

**Schuylkill County Housing Authority**

# Housing Choice Voucher Administrative Plan

Section 8 Housing Choice Voucher Program

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# **CHAPTER 1 STATEMENT OF FAIR HOUSING AND EQUAL OPPORTUNITY POLICIES AND OBJECTIVES**

## **1.0 General Provisions**

This Policy is established in order that the Schuylkill County Housing Authority (SCHA), will meet its responsibilities pursuant to the United States Housing Act of 1937, as amended, Title VI of the Civil Rights Act of 1964 and all other Civil Rights requirements, regulations promulgated by the U. S. Department of Housing and Urban Development (HUD), the Annual Contributions Contract (ACC) between the Housing Authority and HUD, Universal Accessibility Act (PA Act 166) and State and local laws, with respect to administration of the Housing Choice Voucher Program.

## **1.1 NONDISCRIMINATION LAWS**

Federal laws require SCHA to treat all applicants and participants equally, providing the same quality of service, regardless of family characteristics and background. Federal law prohibits discrimination in housing on the basis of race, color, religion, sex, national origin, age, familial status, and disability. The SCHA will comply fully with all federal, state, and local nondiscrimination laws, and with rules and regulations governing fair housing and equal opportunity in housing and employment, including:

- a. Title VI of the Civil Rights Act of 1964 (*24 CFR 1*)
- b. Title VIII of the Civil Rights Act of 1968, as amended by the Community Development Act of 1974 and the Fair Housing Amendments Act of 1988. (*24 CFR 100*)
- c. Executive Order 11063, Section 504 of the Rehabilitation Act of 1973 (*24 CFR 8*)
- d. *Section 504 of the Rehabilitation Act of 1973*
- e. Age Discrimination Act of 1975 (*24 CFR 146*)
- f. Title II of the Americans with Disabilities Act, to the extent that it applies; (Title II deals with common areas and public spaces, not living units), and Section 504 and the Fair Housing Act (which governs accessibility to the housing units).
- g. The Violence Against Women Act of 2005, as amended (VAWA)
- h. The Equal Access to Housing in HUD Programs Regardless of Sexual Orientation of Gender Identity Final Rule, published in the Federal Register February 3, 2012.
- i. UNIVERSAL ACCESSIBILITY ACT (PA ACT 166) requires accessibility for persons with disabilities in certain new and rehabilitated residential and commercial property.

- j. Any legislation protecting the individual rights of tenants, applicants or staff that may subsequently be enacted (24 CFR 960.103)
- k. Any other applicable state laws or local ordinances

The Authority will not discriminate because of race, color, sex, religion, age, actual or perceived sexual orientation, gender identity, marital status, disability, or national origin in the leasing, or other disposition of housing or related facilities, including land, that is part of any project under the Authority's jurisdiction covered by a contract for annual contributions under the U. S. Housing Act of 1937, as amended, or in the use or occupancy thereof (24 CFR 100.5) and will not:

- a. Deny to any family the opportunity to apply for housing, nor deny to any qualified applicant the opportunity to lease housing suitable to its needs;
- b. Provide housing which is different from that provided others, unless the housing has been specially adapted for use by persons with disabilities, where applicable and/or required;
- c. Subject a person to segregation or disparate treatment;
- d. Restrict a person's access to any benefit enjoyed by others in connection with the housing program;
- e. Treat a person differently in determining eligibility or other requirements for admission;
- f. Deny a person access to the same level of services (*services must be accessible to disabled persons, whether services are offered by the Authority or by another service provider on the Authority's property*); or
- g. Deny a person the opportunity to participate in a planning or advisory group, which is an integral part of the housing program.

The Authority will not automatically deny admission to a particular group or category of otherwise qualified applicants (e.g., families with children born to unmarried parents, or families whose head or spouse is a student). Each applicant in a particular group or category will be treated on an individual basis in the normal processing routine. (24 CFR 960.205).

### **Providing Information to Families and Owners**

The SCHA will take steps to ensure that families and owners are fully aware of all applicable civil rights laws. As part of the briefing process, the SCHA will provide

information to HCV applicant families about civil rights requirements and the opportunity to rent in a broad range of neighborhoods [24 CFR 982.301]. The Housing Assistance Payments (HAP) contract informs owners of the requirement not to discriminate against any person because of race, color, religion, sex, national origin, age, familial status, or disability in connection with the contract.

### **Discrimination Complaints**

If an applicant or participant believes that any family member has been discriminated against by the SCHA or an owner, the family should advise the SCHA. HUD requires the SCHA to make every reasonable attempt to determine whether the applicant's or participant's assertions have merit and take any warranted corrective action. In addition, the SCHA is required to provide the applicant or participant with information about how to file a discrimination complaint [24 CFR 982.304].

Applicants or participants who believe that they have been subject to unlawful discrimination may notify the SCHA either orally or in writing.

The SCHA will attempt to remedy discrimination complaints made against the SCHA.

The Housing Authority refers Fair Housing complaints to the local fair housing agency as well as to HUD and the Pennsylvania Human Relations Commission on behalf of a family that claims that illegal discrimination has prevented the family from leasing a suitable unit.

## **1.2 POLICIES RELATED TO PERSONS WITH DISABILITIES**

One type of disability discrimination prohibited by the Fair Housing Act is the refusal to make reasonable accommodation in rules, policies, practices, or services when such accommodation may be necessary to afford a person with a disability the equal opportunity to use and enjoy a program or dwelling under the program.

The SCHA must ensure that persons with disabilities have full access to the SCHA's programs and services. This responsibility begins with the first inquiry of an interested family and continues through every programmatic area of the HCV program.

The SCHA will ask all applicants and participants if they require any type of accommodations, in writing, on the intake application, reexamination documents, and notices of adverse action by the SCHA, by including the following language:

"If you or anyone in your family is a person with disabilities, and you require a specific accommodation in order to fully utilize our programs and services, please contact the housing authority."

A specific name and phone number will be indicated as the contact for requests for accommodation for persons with disabilities.

### **1.2.1 DEFINITION OF REASONABLE ACCOMMODATION**

A person with a disability may require special accommodations in order to have equal access to the HCV program. The types of reasonable accommodations the SCHA can provide include changes, exceptions, or adjustments to a rule, policy, practice, or service.

Federal regulations stipulate that requests for accommodations will be considered reasonable if they do not create an "undue financial and administrative burden" for the SCHA, or result in a "fundamental alteration" in the nature of the program or service offered. A fundamental alteration is a modification that alters the essential nature of a provider's operations.

### **Types of Reasonable Accommodations**

When needed, the SCHA must modify normal procedures to accommodate the needs of a person with disabilities. Examples include:

- Permitting applications and reexaminations to be completed by mail
- Conducting home visits
- Using higher payment standards (either within the acceptable range or with HUD approval of a payment standard outside the SCHA range) if the SCHA determines this is necessary to enable a person with disabilities to obtain a suitable housing unit
- Increasing the utility allowance by the amount of additional cost for operating necessary medical equipment
- Providing time extensions for locating a unit when necessary because of lack of availability of accessible units or special challenges of the family in seeking a unit
- Permitting an authorized designee or advocate to participate in the application or certification process and any other meetings with SCHA staff
- Displaying posters and other housing information in locations throughout the SCHA's office in such a manner as to be easily readable from a wheelchair

#### **1.2.2 REQUEST FOR AN ACCOMMODATION**

If an applicant or participant indicates that an exception, change, or adjustment to a rule, policy, practice, or service is needed because of a disability, HUD requires that the SCHA treat the information as a request for a reasonable accommodation, even if no formal request is made [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].

The family must explain what type of accommodation is needed to provide the person with the disability full access to the SCHA's programs and services.

If the need for the accommodation is not readily apparent or known to the SCHA, the family must explain the relationship between the requested accommodation and the disability. There must be an identifiable relationship, or nexus, between the requested accommodation and the individual's disability.

The SCHA will encourage the family to make its request in writing using a reasonable accommodation request form. However, the SCHA will consider the accommodation any time the family indicates that an accommodation is needed whether or not a formal written request is submitted.

#### **1.2.3 VERIFICATION OF DISABILITY**

The regulatory civil rights definition for persons with disabilities is provided in Exhibit 2-1 at the end of this Section. The definition of a person with a disability for the purpose of obtaining a reasonable accommodation is much broader than the HUD definition of disability which is used for waiting list preferences and income allowances.

Before providing an accommodation, the SCHA must determine that the person meets the definition of a person with a disability, and that the accommodation will enhance the family's access to the SCHA's programs and services.

If a person's disability is obvious, or otherwise known to the SCHA, and if the need for the requested accommodation is also readily apparent or known, no further verification will be required [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].

If a family indicates that an accommodation is required for a disability that is not obvious or otherwise known to the SCHA, the SCHA must verify that the person meets the definition of a person with a disability, and that the limitations imposed by the disability require the requested accommodation.

When verifying a disability, the SCHA will follow the verification policies provided in this Administrative Plan. All information related to a person's disability will be treated in accordance with the confidentiality policies provided in this Administrative Plan. In addition to the general requirements that govern all verification efforts, the following requirements apply when verifying a disability:

- Third-party verification must be obtained from an individual identified by the family who is competent to make the determination. A doctor or other medical professional, a peer support group, a non-medical service agency, or a reliable third party who is in a position to know about the individual's disability may provide verification of a disability [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].
- The SCHA must request only information that is necessary to evaluate the disability-related need for the accommodation. The SCHA will not inquire about the nature or extent of any disability.
- Medical records will not be accepted or retained in the participant file.

#### **1.2.4 APPROVAL/DENIAL OF A REQUESTED ACCOMMODATION**

In accordance with the "Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act" SCHA must approve a request for an accommodation if the following three conditions are met:

- The request was made by or on behalf of a person with a disability.
- There is a disability-related need for the accommodation.
- The requested accommodation is reasonable, meaning it would not impose an undue financial and administrative burden on the SCHA, or fundamentally alter the nature of the SCHA's HCV operations (including the obligation to comply with HUD requirements and regulations).

Requests for accommodations must be assessed on a case-by-case basis, taking into account factors such as the cost of the requested accommodation, the financial resources of the SCHA at the time of the request, the benefits that the accommodation would provide to the family, and the availability of alternative accommodations that would effectively meet the family's disability-related needs.

Before making a determination whether to approve the request, the SCHA may enter into discussion and negotiation with the family, request more information from the family, or may require the family to sign a consent form so that the SCHA may verify the need for the requested accommodation.

After a request for an accommodation is presented, the SCHA will respond, in writing, within 14 calendar days.

If the SCHA denies a request for an accommodation because it is not reasonable (it would impose an undue financial and administrative burden or fundamentally alter the nature of the SCHA's operations), the SCHA will discuss with the family whether an alternative accommodation could effectively address the family's disability-related needs without a fundamental alteration to the HCV program and without imposing an undue financial and administrative burden.

### **1.2.5 PROGRAM ACCESSIBILITY FOR PERSONS WITH HEARING OR VISION IMPAIRMENTS**

HUD regulations require the SCHA to ensure that persons with disabilities related to hearing and vision have reasonable access to the SCHA's programs and services [24 CFR 8.6].

At the initial point of contact with each applicant, the SCHA shall inform all applicants of alternative forms of communication that can be used other than plain language paperwork.

To meet the needs of persons with hearing impairments, TTD/TTY (text telephone display /teletype) communication will be available.

To meet the needs of persons with vision impairments, large-print and audio versions of key program documents will be made available upon request. When visual aids are used in public meetings or presentations, or in meetings with SCHA staff, one-on-one assistance will be provided upon request.

Additional examples of alternative forms of communication are sign language interpretation; having material explained orally by staff; or having a third party representative (a friend, relative or advocate, named by the applicant) to receive, interpret and explain housing materials and be present at all meetings.

### **1.2.6 PHYSICAL ACCESSIBILITY**

The SCHA must comply with a variety of regulations pertaining to physical accessibility, including the following:

- PIH 2011-31 (HA), Accessibility Notice or most current notice

- Section 504 of the Rehabilitation Act of 1973
- The Americans with Disabilities Act of 1990
- The Architectural Barriers Act of 1968
- The Fair Housing Act of 1988

The SCHA's policies concerning physical accessibility must be readily available to applicants and participants. They can be found in three key documents:

- This plan describes the key policies that govern the SCHA's responsibilities with regard to physical accessibility.
- Notice PIH 2011-31(HA) Accessibility Notice or most current notice issued by HUD summarizes information about pertinent laws and implementing regulations related to non-discrimination and accessibility in federally-funded housing programs.
- The SCHA Plan provides information about self-evaluation, needs assessment, and transition plans.

The design, construction, or alteration of SCHA facilities must conform to the Uniform Federal Accessibility Standards (UFAS). Newly-constructed facilities must be designed to be readily accessible to and usable by persons with disabilities. Alterations to existing facilities must be accessible to the maximum extent feasible, defined as not imposing an undue financial and administrative burden on the operations of the HCV program.

When issuing a voucher to a family that includes an individual with disabilities, the SCHA will include a current list of available accessible units known to the SCHA and will assist the family in locating an available accessible unit, if necessary.

In general, owners must permit the family to make reasonable modifications to the unit. However, the owner is not required to pay for the modification and may require that the unit be restored to its original state at the family's expense when the family moves.

#### **1.2.7 DENIAL OR TERMINATION OF ASSISTANCE**

A SCHA's decision to deny or terminate the assistance of a family that includes a person with disabilities is subject to consideration of reasonable accommodation [24 CFR 982.552 (2)(iv)].

