCHEN

1. Appliances: Must be in good repair
2. Kitchen area must have adequate space for food preparation, storage and serving.
3. Unit must have refrigerator and stove or range of appropriate size, supplied by owner or tenant.
4. Unit must have sink with hot and cold running water.
5. Sink must drain into an approved public or private system. The sink must be in good condition, free of cracks, large chips, and with no leaks. The faucet, traps and drain line must be free of leaks. The water supply must have shut-off valve in good working order.

6. The stove or range with oven must be of adequate size for the unit and in good working order. There must be a working mechanical exhaust fan over stove or range vented to the outside, or a charcoal filter, or an approved non-vented mechanical exhaust fan. Gas stove must have approved gas supply line; no aluminum or copper.
7. Countertops or drain boards must be of water-resistant material and in good condition, with no areas that could cause health hazards. Any inside corners must be sealed properly.
8. Cabinet doors and drawers must be in good repair and operable with no water damage or loose parts; they must be well anchored.

BATHROOMS

1. Toilet, lavatory and shower and/or bath must drain into an approved public or private system.
2. Must have a flush toilet in a separate or private room that is in good working order, with no cracks or leaks. The toilet seat must be in good repair. The toilet must have a water supply shut-off in good working order.
3. The bathroom must have a lavatory with hot and cold running water. The lavatory must be leak-free and not have large cracks, chips or areas for possible bacteria growth. The lavatory must be in a vanity or anchored to the wall. Traps and drain lines must be free of leaks and in good working order. The lavatory must have water supply shut-offs in good working order. All caulk and grout must be in good condition. The lavatory must have a working stopper.
4. The bathroom must have a shower or bathtub with hot and cold running water in good working order. The faucets, spouts and showerhead must be in good repair. The bathtub must have a working stopper.
5. The bathtub area or shower walls, floor and enclosure must be free of cracks, mildew and loose grout or caulk joints. All caulk and grout must be in good condition. These areas cannot have large chips or areas for possible bacteria growth.
6. The bathroom must have adequate ventilation with either a window that opens, or an exhaust fan in good repair and vented to outside of unit.
7. The bathroom must have at least one towel bar and a paper holder anchored to the wall and in good repair.
8. The bathroom must have a medicine cabinet, or other storage, in good repair. All cabinets must be in good condition with doors and drawers operable, no loose parts, and no water damage. All cabinets must be well anchored.

LAUNDRY ROOM

1. Dryer must be vented to the outside.
2. Laundry room must have supply of hot and cold running water.
3. Laundry room must have an approved drain to a public or private system in good working order.
4. Electrical and/or gas supplies must be in good repair.
5. Gas dryers must have approved flex gas supply line with a shut-off, no copper or aluminum.

BEDROOMS

1. Bedrooms must have an outside exit through either a window or door. At least one window per bedroom must not be blocked.
2. Access from the bedroom to the bathroom cannot be solely through another bedroom.
3. Bedrooms must be of adequate size and have adequate storage.

MOBILE HOMES

1. Tie-downs on each corner.
2. No aluminum electrical wiring.
3. Continuous skirting or foundation.
4. Landings, steps and porches for all exterior doors are required. If over four landings or 30 inches above ground, handrails are required.
5. Minimum ceiling height of 7'6", except kitchen, baths or halls, which must have a minimum height of 7'0".