When applicants with disabilities are denied assistance, the notice of denial must inform them of the SCHA's informal review process. In addition, the notice must inform applicants with disabilities of their right to request reasonable accommodations to participate in the informal review process.

When a participant family's assistance is terminated, the notice of termination must inform them of the SCHA's informal hearing process and their right to request a hearing and reasonable accommodation.

When reviewing reasonable accommodation requests, the SCHA must consider whether any mitigating circumstances can be verified to explain and overcome the problem that led to the SCHA's decision to deny or terminate assistance. If a reasonable accommodation will allow the family to meet the requirements, the SCHA must make the accommodation.

### **1.3 AFFIRMATIVELY FURTHERING FAIR HOUSING POLICY**

The Authority's objective in the administration of the Section 8 Program is to provide affordable, safe, decent, sanitary housing to low-income families and individuals residing or wishing to reside in this community. Efforts will be made to provide low-income households, persons with disabilities, minorities, persons with limited English proficiency, and owners with information about the availability of the Section 8 Housing Assistance and Family Self Sufficiency Programs. Applicants and participants will be informed of the variety of housing types and neighborhoods available to them. Efforts will be made to ensure that participants take advantage of the freedom of housing choice and expansion of housing opportunities made possible by the Section 8 Program. By consistent and thorough enforcement of minimum Housing Quality Standards, the Authority will enhance community efforts to improve and maintain the existing housing stock.

The Authority will take reasonable steps to affirmatively further fair housing and will maintain records to demonstrate the impact of those steps. The objective of this effort is to develop and maintain a waiting list that is representative of the low-income community, to reach persons with disabilities, minorities, those with limited English proficiency, and persons least likely to apply for the Housing Choice Voucher Program. Reasonable steps include, but are not limited to, the following:

#### **OBJECTIVE I: OUTREACH TO LOWER-INCOME FAMILIES**

The following actions will be taken in conjunction with an initial allocation of funds or on an as needed basis in conjunction with subsequent allocations of rental certificates and vouchers. The objective for outreach activities is to ensure equal opportunities for all eligible households to participate in the Authority's Section 8 tenant-based program. Outreach activities will be especially focused on those groups determined "least likely to apply" or "expected to reside".

1. Media to be used:

Newspapers of general circulation serving the area will be used to notify families and owners of rental assistance offered by the Authority and to invite them to apply.

All public notices and advertisements comply with the applicable regulatory requirements and will conform to applicable fair housing requirements.

2. Other suitable means to be used to publicize the Housing Choice Voucher Programs:

a. Press releases to the newspaper and radio stations mentioned above.



- b. Information brochures will be prepared and provided to owners and families.
- c. Community groups, organizations including Legal Services, Community Action Agency, County Assistance Office, County Office of Aging, Social Security Office, and the Area Women's Help Center will be contacted and provided with information on the Housing Choice Voucher Programs.

3. Group or groups least likely to apply:

These groups would include African Americans, American Indian/Alaskan native, Asian/Pacific Islander, Hispanic, limited English proficient (LEP) persons, single pregnant females, and persons with disabilities.

4. Special outreach to groups identified in 3 above:

To ensure meaningful access to SCHA's programs by "limited English proficient" (LEP) persons, SCHA is committed to taking reasonable necessary steps to make certain that no eligible person has their assistance denied, decreased or terminated simply because they face challenges communicating in English.

SCHA will endeavor to have bilingual staff, community volunteers, or access to people who speak languages other than English, who have demonstrated proficiency in and ability to communicate or translate information accurately in both English and the other language and who are knowledgeable about applicable confidentiality and impartiality rules. Computer software may also be available to assist LEP persons and to translate documents. Staff will use "I speak cards" to identify the prospective beneficiary, applicant or participant's language needs. The family's primary language will be identified on their paper and electronic files. Staff will maintain a language assistance log, which will annotate each time language assistance is offered and/or provided.

Brochures and fliers will be supplied to churches, restaurants and community groups/organizations coming into contact with those identified above as least likely to apply.

For eligible households with disabled, the Authority will disseminate information through the following local advocacy groups:

Center for Independent Living

Office of Vocational Rehabilitation

MH/MR Program

Association of the Deaf

The SCHA will meet with the advocacy groups from time to time in order to discuss and update its outreach methods as determined necessary.

The SCHA's administrative office is accessible to persons with physical disabilities. Hearing impaired individuals may contact the SCHA at 1-800-545-1833 extension 923 which is a TTD/TDY/Voice telephone number.

The SCHA has developed accessible application and screening procedures as needed to facilitate the participation of eligible disabled families in the Housing Choice Voucher Program.

#### 5. Translation of Documents

The SCHA will take affirmative steps to communicate with people who need services or information in a language other than English. These persons will be referred to as Persons with Limited English Proficiency (LEP).

LEP is defined as persons who, as a result of national origin, do not speak English as their primary language and who have a limited ability to read, write, speak or understand English. For the purposes of this administrative plan, LEP persons are HCV applicants and participants, and parents and family members of applicants and participants.

In order to determine the level of access needed by LEP persons, the SCHA has completed the "Four Factor" analysis pursuant to HUD's guidance. These four factors include:

1. the number or proportion of LEP persons eligible to be served or likely to be encountered by the Housing Choice Voucher program;
2. the frequency with which LEP persons come into contact with the program;
3. the nature and importance of the program, activity, or service provided by the program to people's lives; and
4. the resources available to the SCHA and costs.

Balancing these four factors will ensure meaningful access by LEP persons to critical services while not imposing undue burdens on the SCHA.

SCHA documents will be in plain language that is clear and easy to understand and will use more than strictly English language print media in accordance to Executive Order 13166;

**WRITTEN TRANSLATION:** Translation is the replacement of a written text from one language into an equivalent written text in another language.

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

- Number of applicants and participants in the jurisdiction who do not speak English and speak the other language.
- Estimated cost to SCHA per client of translation of English written documents into the other language.

- Evaluation of the need for translation by the bi-lingual staff or by agencies that work with the non-English speaking clients.
- The availability of local organizations to provide translation services to non-English speaking families
- The availability of or bi-lingual staff to provide translation services to non-English speaking families

6. Special outreach to persons "expected to reside":

If identified in the locality's Consolidated Plan, individuals "expected to reside" will be provided with information on the availability of Housing Choice Voucher assistance through the Social Services Agencies throughout the County and the Housing Authority. The Authority will also work with key employers in identified employment centers where qualified households may be relocating from outside the area.

**OBJECTIVE II: PROMOTING GREATER HOUSING OPPORTUNITIES**

**Promoting Greater Housing Opportunities For Families Outside Area Of Low-Income And Minority Concentration:** The primary actions to be taken in support of this objective will focus on encouraging property owners from all areas of the SCHA's jurisdiction to participate in the Housing Choice Voucher Program and providing the broadest geographical area for participating households to find housing in. Those actions include, but are not limited to the following:

1. Media to be used to notify owners about the Programs:

Newspapers of general circulation serving the area will be used to notify families and owners of rental assistance offered by the Authority and to invite them to apply.

2. Actions to encourage participation by owners of dwelling units outside low-income and minority areas:

The SCHA will continue to invite landlords, through publication in a newspaper of general circulation as well as other suitable means, to make dwelling units available for leasing by eligible families, and in doing so, the SCHA shall encourage the participation of landlords of units in areas other than low-income or minority concentrated areas. Such invitation shall be made in accordance with this Equal Opportunity Housing Policy and HUD guidelines for fair housing. The SCHA shall publicize the needs of the program in such ways as to reach a maximum number of landlords and real estate brokers.

3. Actions to explain the Program requirements including equal opportunity to owners:

The SCHA will use a program brochure to advise owners of program requirements. In addition to the brochure, the SCHA will develop a network of property owners by using the phone and personal contacts to explain the program and equal opportunity

requirements to owners. The Authority will also sponsor periodic property owner information sessions to explain in detail various aspects of the Housing Choice Voucher Program, including Fair Housing and Equal Opportunity requirements.

At the time the lease and Housing Assistance Contract are executed, program requirements will again be reviewed in the presence of the owner and the participating household to increase understanding of respective roles and responsibilities especially as they relate to fair housing requirements.

4. Information on Local, State and Federal Fair Housing Laws and use of Form HUD 903:

The SCHA makes available to the general public all documents stating the requirements of Local, State, and Federal Fair Housing Laws, by posting them in plain view in all the SCHA offices.

In addition, Housing Discrimination Complaint Forms (HUD Form 903) are made available to all families upon request. Families are informed on how to obtain this form at each Housing Choice Voucher Program briefing session.

The Authority will provide each interested owner with information concerning its policies on accessibility for persons with disabilities and will review their obligations at the time the Housing Assistance Contract is executed.

5. Information on general locations and characteristics of neighborhoods and on listings, to be provided to voucher holders as follows:

The SCHA will provide for each voucher holder a list of owners and agents who have indicated an interest in participating in the Housing Choice Voucher Program. This list will be included in the voucher holder's packet and reviewed at the briefing sessions. Those owners providing or willing to provide accessible units to persons with disabilities will be noted to provide easy reference by families in need of accessible features.

6. Actions taken to assist voucher holders during housing search when requested:

The SCHA will, upon request of a voucher holder, canvas owners and agents known to the SCHA who have either expressed an interest in participating in the Program or who are currently participating in the Program.

The SCHA will monitor the progress of those households with vouchers still outstanding at the end of the first thirty (30) days after issuance. If they appear to require additional assistance in their search for housing, the SCHA will follow the same canvassing procedure described above.

**For households with disabled persons in need of accessible housing, the SCHA will provide a liberal extension policy for rental vouchers in order to facilitate their search for an acceptable unit.**

7. Actions taken to promote broadest geographical choice in selection of units by voucher holders:

As previously stated, the SCHA will periodically canvas prospective landlords and agents throughout the SCHA by letter, telephone, and personal contact and will make the names of those owners available to voucher holders through the landlords list included in the voucher holder's packet. In addition, voucher holders will be cautioned at the briefing session not to limit their search for suitable housing to any one section of the County thereby utilizing the owners lists to the fullest possible extent.

The SCHA is implementing all regulatory and statutory portability requirements in conjunction with its Housing Choice Voucher Program. Portability provides participating households with maximum opportunities for mobility and geographic choice.

8. Geographical areas in which the Authority's Section 8 Housing Choice Vouchers may be used:

Housing Choice Vouchers issued by the SCHA are for use throughout the entire County, with any qualified landlord or agent who is willing to participate in the Program.

Use beyond the SCHA's immediate jurisdictional boundaries is also possible through the statutory and regulatory portability provisions of the Housing Choice Voucher Program and interjurisdictional agreements. The Authority's portability procedures are explained in more detail in this Administrative Plan.

**OBJECTIVE III: ENSURING EQUAL OPPORTUNITY TO APPLICANTS**

**Ensuring Equal Opportunity To Applicants For Participation In The SCHA's Section 8 Program And In The Selection Of Voucher Holders:**

Actions to be taken to further this objective:

1. System for taking, processing, filing applications and establishing waiting list:

A full description of the SCHA's system for taking, processing and filing applications and the establishment of the SCHA's waiting list is located in this Administrative Plan.

2. Preference or priority categories for issuance of vouchers and method used for selection of voucher holders:

A full description of the SCHA's preference or priority categories used for the issuance of rental vouchers and the methods used for the selection of voucher holders is located in this Administrative Plan.

**OBJECTIVE IV: SERVICES AND ASSISTANCE TO FAMILIES**

**Provision of Services and Assistance to Families Who Allege They Have Encountered Discrimination During Their Housing Search**

Actions to be taken to further this objective:

1. Services provided in finding a unit under the Section 8 Program:

The services provided by the SCHA to Section 8 participants in finding units are described in Objective II, Item 2, 5 and 6.

2. Assistance given to voucher holders in the exercise of their rights under Federal, State and Local Law and the names of persons responsible for giving assistance and their training:

The SCHA will provide assistance to voucher holders in exercising their rights under law in cases of alleged discrimination by conducting a preliminary interview with the voucher holder and owner to determine if there is a sufficient indication that discrimination might exist. Having made such a determination, the Section 8 Coordinator will document his/her findings and advise the voucher holder if a case of discrimination exists and if that individual should file a formal complaint. If a formal complaint is filed, the Section 8

Coordinator will assist the voucher holder in completing and submitting a Housing Discrimination Complaint Form (HUD Form 903).

The Section 8 Coordinator is the individual with the responsibility for providing the assistance described above. The Section 8 Coordinator has been trained and will continue to receive training in all statutory and regulatory requirements of the Section 8 Program, including applicable Fair Housing requirements.

**OBJECTIVE V: UTILIZATION OF LOCAL FAIR HOUSING ORGANIZATIONS**

The SCHA will utilize local fair housing organization or organization serving the disabled/handicapped, such as the following local social service agencies to disseminate information to eligible disabled households:

Center for Independent Living

Office of Vocational Rehabilitation

MH/MR Program

Association of the Deaf

**1.4 PRIVACY RIGHTS AND CONFIDENTIALITY**

**Privacy Rights:** Applicants are required to sign the Federal Privacy Act Statement, HUD Form 9886, Authorization for Release of Information and Privacy Act Notice, that indicates under what conditions tenant and owner information will be released. The Authority's policy regarding release of information is:

1. To release pertinent client information only in accordance with the signed "general" release form or a copy of same;

2. To release information on amounts owed to the SCHA for claims paid and not reimbursed by client where there is no current Repayment Agreement in effect;
3. To furnish prospective owners with information concerning past behavior by family members as occupants of assisted or unassisted housing;

In order to assure that government monies are being spent properly the SCHA will cooperate fully in regard to inquiries from the Department of Human Services (formerly Public Welfare) and other Federal, State and Local Agencies. When there is a conflict on whether the SCHA should release information, the opinion of the SCHA General Counsel (Solicitor) will prevail.

Requests for information must be accompanied by a written release request in order for the Authority to release any information involving an applicant or participant, unless disclosure is authorized under Federal or State law.

In accordance with 42 U.S.C. Section 1437z, SCHA shall furnish any Federal, State, or local law enforcement officer, upon the request of the officer, with the current address and Social Security number of any recipient of Section 8 assistance, if the officer:

- 1) Furnishes the SCHA with the name of the recipient; and
- 2) Notifies the SCHA that:
  - a) Such recipient: i) is fleeing to avoid prosecution, or custody or confinement, after conviction, under the laws of the place from which the individual flees, for a crime, or attempt to commit a crime, which is a felony or high misdemeanor under the laws of the place from which the individual flees, or which in the case of the Commonwealth of Pennsylvania, is a felony ; or ii) is violating a condition of probation or parole imposed under Federal or State law; or iii) has information that is necessary for the officer to conduct the officer's official duties;
  - b) The location or apprehension of the recipient is within such officer's official duties; and
  - c) The request is made in the proper exercise of the officer's official duties.

**Record Keeping:** Applicant records must be kept for three years after the date the applicant was notified that they were not eligible, or three years after the conclusion of any lawsuit, whichever is later.

Participant records must be kept for three years from the end of program participation, or after the conclusion of any lawsuit, whichever is later.

**Retention of Information Relating to a Disability:** Any and all information which would lead one to determine the nature and/or severity of a person's disability must be kept in a separate folder and marked "confidential" or returned to the family member

after its use. The personal information in this folder must not be released except on an “as-needed” basis in cases where an accommodation is under consideration.

**Retention of Criminal Background Checks :** The results of criminal background checks shall also be maintained in a separate envelope in a secure location, marked “confidential.” The personal information in this file must not be released except on an “as-needed” basis, to defend against an appeal of a SCHA determination, to deny admission to the program, or terminate assistance under the policies outlined in this Plan. Criminal check information shall be destroyed one year from the date of an admissions decision based on it.

**Forwarding Addresses; Information Necessary to Collect Delinquent Accounts:**

Unless a privacy request is made by the voucher holder, SCHA will provide information on forwarding addresses for current and former participants to police or other governmental authorities, previous landlords, and other Housing Choice Voucher authorities, upon request by those parties.

Regardless of any privacy request on record, information regarding delinquent residents/participants may be exchanged when it is deemed in the interest of SCHA and its collection effort.

**Requests by Governmental Agencies and Attorneys to View, Copy, or Remove Documents :** Requests by law enforcement agencies to view, copy or remove documents shall be made to the SCHA Executive Director for referral to the SCHA General Counsel (Solicitor).

**Public Disclosure Law :** All requests for personally identifiable information about applicants and participants under the Commonwealth of Pennsylvania’s Open Records Law or any other public disclosure law may be referred to the SCHA General Counsel (Solicitor).

**Use of Personal Identifiers (Social Security Numbers):** SCHA is required to collect proof of Social Security Number from all applicants and participants age six and older who have been issued a Social Security Number. SCHA uses Social Security Numbers as the primary, unique identifier of applicants and participant records. However, SCHA shall take every precaution it reasonably can to prevent disclosure of applicant or participant Social Security Numbers to third-parties not authorized to have access to them.

SCHA will not include Social Security Numbers on correspondence mailed to the applicant’s or participant’s address.

SCHA will shred all documents containing personal identifiers, including Social Security Numbers, before disposing of them.



**Including Social Security Numbers on Requests for Verification:** SCHA shall include Social Security Numbers on requests for verification of income or other household information submitted to governmental agencies and employers, on criminal background checks or credit checks, and on requests for verification of a disability submitted to medical professionals or other professionals authorized by the applicant or participant.

**Owner Information:** Owner names and subsidy amounts are public information. Owner addresses are generally not public information. If the address of the owner will not lead directly to the tenant; e.g., the owner lives in community X and the rental unit is in community Y, then the owner's address may be provided.

**HIPAA:** The SCHA Housing Choice Voucher Program shall not share personal information protected by the Health Information Portability and Accountability Act (HIPAA) with any other party, and is therefore not a Business Associate under the Act.

SCHA shall not provide verification of medical deductions to other housing authorities as part of the information provided for voucher holders porting out. SCHA shall not share health-related information with owners or managers of project-based buildings. All health-related information provided by any applicant or participant will be safeguarded and will not be shared with any third party except as required by law enforcement and other regulatory authorities.

**Violence Against Women Act:** All information provided to a Section 8 Housing Choice Voucher landlord, owner, manager, or SCHA pursuant to the Violence Against Women Act of 2005, including the fact that an individual is a victim of domestic violence, dating violence, or stalking, shall be retained in confidence by an owner, manager, or SCHA, and shall neither be entered into a shared database nor provided to any related entity, except to the extent that disclosure is: requested or consented to by the individual in writing; required for use in an eviction proceeding; or otherwise required by applicable law.

All requests for information that are not specifically released to a third-party by the individual to whom it relates will be forwarded to the SCHA General Counsel (Solicitor).

## **1.5 STATEMENT OF LOCAL OBJECTIVES**

The Housing Choice Voucher program of the SCHA is charged with meeting these objectives through housing assistance programs available from the Department of Housing and Urban Development.

There is an undeniable need for low-income housing assistance within the jurisdiction of the SCHA, as evidenced by the very large waiting list for the Section 8 Programs.

There is also a need for quality housing units available for program participants. The SCHA will strive to attain 100% lease-up; thereby, efficiently using all its resources that were allocated.

We approach the administration of the program with a positive attitude. We have established realistic and attainable goals and have given particular thought to the numbers of families who can be expected to need and want to move to better housing.

The SCHA Housing Choice Voucher program strives to effectively serve its clients. We will follow and carry out the Authority's responsibilities as set forth in applicable HUD regulations and federal legislation.

The strategy is to achieve the attainable goals in the simplest manner possible, at the least expense, while complying with the Section 8 requirements and regulations.

## **1.6 RULES AND REGULATIONS**

All issues not addressed in this document, related to applicants and participants are governed by the Consolidated Annual Contribution Contract, forms HUD 53012A and 53012B, between the SCHA and HUD, federal regulations, HUD Memos, Notices, and guidelines or other applicable law.

Any directive mandated by court orders related to desegregation of Fair Housing and Equal Opportunity will take precedence over any affected policies and/or procedures of this Plan.

## **1.7 Required Postings**

The Schuylkill County Housing Authority will post in its office in a conspicuous place and at a height easily read by all person with mobility disabilities, the following information:

- A. The Section 8 Administrative Plan
- B. Notice of the status of the waiting list (opened or closed)
- C. Address of Housing Authority's offices, hours, telephone numbers, TDD numbers and hours.
- D. Income limits for admission
- E. Informal review and informal hearing procedures
- F. Fair Housing Poster
- G. Equal Opportunity in Employment Poster



## **CHAPTER 2 PROGRAM ADMINISTRATION**

### **2.0 MISSION OF THE SCHUYLKILL COUNTY HOUSING AUTHORITY**

The mission of the **Schuylkill County Housing Authority (SCHA)** is to promote adequate and affordable housing, economic opportunity, and a suitable living environment free from discrimination.

The Schuylkill County Housing Authority shall at all times operate solely for the purpose of providing decent, safe, and sanitary housing for eligible families in a manner which promotes serviceability, economy, efficiency, and stability, along with the social well-being of these families.

The Schuylkill County Housing Authority is committed to achieving the mission of assisting our residents in achieving a life based on the family-centered values of education, vocation, recreation, and other factors which promote self-esteem and self-sufficiency through an economically sound housing program. To this end, our mission addresses the needs of each family member, viewing them as a potential learner and earner.

### **2.1 OVERVIEW OF THE PROGRAM AND PLAN**

The Section 8 Program was created by the Housing and Community Development Act of 1974 and amended by the Housing and Community Development Act of 1981, the Housing and Urban-Rural Recovery Act of 1983, the Technical Amendments Act of 1984, the Housing and Community Development Act of 1987, and the Quality Housing and Work Responsibility Act (QHWRA) of 1998.

The Quality Housing and Work Responsibility Act (QHWRA) of 1998 combined the Section 8 tenant-based Certificate and Voucher Programs into a single program renamed the Housing Choice Voucher Program (HCVP), effective October 1, 1999. The tenant-based certificate program was phased out over a two-year period, and all current participants holding a Section 8 Certificate were converted to the HCVP on or before September 30, 2001.

Administration of the Housing Programs and the functions and responsibilities of the Schuylkill County Housing Authority (SCHA) staff shall be in compliance with the Personnel Policy of the SCHA, the Equal Opportunity Plan, and the Applicable HUD Housing Choice Voucher Program Regulations. All Federal, State and local housing laws will be followed and the SCHA will comply with Fair Housing regulations.

### **2.2 Specific Roles and Responsibilities**

#### **2.2.1 Schuylkill County Housing Authority Responsibilities**

The SCHA is responsible for daily program administration. The SCHA will comply with HUD regulations and requirements, this Administrative Plan, and the terms and conditions of

HUD's contracts with SCHA for Section 8 program administration.

In addition to HUD requirements and in accordance with this plan, the SCHA is required to develop its own procedures relative to the following:

- Qualifying applicants for participation in the program
- Resolution of owner and tenant complaints that are not subject to the informal review or hearing process
- Enforcement procedures for tenant-caused HQS violations
- Managing and responding to information pertaining to alleged drug and violent criminal activity
- Reasonable accommodation
- Making decisions relative to family break-ups
- Internal quality control monitoring for all SEMAP indicators
- Publishing and disseminating information about the availability and nature of housing assistance under the program
- Explaining the program to owners and families
- Seeking expanded opportunities for assisted families to locate housing outside areas of poverty or racial concentration
- Encouraging owners to make units available for leasing in the program, including owners of suitable units located outside areas of poverty or racial concentration
- Affirmatively furthering fair housing goals and complying with equal opportunity requirements
- Making efforts to help disabled persons find satisfactory housing
- Receiving applications from families, determining eligibility, maintaining the wait list, selecting applicants, issuing a voucher to each selected family, providing housing information to families selected
- Determining who can live in the assisted unit, at admission and during the family's participation in the program
- Obtaining and verifying evidence of citizenship and eligible immigration status in accordance with 24 CFR part 5
- Reviewing the family's request for approval of the unit and lease
- Inspecting the unit before assisted occupancy and at least annually during the assisted tenancy
- Determining the amount of the housing assistance payment for a family
- Determining the maximum rent to the owner, and whether the rent is reasonable
- Making timely housing assistance payments to an owner in accordance with the HAP contract
- Examining 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
- Establishing and adjusting SCHA utility allowance
- Administering and enforcing the housing assistance payments contract with an owner, including taking appropriate action, as determined by the SCHA, if the owner defaults (e.g., HQS violation)
- Determining whether to terminate assistance to a participant family for violation of family obligations

- Conducting informal reviews of certain SCHA decisions concerning applicants for participation in the program, as further defined in Chapter 20 of this Administrative Plan
- Conducting informal hearings on certain SCHA decisions concerning participant families, as further defined in Chapter 20 of this Administrative Plan
- Providing sound financial management of the program, including engaging an independent public accountant to conduct audits; and
- The SCHA will periodically monitor its administrative practices to ensure consistency in the implementation and on-going administration of all aspects of its Section 8 program.

At any time, the SCHA may be required to amend or modify its discretionary procedures.

### ***Recordkeeping***

Applicant records shall be kept for three years after the date the applicant was notified that he/she was not eligible, or three years after the conclusion of any informal review or lawsuit, whichever is later.

Participant records shall be kept for three years from the end of program participation, or after the conclusion of any informal hearing or lawsuit, whichever is later (24 CFR 982.158).

### **2.2.2 Owner Responsibilities**

An Owner is responsible for

- Screening tenants
- Complying with the HAP contract
- Maintaining the unit in compliance with HQS
- Enforcing lease requirements
- Notifying the HA of any evictions
- Performing all of the owner's obligations under the lease
- 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
- Complying with equal opportunity requirements
- Preparing and furnishing to the HA information required under the HAP contract
- Collecting from the family:
  - Any security deposit
  - The tenant contribution (the part of rent to owner not covered by the housing assistance payment)
  - Any charges for unit damage by the family
  - Paying for utilities and services (unless paid by the family under the lease)
  - For provisions on modifications to a dwelling unit occupied or to be occupied by a disabled person, see 24 CFR 100.203.

### **2.2.3 Family Responsibilities**

#### ***Applicant responsibilities***

While on the wait list, an applicant will notify the SCHA of any changes in address and family status.

Upon selection from the wait list, an applicant will provide the SCHA with complete and accurate information necessary to determine program eligibility.

Upon determination of eligibility, an applicant will conduct a housing search with a voucher expiration date of 60 calendar days from the date of issuance. The SCHA can extend the voucher expiration date for a period of 30 calendar days if the applicant requests the extension, in writing and prior to the expiration of the voucher, and can document any extenuating circumstances.

### ***Family obligations***

To continue participation in the Housing Choice Voucher program, the family must comply with the family obligations contained in 24 CFR 982.551 and listed below. In addition, the family must comply with any additional obligations contained in the lease and the lease addendum. Any violation of Family Obligations shall be cause for program termination.

To meet the family obligations, the family must:

1. supply required information - the family will supply any information that the
2. SCHA 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.
3. supply any information requested by the SCHA or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.
4. disclose and verify social security numbers and sign and submit consent forms for obtaining information.
5. supply any information requested by the SCHA to verify that the family is living in the unit or information related to family absence from the unit.
6. notify the SCHA and owner, in writing and no more than 21 calendar days from the first day of absence, when the family is away from the unit for a period of time in excess of 30 calendar days in accordance with SCHA policies.
7. allow the SCHA to inspect the unit during normal business hours (Monday through Friday 8am to 5pm, except official holidays), unless otherwise scheduled, and after no less than 48 hours notice. Emergency inspections require no notice.
8. give 30 calendar days notice to the SCHA and the owner in writing before moving out of the unit or terminating the lease.
9. use the assisted unit for residence by the family. Members of the household may engage in legal profit making activities permitted by local codes and ordinances in the unit, but only if such activities are incidental to primary use of the unit for residence by members of the family.
10. the unit must be the family's only residence and inhabited only by persons approved by the SCHA. If the SCHA has given approval in accordance with Chapter 10 of this Administrative Plan, a foster child or a live-in-aide may reside in the unit. The SCHA has the discretion to adopt reasonable policies concerning residence by a foster child or a live-in-aide, and defining when SCHA consent may be given or denied.

11. notify the SCHA, within 10 calendar days, in writing of the birth, adoption, or court-awarded custody of a child.
12. request the SCHA written approval to add any other family member as an occupant of the unit prior to any other person moving in.
13. notify the SCHA, within 10 calendar days, in writing if any family member no longer lives in the unit.
14. give the SCHA a copy of any owner eviction notice.
15. pay utility bills and provide and maintain any appliances that the owner is not required to provide under the lease.
16. supply information that is true and complete.
17. supply any information and execute any appropriate release requested by the SCHA for use in conducting additional criminal background checks on any household member over the age of 18 during the family's participation in the program.

The family (including each family member) must **not**:

- 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).
- commit any serious or repeated violation of the lease.
- commit fraud, bribery or any other corrupt or criminal act in connection with the program.
- engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.
- sublease or let the unit or any portion of the unit or assign the lease or transfer any portion of the unit.
- damage the unit or premises (other than damage from ordinary wear and tear) or permit any guest to damage the unit or premises.
- receive housing choice voucher program housing assistance while residing in a unit owned by a parent, child, grandparent, grandchild, sister or brother of any member of the family, unless the SCHA has determined and has notified the owner and the family of such determination, that approving rental of the unit, notwithstanding such relationship, would provide reasonable accommodation for a family member who is a person with disabilities.
- engage in abuse of alcohol in a way that threatens the health, safety or right to peaceful enjoyment of the other residents and persons residing in the immediate vicinity of the premises.
- 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.

### **2.3 SCHA'S COMMITMENT TO ETHICS AND SERVICE**

As a public service agency, the SCHA is committed to providing excellent service to HCV program participants – families and owners – in the community. The SCHA's standards include:



- Administer applicable federal and state laws and regulations to achieve high ratings in compliance measurement indicators while maintaining efficiency in program operation to ensure fair and consistent treatment of clients served.
- Provide decent, safe, and sanitary housing – in compliance with program housing quality standards – for very low-income families while ensuring that family rents are fair, reasonable, and affordable.
- Encourage self-sufficiency of participant families and assist in the expansion of family opportunities, which address educational, socio-economic, recreational and other human services needs.
- Promote fair housing and the opportunity for very low-income families of all ethnic backgrounds to experience freedom of housing choice.
- Promote a housing program, which maintains quality service and integrity while providing an incentive to private property owners to rent to very low-income families.
- Promote a market-driven housing program that will help qualified low-income families be successful in obtaining affordable housing and increase the supply of housing choices for such families.
- Create positive public awareness and expand the level of family, owner, and community support in accomplishing the SCHA's mission.
- Attain and maintain a high level of standards and professionalism in day-to-day management of all program components.
- Administer an efficient, high-performing agency through continuous improvement of the SCHA's support systems and commitment to our employees and their development.
- Conduct business in accordance with core values and ethical standards through a code of conduct which:
  - 1) Requires compliance with the conflict of interest requirements of the HCV program cited in 24 CFR 982.161 which are as follows:
    - a) Neither the SCHA nor any of its contractors or subcontractors may enter into any contract or arrangement in connection with the tenant-based programs in which any of the following classes of persons has any interest, direct or indirect, during tenure or for one year thereafter:
      - (1) Any present or former member or officer of the SCHA (except a participant commissioner);
      - (2) Any employee of the SCHA, or any contractor, subcontractor, or agent of the SCHA, who formulates policy or who influences decisions with respect to the programs;

- (3) Any public official, member of a governing body, or State or local legislator, who exercises functions or responsibilities with respect to the programs; or
- (4) Any member of the Congress of the United States.
- b) Any member of the classes described in paragraph (a) of this section must disclose their interest or prospective interest to the SCHA and HUD.
- c) The conflict of interest prohibition under this section may be waived by the HUD field office for good cause; and
- 2) Requires compliance with the employment policies of the Schuylkill County Housing Authority regarding conflicts of interest; and
- 3) Prohibits the solicitation or acceptance of gifts or gratuities in excess of a nominal value by an officer or employee of the SCHA or any contractor, subcontractor, or agent of the SCHA; and
- 4) Utilizes the existing administrative and disciplinary remedies as found in the Memorandums of Understanding with bargaining units representing the employees and managers of the SCHA for violation of the SCHA's code of conduct; and
- 5) Informs all officers, employees, and agents of the SCHA of its code of conduct.

The SCHA will make every effort to keep program participants informed of HCV program rules and regulations, and to advise participants of how the program rules affect them.

### **2.3.1 APPLICABLE REGULATIONS**

This Administrative Plan is a supporting document to SCHA's Annual Plan, and is available for public review as required by CFR 24 Part 903.

Applicable regulations include:

- 24 CFR Part 5: General Program Requirements
- 24 CFR Part 8: Nondiscrimination
- 24 CFR Part 35: Lead Based Paint
- 24 CFR Part 100: Non-discrimination, Handicap
- 24 CFR Part 792: Section 8 Fraud Recoveries
- 24 CFR Part 882: Moderate Rehabilitation Program
- 24 CFR Part 888: Section 8 Fair Market Rents
- 24 CFR Part 982: Section 8 Tenant-Based Assistance

- 24 CFR Part 983: Project Based Voucher Program
- 24 CFR Part 984: Family Self-Sufficiency
- 24 CFR Part 985: SEMAP

### **2.3.2 OVERVIEW AND PURPOSE OF THE PLAN**

This Administrative Plan establishes the Schuylkill County Housing Authority's (SCHA) local policies for operation of the housing programs in the context of federal laws and regulations. Such federal regulations, HUD Memos, Notices and guidelines, or other applicable law governs all issues related to Section 8 not addressed in this document.

The Plan covers both admission and continued participation in the Housing Choice Voucher program. Changes to the Plan will be approved by the Board of Directors of the Authority.

The Authority is responsible for complying with all subsequent changes in HUD regulations about these programs. If any amendments to HUD's rules regulations or guidelines conflict with this Plan, such rules, regulations or guidelines will have precedence.

The Administrative Plan for the Schuylkill County Housing Authority's (Authority's) Housing Choice Voucher Program is designed to achieve five major objectives:

1. To provide improved living conditions for very low income families while maintaining their rent payments at an affordable level.
2. To promote freedom of housing choice and spatial deconcentration of lower income and minority families.
3. To promote economic self-sufficiency of participating families.
4. To provide decent safe and sanitary housing for eligible participants.
5. To provide an incentive to private property owners to rent to lower income families by offering timely rental assistance payments and providing protection against unpaid rent, damages, and vacancy loss.

### **2.4 ORGANIZATIONAL SET-UP**

The Housing Authority was created in 1948 under the Pennsylvania Housing Authorities Law (P.L. 955, No. 265 as amended). The Authority received its first Annual Contributions Contract under the Section 8 Program in 1985.

Today the Housing Authority provides assistance to families in Schuylkill County through its Public Housing, Section 8 Housing Choice Voucher, and other affordable housing opportunities.

The housing assistance to low income families is provided through two main programs,

Public Housing and the Section 8 Voucher programs. The Housing Authority owns and manages public housing apartments in the Schuylkill County. Additional assistance is provided to families through the Section 8 Housing Choice Voucher Program.

In administering the Housing Choice Voucher program, the Schuylkill County Housing Authority (SCHA) must:

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

15. Examine family income, size and composition at admission and during the family's participation in the program. The examination includes verification of income and other family information;
16. Establish and adjust SCHA utility allowance;
17. Administer and enforce the housing assistance payments contract with an owner, including taking appropriate action as determined by the SCHA, if the owner defaults (e.g., HQS violation);
18. Determine whether to terminate assistance to a participant family for violation of family obligations;
19. Conduct informal reviews of certain SCHA decisions concerning applicants for participation in the program;
20. Conduct informal hearings on certain SCHA decisions concerning participant families;
21. Provide sound financial management of the program, including engaging an independent public accountant to conduct audits; and
22. Administer an FSS program (if applicable).

The Authority's Housing Choice Voucher Program is the primary responsibility of the Section 8 Coordinator.

The Section 8 Coordinator reports directly to the Executive Director. The Section 8 Coordinator's primary responsibilities are as follows:

1. Responds to inquiries from applicants, prospective applicants, rental property owners and other interested parties concerning Section 8 program requirements and procedures, and landlord-tenant relationship laws.
2. Tracks rental vouchers to identify current and pending vacancies.
3. Assists the Executive Director in preparing applications to HUD for additional rental vouchers.
4. Calculates rent subsidy; conducts participant briefings; assists applicant in locating suitable and qualified housing; oversees and performs interim and annual re-examination to determine tenant income and family status; makes related adjustments in subsidy amounts.
5. Schedules the inspections of dwelling to determine if rental property meets HQS standards, or landlord's willingness to correct sub-standard conditions prior to leasing or renewal.
6. Contacts rental property owners on behalf of the Authority and applicant

to obtain information on rental fees and utility costs data; makes related fair market rent determinations; secures owner's acceptance of rental fee, damage and vacancy loss provisions.

6. Executes housing assistance payment contracts between the property owner and the Authority; prepares or oversees the preparation of standard Authority leases or addendum to owner's lease to insure all program terms and conditions are met. Reviews and approves subsidy payments to landlords.
7. Performs additional duties and responsibilities as required.

The Section 8 Coordinator is supported by the following Authority staff:

<u>Position</u>	<u>Support Provided</u>
Executive Director or Designee	<ol style="list-style-type: none"> <li>1. Analyzes statistical data to monitor program effectiveness; develops recommendations for future planning and budgets.</li> <li>2. Participates in the preparation of regular and special reports required by the Authority, HUD and/or other government agencies.</li> <li>3. Maintains active associations with social service, community, civic and professional organizations to ensure the effectiveness and image of the Authority.</li> <li>4. Administrative Support, budgeting and quality control.</li> </ol>
Accountant	Financial management support and payments
Housing Inspector	HQS inspections support
Assistant Project Manager/Assistant Section 8 Coordinator	Assists Section 8 Coordinator
Management-Aide	Intake data, phone calls and miscellaneous office duties

## **2.5 LEGAL JURISDICTION**

The Authority's legal area of operation is Schuylkill County excluding the City of Pottsville, Pennsylvania.

When a participating family exercises its right to statutory and/or regulatory portability the jurisdiction of the Authority's Section 8 Housing Choice Voucher program will be expanded accordingly. See Chapter 16-E for a more detailed discussion of the Authority's portability policies.

## **2.6 MONITORING PROGRAM PERFORMANCE**

Performance criteria for evaluating the SCHA's Section 8 Housing Choice Voucher Program will be established annually by the Executive Director or designee. The performance criteria will be appropriately reflected in the individual performance evaluations for staff with Section 8 Program responsibilities.

Based on those criteria the Section 8 Coordinator will develop appropriate monitoring reports that will be provided to the Executive Director or designee on a periodic basis.

The Executive Director and Section 8 Coordinator will be responsible for implementing a quality control process that at a minimum tests the quality of the following program functions:

- # HQS inspectors and resolution of deficiencies
- # Tenant file content
- # Adequacy of the waiting list
- # Accuracy of subsidy calculations

## **2.7 SEMAP (Section 8 Management Assessment Program) Certification**

### **1. Requirement of Annual SEMAP Certification**

HUD requires SCHA to file a **SEMAP Certification** annually within 60 calendar days after the end of SCHA's fiscal year.

The SCHA SEMAP Certification form requires the signatures of the SCHA Executive Director and Board Chair.

### **2. Ratings Based on SEMAP Certification**

For the following SEMAP Indicators the HUD rating will be based on the scoring and certification that each SCHA must certify annually:

- (1) Selection from the Waiting List;
- (2) Reasonable Rent;

- (3) Determination of Annual Income;
- (4) Utility Allowance Schedule;
- (5) HQS Quality Control Inspections;
- (6) HQS Enforcement;
- (7) Expanding Housing Opportunities; and
- (*Bonus*) Deconcentration Bonus Indicator.

With **HQS Quality Control Inspections** [Performance Indicator 5] SEMAP requires quality control reinspections of the same minimum sample size determination required for other supervisory quality control reviews.

### **3. SEMAP Supervisory Quality Control Reviews of File Samples**

For the following four SEMAP Indicators there must be a sworn declaration of the results of scoring a “quality control sample” of a pre-set proportional minimum number of files drawn in an unbiased manner:

- a. **Selection from the Waiting List** [Performance Indicator 1]
- b. **Reasonable Rent** [Performance Indicator 2]
- c. **Determination of Adjusted Income** [Performance Indicator 3]
- d. **HQS Enforcement** [Performance Indicator 6]

### **4. Methodology for File Selection and Testing**

SCHA will establish and explain in detail the methodology for unbiased selection of the file samples for review, that is an objective and neutral selection in order to reach a totality of files potentially available. As an illustration, selection methods that may be utilized include:

- (1) Selection done by a random query in a data base containing all Section 8 Vouchers;
- (2) A random manual selection from a listing of all Section 8 Vouchers listed, for example, by agency file number, SSA number, and/or head-of-household surname.

The SCHA process will leave a clear audit trail — in other words, a clear written description with documentation of the technique for selecting the files for audit/review to verify that the sample was drawn in an unbiased manner. SCHA will document and



retain the results of each file audit/review and the calculation of scoring for each SEMAP Indicator.

The SCHA supervisory person who conducts the file audit/review of the “quality control sample” for SEMAP scoring cannot be the person who performed the original primary work in the subject files or records.

**2.8 STANDARD OPERATING PROCEDURES FOR QUALITY CONTROL**

It is the policy of the Schuylkill County Housing Authority (SCHA) to conduct quality control reviews to ensure staff work is properly monitored for accuracy and completeness. Quality controls will be incorporated into all aspects of the Housing Choice Voucher Program operation. The quality control will ensure that staff’s decisions on tenant eligibility, selection from the waiting list, tenant rent, rent reasonableness, housing assistance payments, and Housing Quality Standards conforms to the U. S. Department of Housing and Urban Development (HUD) and Schuylkill County Housing Authority policies.

In order to maintain the appropriate quality standards for the Section 8 Housing Voucher Program, the Housing Authority will review 25% of the universe amount at the end of each quarter for the current fiscal year. This shall be accomplished by a supervisor or another qualified person other than the one originally responsible for the work, or someone subordinate to that person.

**2.8.1 Sample Selection**

The Housing Authority has established the following methodology for quality control of the Section 8 Management Assessment Program (SEMAP) to determine the universe amount for indicators 1, 2, 3, 5, and 6.

<b>Estimated Families Assisted</b>	<b>Number of files to be selected</b>
50 or Less	5
51-600	5 plus 1 for each 50 (or part of 50) over 50
601-2000	16 plus 1 for each 100 (or part of 100) over 600
Over 2000	30 plus 1 for each 200 (or part of 200) over 2000

The file review sample will include the following:

- Compare the information in the file to each family’s HUD 50058 form
- Determine whether the annual income was correctly calculated
- Check for correct income codes and correct calculations of assets and asset income

- Determine whether the adjusted income was correctly calculated
- Determine whether correct allowances were used for elderly, disabled, full time student, minors, etc.
- Determine whether verifications are properly documented such as, third party verifications, if third party verification is not in the file, there should be a notation in the file as to why third party verification was not possible, and another verification method was used.
- Determine whether the correct utility charts were used. Compare the list of tenant furnished utilities listed on the lease to the utility allowance used on the HUD 50058. The utility allowance chart approved for the SCHA use must be in the tenant file.
- For inspections determine whether the unit was inspected and met HQS at the time of contract execution.
- Was rent reasonableness conducted to determine whether the approved rent was reasonable?
- Determine whether the unit after lease-up has been re-inspected within the last twelve months since the last full inspection.
- Review failed inspections for HQS enforcement. Was proper action taken to abate payment or action taken against tenant for failure to correct deficiency?

### 2.8.2 Indicator #1 – Selection from Waiting List

Quality control for Indicator #1, Selection from the Waiting List assess whether the Housing Authority follows the written policies in this Administrative Plan for selecting applicants for admission from the waiting list.

This would be the number of admission in the last fiscal year for the Housing Authority, for each of the two Quality control Samples required under this SEMAP indicator.

Two samples would be drawn, one for an applicant reaching the top of the list and one for new admissions.

Written Methodology – The Housing Authority will use the Quality Control Chart above to determine the universe number. **The Housing Authority will select the first person each month from the waiting list log at the beginning of every quarter, then every 3<sup>rd</sup> person if needed.** Example: if you had 50 people reach the top of the waiting list, your universe number would be 5. Then you would select 5 folders to be reviewed that were new admissions for the current fiscal year.

### 2.8.3 Indicator #2 - Rent Reasonableness

Quality Control for Indicator #2, Rent Reasonableness assess whether the Housing Authority has and implements a reasonable written method to determine and document for each unit leased that the rent to the owner is reasonably based on current rents for comparable unassisted units. The scope of the sample would be the number of families assisted for the last fiscal year. A quality control sample that the Housing Authority determined reasonable rent at these times: at initial leasing, if there is any increase in rent to owner, and at the HAP contract anniversary if there is a 5% decrease in the

published FMR in effect 60 days before the HAP contract anniversary.

Written Methodology –The Housing Authority will use the quality control chart to determine the universe number. **The Housing Authority will use the Pre-Initialization only tenants with changes report to select the first person each month from the beginning of every quarter to be reviewed, then every 3<sup>rd</sup> person if needed.**

#### **2.8.4 Indicator #3 –Determination of Adjusted Income**

The number of units under HAP contract during the last fiscal year.

Written Methodology –The Housing Authority will use the quality control chart to determine the universe number. **The Housing Authority will select the first person each month from the beginning of every quarter to be reviewed, then every 3<sup>rd</sup> if needed.**

Using the Pre-Initialization ORC tenant changes for the next month report.

#### **2.8.5 Indicator #5 – HQS Quality Control Inspections**

This would be the number of units under HAP contract inspected for HQS during the last completed Housing Authority fiscal year.

Written Methodology –The Housing Authority will use the quality control chart to determine the universe number. **The Housing Authority has chosen to complete quality control every quarter and will use the Inspection log choosing the first person each month from the beginning of every quarter to be reviewed, then every 3<sup>rd</sup> if needed.**

At the beginning of the second month if the 1st person selected has the same unit type and town as the prior unit selected, the next unit on the inspection log will be chosen, in order to achieve a cross section of unit types and locations that are required by this indicator.

Landlords and tenants are to be notified that their unit has been selected for an audit inspection. The objective of the audit is to examine the quality of the original inspector's work and the accuracy of the inspector's determination regarding whether or not the unit complied with Housing Quality Standards (HQS) at the time it was inspected. The quality control inspection must be conducted by a supervisor or designee.

#### **2.8.6 Indicator #6 –HQs Enforcement**

This would be the number of failed HQS and 24-hour emergency inspections in the last fiscal year.

Written Methodology -The Housing Authority will use the quality control chart above to determine the universe number. **The Housing Authority will use the Inspection Log of failed units, and select the first person each month from the beginning of**

**every quarter to be reviewed, then every 3rd if needed.**

Any deficiencies identified must be documented in the appropriate inspections booklet and a letter listing the deficiencies must be given to the landlord with a date the repairs must be made. If repairs are not made timely, the payment to the landlord may be abated. Items that fail due to the fault of the tenant, if not corrected, may cause the tenant to be terminated.

## **2.9 PROGRAM INTEGRITY**

The SCHA is committed to assuring that the proper level of benefits is paid to all participating families, and that housing resources reach only income-eligible families so that program integrity can be maintained.

The SCHA will take all steps necessary to prevent fraud, waste, and mismanagement so that program resources are utilized judiciously.

This Section outlines the SCHA's policies for the prevention, detection and investigation of program abuse and fraud.

### **1. CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD**

Under no circumstances will the SCHA undertake an inquiry or an audit of a participating family arbitrarily. The SCHA's expectation is that participating families will comply with HUD requirements, provisions of the voucher, and other program rules. The SCHA staff will make every effort (formally and informally) to orient and educate all families in order to avoid unintentional violations. However, the SCHA has a responsibility to HUD, to the Community, and to eligible families in need of housing assistance, to monitor participants and owners for compliance and, when indicators of possible abuse come to the SCHA's attention, to investigate such claims.

**The SCHA will initiate an investigation of a participating family only in the event of one or more of the following circumstances:**

**1). Referrals, Complaints, or Tips.** The SCHA will follow up on referrals from other agencies, companies or persons which are received by mail, by telephone or in person, which allege that a family is in non-compliance with, or otherwise violating the family obligations or any other program rules. Such follow-up will be made providing that the referral contains at least one item of information that is independently verifiable. A copy of the allegation will be retained in the family's file. **Unfounded allegations shall be maintained for a period of one year. Following the expiration of one year after the date of the determination that the allegation is unfounded, the allegation shall be expunged from the family's file.**

**2). Internal File Review.** A follow-up will be made if SCHA staff discover (as a function of a certification or recertification, an interim redetermination, or a quality

control review), information or facts which conflict with previous file data, the SCHA's knowledge of the family, or is discrepant with statements made by the family.

**3). Verification of Documentation.** A follow-up will be made if the SCHA receives independent verification or documentation which conflicts with representations in the family's file (such as public record information, credit bureau reports or reports from other agencies).

## **2. STEPS THE SCHA WILL TAKE TO PREVENT PROGRAM ABUSE AND FRAUD**

The SCHA management and staff will utilize various methods and practices (listed below) to prevent program abuse, non-compliance, and willful violations of program rules by applicants and participating families. This policy objective is to establish confidence and trust in the management by emphasizing education as the primary means to obtain compliance by families.

**1). Things You Should Know.** This program integrity bulletin (created by HUD's Inspector General) will be furnished and explained to all applicants to promote understanding of program rules, and to clarify the SCHA's expectations for cooperation and compliance.

**2). Program Briefing Session.** Briefing sessions will be conducted by the SCHA staff for all prospective program participants, either prior to or upon issuance of a voucher to ensure that all rules and pertinent regulations are addressed.

**3). Resident Counseling.** The SCHA may routinely provide participant counseling as a part of every recertification interview in order to clarify any confusion pertaining to program rules and requirements.

**4). Review and Explanation of Forms.** Staff will explain all required forms and review the contents of all (re)certification documents prior to signature.

**5). Use of Instructive Signs and Warnings.** Instructive signs will be conspicuously posted in common areas and interview areas to reinforce compliance with program rules and to warn about penalties for fraud and abuse

**6). Participant Certification.** All family representatives will be required to sign a "Participant Certification" form, as contained in HUD's Participant Integrity Program Manual.

## **3. STEPS THE SCHA WILL TAKE TO DETECT PROGRAM ABUSE AND FRAUD**

The SCHA Staff will maintain a high level of awareness to indicators of possible abuse and fraud by assisted families.

**1). Quality Control File Reviews.** Prior to initial certification, and at the completion of all subsequent recertifications, **5% of files** will be reviewed. Such reviews shall include, but are not limited to:

Assurance that verification of all income and deductions is present

- Changes in reported Social Security Numbers or dates of birth
- Authenticity of file documents
- Ratio between reported income and expenditures
- Review of signatures for consistency with previously signed file documents
- All forms are correctly dated and signed

**2). Observation.** The SCHA Management and Staff will maintain high awareness of circumstances which may indicate program abuse or fraud, such as unauthorized persons residing in the household and unreported income.

**Observations will be documented in the family's file.**

**3). Public Record Bulletins** may be reviewed by Management and Staff.

**4). State Wage Data Record Keepers.**

Inquiries to State Wage and Employment record keeping agencies as authorized under Public Law 100-628, the Stewart B. McKinley Homeless Assistance Amendments Act of 1988, may be made annually in order to detect unreported wages or unemployment compensation benefits

**5). Credit Bureau Inquiries.**

Credit Bureau inquiries may be made (with proper authorization by the participant) in the following circumstances:

- At the time of final eligibility determination
- When an allegation is received by the SCHA wherein unreported income sources are disclosed.
- When a participant's expenditures exceed his/her reported income, and no plausible explanation is given.

#### **4. THE SCHA'S HANDLING OF ALLEGATIONS OF POSSIBLE ABUSE AND FRAUD**

The SCHA staff will encourage all participating families to report suspected abuse to management.

All such referrals, as well as referrals from community members and other agencies, will be thoroughly documented and placed in the participant's file. All allegations, complaints and tips will be carefully evaluated in order to determine if they warrant follow-up. The

SCHA will not follow up on allegations which are vague or otherwise non-specific. They will only review allegations which contain one or more independently verifiable facts.

- 1). File Review. An internal file review will be conducted to determine:

If the subject of the allegation is a client of the SCHA and, if so, to determine whether or not the information reported has been previously disclosed by the family. It will then be determined if the SCHA is the most appropriate authority to do a follow-up (more so than police or social services). Any file documentation of past behavior as well as corroborating complaints will be evaluated.

- 2). Conclusion of Preliminary Review. If at the conclusion of the preliminary file review there is/are fact(s) contained in the allegation which conflict with file data, and the fact(s) are independently verifiable, the SCHA will initiate an investigation or forward information to the proper entities for further investigation to determine if the allegation is true or false.

## **5. OVERPAYMENTS TO OWNERS**

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

## **6. HOW THE SCHA WILL INVESTIGATE ALLEGATIONS OF ABUSE AND FRAUD**

If the SCHA determines that an allegation or referral warrants follow-up, either the staff person who is responsible for the file, or a person designated by the Executive Director to monitor the program compliance will conduct the investigation. The steps taken will depend upon the nature of the allegation and may include, but are not limited to, the items listed below. In all cases, the SCHA will secure the written authorization from the program participant for the release of information.

Credit Bureau Inquiries (CBI). In cases involving previously unreported income sources, a CBI inquiry may be made to determine if there is financial activity that conflicts with the reported income of the family.

Verification of Credit. In cases where the financial activity conflicts with file data, a Verification of Credit form may be mailed to the creditor in order to determine the unreported income source.

Employers and Ex-Employers. Employers or ex-employers may be contacted to verify wages which may have been previously undisclosed or misreported.

Neighbors/Witnesses. Neighbors and/or other witnesses may be interviewed who are believed to have direct or indirect knowledge of facts pertaining to the SCHA's review.

Other Agencies. Investigators, case workers or representatives of other benefit agencies may be contacted.

Public Records. If relevant, the SCHA will review public records kept in any jurisdictional courthouse. Examples of public records which may be checked are: real estate, marriage, divorce, uniform commercial code financing statements, voter registration, judgments, court or police records, state wage records, utility records and postal records.

Interviews with Head of Household or Family Members. The SCHA will discuss the allegation (or details thereof) with the Head of Household or family member by scheduling an appointment at the appropriate SCHA office. A high standard of courtesy and professionalism will be maintained by the SCHA staff person who conducts such interviews. Under no circumstances will inflammatory language, accusation, or any unprofessional conduct or language be tolerated by the management. If possible, an additional staff person will attend such interviews.

## **7. PLACEMENT OF DOCUMENTS, EVIDENCE AND STATEMENTS OBTAINED BY THE SCHA**

Documents and other evidence obtained by the SCHA during the course of an investigation will be considered "work product" and will either be kept in the participant's file, or in a separate envelope, marked "confidential". In either case, the participant's file or envelope file shall be kept in a locked file cabinet.

Such cases under review will not be discussed among SCHA Staff unless they are involved in the process, or have information which may assist in the investigation.

## **8. CONCLUSION OF THE SCHA'S INVESTIGATIVE REVIEW**

At the conclusion of the investigative review, the reviewer will report the findings to the Executive Director or designee. It will then be determined whether a violation has occurred, a violation has not occurred, or if the facts are inconclusive.

## **9. EVALUATION OF THE FINDINGS**

If it is determined that a program violation has occurred, the SCHA will review the facts to determine:

- 1) The type of violation (procedural, non-compliance, fraud).
- 2) Whether the violation was intentional or unintentional.
- 3) What amount of money (if any) is owed by the family.
- 4) If the family is eligible for continued occupancy.

## **10. ACTION PROCEDURES FOR VIOLATIONS WHICH HAVE BEEN DOCUMENTED**



Once a program violation has been documented, the SCHA will propose the most appropriate remedy based upon the type and severity of the violation.

**1). Procedural Non-compliance.** This category applies when the family "fails to" observe a procedure or requirement of the SCHA , but does not misrepresent a material fact, and there is no retroactive assistance payments owed by the family.

Examples of non-compliance violations are:

Failure to appear at a pre-scheduled appointment.

Failure to return verification in time period specified by the SCHA.

Warning Notice to the Family. In such cases a notice will be sent to the family which contains a description of the non-compliance and the procedure, policy or obligation which was violated.

**2). Procedural Non-compliance - Overpaid Assistance.** When the family owes money to the SCHA for failure to report changes in income or assets, the SCHA will issue a Notification of Overpayment of Assistance. This Notice will contain the following:

- A description of the violation and the date(s).
- Any amounts owed to the SCHA .
- A 10 calendar day response period.
- The right to disagree and to request an informal hearing with instructions for the request of such hearing.

(a) Participant Fails to Comply with SCHA's Notice: If the Participant fails to comply with the SCHA's notice, and a family obligation has been violated, the SCHA will initiate termination of assistance.

(b) Participant Complies with SCHA's Notice: When a family complies the SCHA's notice, the staff person responsible will meet with him/her to discuss and explain the Family Obligation or program rule which was violated.

**3). Intentional Misrepresentations.** When a participant falsifies, misstates, omits or otherwise misrepresents a material fact which results (or would have resulted) in an overpayment of housing assistance by the SCHA, the SCHA will evaluate whether or not:

- The participant had knowledge that his/her actions were wrong, and
- The participant willfully violated the family obligations or the law.

Knowledge that the action or inaction was wrong. This will be evaluated by determining if the participant was made aware of program requirements and prohibitions.

The participant's signature on various certifications, briefing certificate, Personal Declaration and Things You Should Know are adequate to establish knowledge of wrongdoing.

**The participant willfully violated the law.** Any of the following circumstances will be considered adequate to demonstrate willful intent:

- (a) An admission by the participant of the misrepresentation.
- (b) That the act was done repeatedly.
- (c) If a false name or Social Security Number or other certifying document was used.
- (d) If there were admissions to others of the illegal action or omission.
- (e) That the participant omitted material facts which were known to him/her (e.g., employment of self or other household member).
- (f) That the participant falsified, forged or altered documents.
- (g) That the participant uttered and certified to statements at a interim (re)determination which were later independently verified to be false.

**4). Dispositions of Cases Involving Misrepresentations.** In all cases of misrepresentations involving efforts to recover monies owed, the SCHA may pursue, depending upon its evaluation of the criteria stated above, one or more of the following actions:

(a) Criminal Prosecution: If the SCHA has established criminal intent, and the case meets the criteria for prosecution, the SCHA will:

1. Refer the case to the local State or District Attorney,
2. Notify and then refer to HUD's Office of Inspector General (OIG) , and
3. Terminate rental assistance.

(b) Administrative Remedies: The SCHA may:

- Terminate assistance and demand payment of restitution in full.
- Terminate assistance and execute an administrative repayment agreement in accordance with the SCHA's Repayment Policy.
- Terminate assistance and pursue restitution through civil litigation.
- Continue assistance at the correct level upon repayment of restitution in full within 90 calendar days.
- Permit continued assistance at the correct level and execute an administrative repayment agreement in accordance with the SCHA's repayment policy (not an option if misrepresentation was intentional).

## **5). The Participant Conference for Serious Violations and Misrepresentations.**

When the SCHA has established that material misrepresentation(s) have occurred, a Termination Notice will be issued to Participant.

Participant will have an opportunity to an informal hearing with the SCHA staff person who is most knowledgeable about the circumstances of the case to review the information and evidence obtained by the SCHA, and to provide the participant an opportunity to explain any document findings which conflict with representations in the family's file. Any documents or mitigating circumstances presented by the family will be taken into consideration by the SCHA. The family will be given 30 calendar days to furnish any mitigating evidence.

A secondary purpose of the hearing is to assist the SCHA in determining the course of action most appropriate for the case. Prior to the final determination of the proposed action, the SCHA will consider:

- The duration of the violation and number of false statements.
- The family's ability to understand the rules.
- The family's willingness to cooperate, and to accept responsibility for his/her actions
- The amount of money involved.
- The family's past history
- Whether or not criminal intent has been established.

**6). Notification to Participant of Proposed Action.** The SCHA will notify the family of the proposed action no later than 30 business days after the participant hearing by US Postal Service mail.

## **2.10 EXPENDITURES OF OPERATING RESERVE FUNDS**

The amount of operating reserve funds available for other housing purposes will be carefully balanced against the current and future needs of the Authority's Section 8 Programs, in terms of subsidy and administrative costs.

The threshold for the amount of expenditure which may be made from the operating reserve for other housing purposes without prior approval of the Authority's Board of Directors is set at \$10,000.

## **2.11 SETTING PROGRAM STANDARDS AND SCHEDULES**

Although many of the program's requirements are established centrally by HUD, the HCV program's regulations recognize that some flexibility is required to allow the SCHA to adapt the program to local conditions. This part discusses how the SCHA establishes and updates certain schedules and standards that are used to administer the program locally. Details about how these schedules are applied to individual

families are provided in other chapters. The schedules and standards discussed here include:

- *Payment Standards*, which dictate the maximum subsidy a family can receive (application of the payment standards is discussed in Chapter 7); and
- *Utility Allowances*, which specify how a family's payment should be adjusted to account for tenant-paid utilities (application of utility allowances is discussed in Chapter 6).

Copies of the payment standard and utility allowance schedules are available for review in the SCHA's offices during normal business hours.

The SCHA will maintain documentation to support its annual review of payment standards and utility allowance schedules. This documentation will be retained for at least 3 years.

### **2.11.1 PAYMENT STANDARDS [24 CFR 982.503; HCV GB, Chapter 7]**

The payment standard sets the maximum subsidy payment a family can receive from the SCHA each month [24 CFR 982.505(a)]. Payment standards are based on fair market rents (FMRs) published annually by HUD. FMRs are set at a percentile within the rent distribution of standard quality rental housing units in each FMR area. Alameda is one FMR area. For most jurisdictions FMRs are set at the 40th percentile of rents in the market area.

The SCHA has established a payment standard schedule that establishes payment standard amounts for the SCHA's jurisdiction, and for each unit size. For each unit size, the SCHA has established a single payment standard amount for the whole FMR area. Unless HUD grants an exception, the SCHA is required to establish a payment standard within a "basic range" established by HUD – between 90 and 110 percent of the published FMR for each unit size.

#### **Updating Payment Standards**

When HUD updates its FMRs, the SCHA will update its payment standards if the standards are no longer within the basic range [24 CFR 982.503(b)]. HUD may require the SCHA to make further adjustments if it determines that rent burdens for assisted families in the SCHA's jurisdiction are unacceptably high 24 CFR 982.503(g)].

The SCHA will review the appropriateness of the payment standards on an annual basis when the new FMR is published. In addition to ensuring the payment standards do not exceed the success rate payment standard approved by HUD. The SCHA will consider the following factors when determining whether an adjustment should be made to the payment standard schedule:

**Funding Availability:** The SCHA will review the budget to determine the impact projected subsidy adjustments will have on funding available for the program and the number of families served. The SCHA will compare the number of families who could be

served under revised payment standard amounts with the number assisted under current payment standard amounts.

**Rent Burden of Participating Families:** Rent burden will be determined by identifying the percentage of families, for each unit size, that are paying more than 30 percent of their monthly adjusted income as the family share. When 40 percent or more of families, for any given unit size, are paying more than 30 percent of adjusted monthly income as the family share, the SCHA will consider increasing the payment standard. In evaluating rent burdens, the SCHA will not include families renting a larger unit than their family unit size.

**Quality of Units Selected:** The SCHA will review the quality of units selected by participant families when making the determination of the percent of income families are paying for housing, to ensure that payment standard increases are only made when needed to reach the mid-range of the market.

**Changes in Rent to Owner:** The SCHA may review a sample of the units to determine how often owners are increasing or decreasing rents and the average percent of increases/decreases by bedroom size.

**Unit Availability:** The SCHA will review the availability of units for each unit size, particularly in areas with low concentrations of poor and minority families.

**Lease-up Time and Success Rate:** The SCHA will consider the percentage of families that are unable to locate suitable housing before the voucher expires and whether families are leaving the jurisdiction to find affordable housing.

Payment standards for new contracts will go into effect when a family moves or at the offer of a new lease. For ongoing contracts, if the payment standard increases, the new payment standard will be effective at the next annual reexamination. If the payment standard decreases, the new payment standard will be implemented at the time of the second annual reexamination after the date the new payment standard is adopted.

#### **Exception Payment Standards [982.503(c)]**

The SCHA must request HUD approval to establish payment standards that are higher than the basic range. At HUD's sole discretion, HUD may approve a payment standard amount that is higher than the basic range for a designated part of the FMR area. HUD may approve an exception payment standard amount (in accordance with program requirements) for all units, or for all units of a given size, leased by program families in the exception area. Any public housing authority with jurisdiction in the exception area may use the HUD- approved exception payment standard amount. The total population of all HUD- approved exception areas in an FMR area may not include more than 50 percent of the population of the FMR area.

#### **Unit-by-Unit Exceptions [24 CFR 982.503(c)(2)(ii)]**

Unit-by-unit exceptions to the SCHA's payment standards generally are not

permitted. However, an exception may be made as a reasonable accommodation for a family that includes a person with disabilities. (See Chapter 1 for a discussion of reasonable accommodations.) This type of exception does not affect the SCHA's payment standard schedule.

When needed as a reasonable accommodation, the SCHA may make an exception to the payment standard without HUD approval if the exception amount does not exceed 110 percent of the applicable FMR for the unit size [HCV GB 7-9]. PIH Notice 2013-03 gives the SCHA temporary authorization to apply a payment standard not more than 120 percent of the FMR for a particular family to rent a specific unit as a reasonable accommodation without HUD approval. The SCHA must maintain documentation that the unit has the feature(s) required to meet the needs of the person with disabilities.

A family that requires a reasonable accommodation may request a higher payment standard at the time the Request for Tenancy Approval (RFTA) is submitted. The family must document the need for the exception. In order to approve an exception, the SCHA must determine that:

- There is a shortage of affordable units that would be appropriate for the family;
- The family's TTP would otherwise exceed 40 percent of adjusted monthly income; and
- The rent for the unit is reasonable.

#### **"Success Rate" Payment Standard Amounts [24 CFR 982.503(e)]**

If a substantial percentage of families have difficulty finding a suitable unit, the SCHA may request a "success rate payment standard" that applies to the entire jurisdiction. If approved by HUD, a success rate payment standard allows the SCHA to set its payment standards at 90-110 percent of a higher FMR (the 50<sup>th</sup>, rather than the 40<sup>th</sup> percentile FMR). To support the request, the SCHA must demonstrate that during the most recent 6-month period for which information is available:

- Fewer than 75 percent of families who were issued vouchers became participants; The SCHA had established payment standards for all unit sizes, and for the entire jurisdiction, at 110 percent of the published FMR; and
- The SCHA had a policy of allowing voucher holders who made sustained efforts to locate units at least 90 days to search for a unit.

Although HUD approves the success rate payment standard for all unit sizes in the FMR area, the SCHA may choose to adjust the payment standard for only some unit sizes in all, or a designated part, of the SCHA's jurisdiction within the FMR area.

**Decreases in the Payment Standard Below the Basic Range [24 CFR 982.503(d)]**

The SCHA must request HUD approval to establish a payment standard amount that is lower than the basic range. At HUD's sole discretion, HUD may approve establishment of a payment standard lower than the basic range. HUD will not approve a lower payment standard if the family share for more than 40 percent of program participants exceeds 30 percent of adjusted monthly income.

## **SECTION 3 – OUTREACH PROCEDURES**

### **A. Family Outreach**

The Authority will publicize and disseminate information, as needed, concerning the availability and nature of Section 8 assistance for low income families. Generally, upon execution of an Annual Contributions Contract for Section 8 assistance the Authority will advertise the availability and nature of housing assistance for low income families through publication in a newspaper of general circulation, minority media, and other suitable means. The only exception will be when application taking has been suspended according to HUD regulations.

Such advertisements will:

1. Advise families that applications will be taken at a designated location;
2. Briefly describe the Section 8 program; and
3. State that applicants for Housing Choice Voucher must specifically apply for the Section 8 Program and applicants for the Section 8 Program will not lose their place on the Housing Choice Voucher waiting list.

To reach persons who cannot read the newspapers, the Authority will distribute fact sheets to the broadcasting media. The Authority's TDD number will also be noted in the advertisement in order to facilitate the access of hearing impaired applicants. Provisions for those with vision or hearing impairments will be addressed as circumstances demand. Documents will be written simply, in plain language that can be easily understood. Personal contacts with the news media and with community service personnel, as well as public service announcements, will be also made as determined necessary.

### **B. Owner Outreach**

On a continuing basis, the SCHA will welcome the participation of owners of decent, safe and sanitary housing units. Due to the number of owners now involved, owners are the primary outreach method. However, if a particular landlord group or real estate organization requests a speaker at their meeting, a SCHA representative will attend to speak on Section 8 issues. As inquiries from prospective new owners are called in, SCHA staff will record the necessary information and make it available to prospective participants upon request.

The Authority will periodically issue invitations to owners as needed to make dwelling units available for leasing by eligible families in accordance with the Equal Opportunity Housing Plan. In addition, the Authority will continuously undertake the following outreach:

1. The staff of the Authority continues to make personal contact in the form of formal or informal discussions or meetings with private property owners; property



managers; and real estate agencies where rents are reasonable when compared to the Fair Market Rent and Payment Standard.

Program requirements are explained and printed material is offered to acquaint the owner/manager with the opportunities available under the program.

2. The Authority maintains a list of interested landlords and the property available for the Section 8 Program and updates this list as often as deemed necessary.

**C. Additional Outreach to Improve Handicap Accessibility**

Every reasonable effort will be made to expand the supply of accessible housing available under the Authority's Section 8 programs. Those efforts will include, but are not limited to, the following types of activities:

- # Informing participating property owners of the Authority's policies concerning handicap accessibility and the requirements of Section 504.
- # Notifying currently participating property owners of the need for accessible units and encouraging those with accessible units to make them available under the program.
- # Notifying non-participating property owners of the need for accessible units and encouraging their participation.
- # Exploring the possibility of exception rent approvals with the local HUD office. Higher rents would be offered to those property owners willing to make physical alterations to their property which would make them accessible to individuals with handicaps. The extra rent would be used to amortize the cost of the alterations.
- # Contacting local lending institutions concerning the possibility of establishing a low-interest loan program which gives priority to physical alterations for improved accessibility.
- # Working with local community development agencies to establish other possible sources of financing for physical alterations for improved accessibility.

In addition to working with participating property owners the Authority will make every reasonable effort to ensure that handicapped applicants have equal access to the benefits of the Section 8 programs. Those efforts will include, but are not limited to, the following types of activities:

- Developing effective methods for communicating program information to handicapped applicants that takes into consideration their physical or mental

limitations.

- Developing special application procedures for handicapped applicants. An example would be taking applications at the applicant's home.
- Provide handicapped applicants with a current listing of available accessible units known to the Authority.
- Establishing a liberal extension policy to allow handicapped applicants sufficient time to locate suitable accessible housing.
- Providing other appropriate assistance to handicapped applicants to facilitate their search for accessible housing.

**D. Outreach Procedures for Family Self-Sufficiency**

The outreach procedures for the SCHA'S Family Self-Sufficiency Program are outlined in the HUD approved Action Plan and in this Plan.

## **Section 4 - ELIGIBILITY FOR ADMISSION**

### **A. Eligibility Factors**

The SCHA accepts applications only from families whose head or spouse is at least 18 years of age or emancipated minors under Pennsylvania law.

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

The HUD eligibility criteria are:

An applicant must be a "family."

An applicant must be within the appropriate Income Limits.

An applicant must furnish Social Security Numbers for all family members age six and older.

An applicant must furnish Birth Certificates for all members of the family and declaration of Citizenship or Eligible Immigrant Status and appropriate verification where required. At least one member of the applicant family must be either a U.S. citizen or have eligible immigration status before the SCHA may provide any financial assistance.

Applicant must sign consent authorization for release of information.

Applicant and all family members over the age of eighteen must pass a criminal background check.

Applicant and all family members over the age of eighteen must meet any SCHA's additional screening criteria.

Reasons for denial of admission are addressed in the "Denial or Termination of Assistance" Section. These reasons for denial constitute additional admission criteria.

The Family's initial eligibility for placement on the waiting list will be made in accordance with the eligibility factors, and will not be verified until selection from the applicant pool for a Voucher is made.

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

An applicant who is or has been a victim of domestic violence, dating violence, or stalking is not an appropriate basis for denial of program assistance or for denial admission, if the applicant otherwise qualifies for assistance or admission.

**B. Family Composition**  
**1. Eligible Family Status -**

Applicants for the Authority's Housing Choice Voucher Program can qualify for housing as a Family. **The term "Family" includes, but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:**

1. A single-person, who may be an elderly person, displaced person, disabled person, near-elderly person or any other single person; or
2. A group of persons residing together and such group includes, but is not limited to:
  - i. A family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family);
  - ii. An elderly family;
  - iii. A near-elderly family;
  - iv. A disabled family;
  - v. A displaced family; and the remaining member of a tenant family.

In addition, for categorizing family as defined above, the terms disabled family, elderly family and near-elderly family (per 24 CFR 5.403) are:

A Family consists of:

- a. Two or more persons sharing residency whose income and resources are available to meet the family's needs and who are either related by blood, marriage or operation of law, or who evidenced a stable family relationship over a period of time (not less than one year).

Evidence of stable family relationship may include any of the following: birth certificates of all family members, joint tax return, prior lease (held jointly), joint bank accounts, insurance policies, prior joint credit history, or equivalent documentation as determined by the Authority.

An expectant mother with no other children will qualify for assistance as a family. She will be listed on the waiting list and qualifies for admission into housing unless no live birth occurs prior to being housed. Once she is admitted as a single pregnant woman, she will be considered the remaining member of the resident family if she aborts or miscarries.

- b. Elderly family - a family whose head, spouse or sole member is a person who is at least 62 years of age. It may include two or more persons who are at least 62 years of age living together or one or more persons who are at

least 62 years of age living with one or more live-in aides. Elderly families may include children.

c. Disabled family - a family whose head, spouse or sole member is a person with disabilities. It may include two or more persons who are persons with disabilities living together or one or more persons with disabilities living with one or more live-in aides. The definition below covers the Housing Choice Voucher eligibility for programs serving persons with disabilities such as mixed population housing, designated housing for persons with disabilities, vouchers targeted for persons with disabilities, and eligibility for the \$400 deduction for disabled families and for medical deductions or disability assistance deductions for persons with disabilities. Families that do not qualify as disabled families may still be eligible for assistance under the Housing Choice Voucher program and preferences that are not linked to disability status.

d. Person(s) with Disabilities - those who have a physical, mental or emotional impairment, {as defined in 42 U.S.C. 423 (the social security definition) or Section 102 (b)(7) or 6001(7) of the Developmentally disabled Act}; which is expected to be of a long continued and indefinite duration, which substantially impedes but does not prohibit their ability to live independently, and is of such nature that such ability could be improved by more suitable housing conditions; or has a developmental disability as defined in 42 U.S.C. 6001. Persons who have the disease of acquired immunodeficiency syndrome (AIDS) or any conditions arising from the etiologic agency for acquired immunodeficiency syndrome are not excluded. For purposes of qualifying for the Housing Choice Voucher program, where eligibility is linked to disability status, a person whose disability is based solely on any drug or alcohol dependence is excluded (although some person with drug or alcohol dependence may have other disabilities).

In Accordance with 24 CFR 8.3, individuals with (disabilities) handicaps means any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such an impairment; or is regarded as having such an impairment. The term 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 activity in question, or whose participation, by reason of such current alcohol or drug abuse, would constitute a direct threat to property or the safety of others. As used in this definition, the phrase:

(1) Physical or mental impairment includes:

(a) any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genitourinary; hemic and lymphatic; skin; and endocrine; or

(b) any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term physical or mental impairment includes, but is not limited to, such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.

Major life activities means functions such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning and working.

Has a record of such an impairment means has a history of, or substantially limits one or more major life activities.

Is regarded as having an impairment means:

has a physical or mental impairment that does not substantially limit one or more major life activities but that is treated by a recipient as constituting such a limitation;

has a physical or mental impairment that substantially limits one or more major life activities only as a result of the attitudes of others toward such impairment; or

has none of the impairments defined in paragraph (a) of this section, but is treated by a recipient as having such an impairment.

e. Near Elderly – a family whose head, spouse or sole member is at least 50 years of age but below the age of 62; or two or more persons who are at least 50 years of age but below the age of 62 living together; or one or more persons who are at least 50 years of age but below the age of 62 living with one or more live-in aides.

f. Displaced by governmental action or a person whose dwelling has been extensively damaged or destroyed as a result of a declared disaster or otherwise formally recognized under federal disaster relief laws or who has been displaced as a result of domestic violence perpetrated against them.. Governmental action is defined as Federal, State, or local government; or

g. Remaining member of a Resident family (a family member, listed on the lease who is the only family member still remaining in the unit).

Any other single person who is not 62 years old or older, disabled, handicapped, displaced, or the remaining member of a Resident family.

**No individual registered with the state sex offender registration program will be admitted to the Housing Choice Voucher Program.**

**Household members (may) include:**

**Head of Household:**

The head of household is the person who assumes legal and moral responsibility for the household and is listed on the application as head.

A family may not designate a family member as head of household solely to qualify the family as an elderly household.

***Spouse of Head***

Spouse means the husband or wife of the head.

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

***Co-Head***

An individual in the household who is equally responsible for the lease with the Head of Household. A family may have a spouse or co-head, but not both. A co-head never qualifies as a dependent.

**Household members:**

Only those persons listed on the application shall be permitted to occupy a dwelling unit. Exceptions are made for natural births, unborn children, adoptions, or court awarded custody of child(ren); however, family **must** notify SCHA of the event prior to admission).

Children temporarily absent from the home due to placement in foster care may also be considered family members

Any family seeking to add a new member to their application (i.e. applicant plans to be married, takes in foster child, etc.) must submit a written request to do so. Eligibility, screening and occupancy requirements will be taken into consideration prior to granting approval to such request.

Minors and college students who live away from home during the school year are not considered members of the household

In a joint custody arrangement, if the minor is in the household less than 183 days per year, the minor will not be considered as a family member.

**Live-In Attendants:**

A Family may include a live-in attendant who(se):

Has been determined by the Authority to be essential to the care and well being of the elderly, handicapped or disabled family member; and

Is not obligated for the support of the elderly, handicapped or disabled member; and

Would not be living in the unit except to provide care of the elderly, handicapped or disabled family member; and

Income will not be counted for purposes of determining eligibility or rent; and may **not** be considered the remaining member of the Resident family if the person they were attending is no longer a participant in the Housing Choice Voucher Program.

Relatives are not automatically excluded from being care attendants, but must meet the definition described above.

Live-in attendants cannot be the remaining member of the Resident family if the person they are attending is no longer a participant in the Housing Choice Voucher Program.

To determine whether a live-in attendant is essential to the care and well being of the elderly, handicapped or disabled person, the Authority will send a third party verification to a knowledgeable professional, such as a doctor, social worker, or case worker familiar with the applicant. The letter will request exact information on the services the live-in attendant needs to provide to make the live-in attendant essential and why the live-in attendant is needed.

Verification must include the hours the care will be provided.

Live-in attendants are required to sign a blanket release of information to be used by the Authority to conduct a criminal background check of the individual. The individual proposed as a live-in attendant must meet the same selection criteria regarding drug-related criminal activity, violent criminal behavior and or other criminal activity as any other applicant for housing assistance. Any cost associated with the background criminal check will be the responsibility of the proposed live-in attendant.

At any time, the SCHA will refuse to approve a particular person as a live-in aide or may withdraw such approval if:

The person commits fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program;



The person currently owes rent or other amounts to the SCHA or to another SCHA in connection with Public Housing or Housing Choice Voucher assistance under the 1937 Act.

The person has been terminated from a rental assistance program for violation of Family Obligations, fraud, or corrupt or criminal acts in connection with the program.

The person has been arrested, convicted, and, or, evicted from a unit assisted under the Housing Act of 1937 due to drug-related activity, violent criminal activity or other criminal activity within the last 7 years prior to the date of the notice to terminate assistance, and whose activities have created a disturbance in the building or neighborhood.

The person has been arrested or convicted of drug-related criminal activity, violent criminal activity, or other criminal activity against persons or property that threatens health, safety, and/or welfare of other persons, or that would likely interfere with the right to peaceful enjoyment of the premises of neighbors and/or other residents of the premises.

The person has been convicted of any form of sexual crime, or crimes against minor children, or have a history of arrests and/or convictions for any form(s) of sexual crime or crimes against minor children, regardless of when the convictions and/or arrests occurred; additionally, per 24 CFR 5.856, the SCHA prohibits admission to federally assisted housing if any member of the household is subject to a lifetime registration requirement under a State sex offender registration program. In the screening of applicants, the SCHA will perform necessary criminal history background checks in the State where the housing is located and in other States where the household members are known to have resided.

The person has been convicted of any degree of murder, or has a history of arrests and/or convictions of any degree of murder, regardless of when the convictions and/or arrests occurred.

### ***Split Households Prior to Voucher Issuance***

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

Which family member applied as head of household.

Which family unit retains the children or any disabled or elderly members.

Restrictions that were in place at the time the family applied.

Role of domestic violence in the split.

Recommendations of social service agencies or qualified professionals such as children's protective services.

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

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

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

### ***Multiple Families in the Same Household***

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

### ***Joint Custody of Children***

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

There will be a self-certification required of families who claim joint custody or temporary guardianship.

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

## **C. Income Limitations**

To be eligible for assistance, an applicant must:

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

To be income eligible the applicant must be a family in the very low-income category, which is a family whose income does not exceed 50 percent of the area median income. The SCHA will not admit families whose income exceeds 50 percent of the area median income except those families included in 24 CFR 982.201(b). To be income eligible the family may be under the low-income limit in any of the following categories:

A low-income family that is continuously assisted under the 1937 Housing Act.

An applicant is continuously assisted if the family has received assistance under any 1937 Housing Act program within 120 days of voucher issuance. Programs include any housing federally assisted under the 1937 Housing Act.

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

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

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

A low-income family or moderate-income family that is displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract under 24 CFR 248.165.

A low-income family that qualifies for Voucher assistance as a non-purchasing family is residing in projects subject to a resident home ownership program.

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

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

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

#### **D. Mandatory Social Security Numbers**

In accordance with 24 CFR 5.216, 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.
  - 1) A family that consists of a single household member (including a pregnant individual) who does not have eligible immigration status is **not eligible** for housing assistance and cannot be housed.
  - 2) A family that consists of two or more household members **and at least one** household member that has eligible immigration status, is classified as a mixed family, and **is eligible** for prorated assistance in accordance with 24 CFR 5.520. The SCHA may **not** deny assistance to mixed families due to nondisclosure of an SSN by an individual who does not contend to have eligible immigration status.
- b. Existing program participants as of January 31, 2010, who have previously disclosed their SSN and HUD has determined the SSN to be valid. SCHA may confirm HUD's validation of the participant's SSN by viewing the household's **Summary Report** or the **Identity Verification Report** in the EIV system.

- 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. Disclosure of SSNs is considered information subject to the Federal Privacy Act (5 USC 552a, as amended). In accordance with 24 CFR 5.212, the collection, maintenance, use, and dissemination of SSNs, any information derived from SSNs and income information must be conducted, to the extent applicable, in compliance with that Act and all other provisions of Federal, State, and local law.

All members of the family defined above must either:

- a. Submit Social Security Number documentation
- b. Sign a certification if they have not been assigned a Social Security Number. If the individual is under 18, the certification must be executed by his or her parent or guardian. If the participant who has signed a certification form obtains a Social Security Number, it must be disclosed at the next regularly scheduled income recertification.

Verification will be done through the provision of a valid Social Security card issued by the Social Security Administration.

The Authority will accept copies of the Social Security card only when it is necessary for the Authority to verify by mail the continuing eligibility of public housing participant families.

If an applicant or tenant cannot provide his or her Social Security card, other documents listed below showing his or her Social Security Number may be used for verification. He or she may be required by the SCHA to provide one or more of the following alternative documents to verify his or her Social Security Number.

These documents include:

- Drivers license
- Identification card issued by a Federal, State or local agency
- Identification card issued by an employer or trade union
- Identification card issued by a medical insurance company
- Photo ID or other acceptable proof of identity
- Earnings statements or payroll stubs
- Bank statements
- IRS Form 1099
- Benefit award letters from government agencies

Unemployment benefit letter

Retirement benefit letter

Life insurance policies

Court records such as real estate, tax notices, marriage and divorce, judgment or bankruptcy records

Verification of Social Security benefits with the SSA

If the SCHA verifies Social Security benefits with the Social Security Administration, the acceptance of the Social Security Number by the Social Security Administration may be considered documentation of its validity.

Applicants may not become participants until the documentation is provided. The applicant will retain their position on the waiting list during this period.

If an applicant or tenant is able to disclose the Social Security Number, but cannot meet the documentation requirements, the applicant or tenant must sign a certification to that effect provided by the SCHA.

***Addition of new household member who is at least 6 years of age or under the age of 6 and has an assigned SSN.***

When the [participant](#) requests to add a new [household](#) member who is at least 6 years of age, or is under the age of 6 and has an assigned [SSN](#), the [participant](#) must provide the following to the [processing entity](#) at the time of the request, or at the time of processing the interim reexamination or recertification of [family](#) composition that includes the new member(s):

1. The complete and accurate [SSN](#) assigned to each new member; and
2. The documentation referred to in [paragraph \(g\)\(1\)](#) of this section to verify the [SSN](#) for each new member.

***Addition of new household member who is under the age of 6 and has no assigned SSN.***

If a child under the age of 6 years was added to the applicant household within the 6-month period prior to the household's date of admission, the applicant may become a participant, so long as the documentation required in paragraph of this section is provided to the processing entity within 90 calendar days from the date of admission into the program.

The Housing Authority will grant an extension of one additional 90-day period if the Housing Authority determines that, in its discretion, the applicant's failure to comply was due to circumstances that could not reasonably have been foreseen and were outside the control of the applicant. If the applicant family fails to produce the documentation

required in paragraph of this section within the required time period, the Housing Authority must deny the eligibility of the applicant in accordance with the provisions governing the Housing Choice Voucher Program and this Policy.

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

**E. Income Targeting**

Not less than 75 percent of the families admitted to the Housing Authority's tenant-based voucher program during the fiscal year from the SCHA waiting list shall be extremely low income families. The Housing Authority may admit a lower percent of extremely low income families (i.e. below 30 percent of the median income) during a fiscal year if HUD determines that circumstances necessitate use of a lower percent.

**F. Citizenship/Eligible Immigration Status**

Section 214 of the Housing and Community Development Act of 1980, as amended, prohibits making financial assistance to persons other than United States citizens, nationals, or certain categories of eligible noncitizens in HUD's Housing Choice Voucher 8 programs. Therefore, SCHA shall administer the restrictions on providing assistance in accordance with the requirements set forth in 24 CFR Part 5.506 as follows:

**a. Restriction of assistance is limited to the following:**

- Citizens, including nationals; or
- Non-citizens who have eligible immigration status in one of the following categories:
  1. A non-citizen who has been lawfully admitted to the United States for permanent residence, as defined by Section 101 (a) (20) of the Immigration and Nationality Act (INA); as an immigrant, as defined by Section 101(a)(15) of the INA (8 U.S.C. 101(a)(20) and 21101(a)(15), respectively (immigrants). This category includes a non-citizen who has been admitted under Section 210 or 210A of the INA (8 U.S.C. 1160 or 1161), (special agricultural worker), and who has been granted lawful temporary resident status;
  2. A non-citizen who entered the U.S. before January 1, 1972, or such later date as enacted by law, and who has continuously maintained residence in the U.S. since then, and who is not ineligible for citizenship, but who is deemed to be lawfully admitted for permanent residence as a result of an exercise of discretion by the Attorney General under Section 249 of the INA (8 U.S.C. 1259);
  3. A non-citizen who is lawfully present in the U.S. pursuant to an admission under Section 207 of the INA (8 U.S.C. 1157) (refugee status); pursuant to the granting of asylum (which has not been terminated) under Section 208 of

the INA (8 U.S.C. 1158) (asylum status); or as a result of being granted conditional entry under Section 203(a)(7) of the INA (U.S.C. 1153(a)(7) before April 1, 1980, because of persecution or fear of persecution on account of race, religion, or political opinion or because of being uprooted by catastrophic national calamity;

4. A non-citizen who is lawfully present in the U.S. as a result of an exercise of discretion by the Attorney General for emergency reasons or for reasons deemed strictly in the public interest under Section 212(d)(5) of the INA (8 U.S.C. 1182(d)(5))(parole status);

5. A non-citizen who is lawfully present in the U.S. as a result of the Attorney General's withholding deportation under Section 243(h) of the INS (8 U.S.C. 1253(h)) (threat to life or freedom); or

6. A non-citizen lawfully admitted for temporary or permanent resident under Section 245A of the INA (8 U.S.C. 1255a) (amnesty granted under INA 245A).

A family shall not be eligible for assistance unless every member of the family residing in the unit is determined to have eligible status as defined above. Despite the ineligibility of one or more family member(s), a mixed family may be eligible for one of the three types of assistance provided under the section titled Preservation of Mixed Families and Other Families. A family without any eligible members and receiving assistance on June 19, 1995, may be eligible for temporary deferral of termination of assistance as provided in the section titled Preservation of Mixed Families and Other Families.

## **2. Prohibition of Assistance To Non-Citizen Students**

A. General Non-citizen Students shall not be eligible for housing assistance.

B. Non-citizen student: For purposes of this part, a non-citizen student is defined as a non-citizen who:

1. Has a residence in a foreign country that the person has no intention of abandoning;

2. Is a bona fide student qualified to pursue a full course of study; and

3. Is admitted to the United States temporarily and solely for purposes of pursuing such a course of study at an established institution of learning or other recognized place of study in the United States, particularly designated by such person and approved by the Attorney General after consultation with the Department of Education of the United States, which institution or place of study shall have agreed to report to the Attorney General the termination of attendance of each non-citizen student.

The prohibition on providing assistance to a non-citizen student also extends to the non-citizen spouse of the non-citizen student and non-citizen minor children of any non-citizen student if the spouse or children are accompanying the student or following to join such student. The prohibition on providing assistance to a non-citizen student does not extend to the citizen spouse or the non-citizen student and the children of the citizen spouse and non-citizen student. Children born to a U.S. citizen spouse are U.S. citizens by birth.

### **3. Preservation of Mixed Families and Other Families**

#### **A. Assistance available for mixed families.**

1. For a mixed family assisted under a Section 214 covered program on June 19, 1995, and following completion of the appeals and informal hearing procedures, one of the following three types of assistance may be available to the family:

(i) Continued assistance (see Item B below covering continued assistance);

(ii) Temporary deferral of termination of assistance (see Item C below covering temporary deferral of termination of assistance): or

(iii) Prorated assistance (see Item D below covering prorated assistance: A mixed family must be provided prorated assistance if the family so requests).

2. Prorated assistance is also available for mixed families applying for assistance as provided in item D below.

3. For families receiving assistance under a Section 214 covered program on June 19, 1995, and who have no members with eligible immigration status, the SCHA may grant the family temporary deferral of termination of assistance.

#### **B. A mixed family may receive continued housing assistance if all of the following conditions are met:**

1. The family was receiving assistance under a section 214 covered program on June 19, 1995;

2. The family's head of household or spouse has eligible immigration status; and

3. The family does not include any person (who does not have eligible immigration status) other than the head of household, any spouse of the head of household, any parents of the head of household, any parents of the spouse, or any children of the head of household or spouse.

#### **C. If a mixed family qualifies for prorated assistance (and does not qualify for continued assistance), but decides not to accept prorated assistance, or if a family**



has no members with eligible immigration status, the family may be eligible for temporary deferral of termination of assistance if necessary to permit the family additional time for the orderly transition of those family members with ineligible status, and any other family members involved, to other affordable housing. Other affordable housing is used in the context of transition of an ineligible family from a rent level that reflects HUD assistance to a rent level that is unassisted; the term refers to housing that is not substandard, that is of appropriate size for the family and that can be rented for an amount not exceeding the amount that the family pays for rent, including utilities, plus 25 percent.

If temporary deferral of termination of assistance is granted, the deferral period shall be for an initial period not to exceed six months. The initial period may be renewed for additional periods of six months, but the aggregate deferral period shall not exceed a period of three years.

At the beginning of each deferral period, SCHA must inform the family of its ineligibility for financial assistance and offer the family information concerning and referrals to assist in finding, other affordable housing.

Before the end of each deferral period, SCHA must:

1. Make a determination of the availability of affordable housing of appropriate size based on evidence of conditions which when taken together will demonstrate an inadequate supply for affordable housing for the area in which the project is located. the consolidated plan (if applicable as described in 24 CFR part 91), the SCHA's own knowledge of the availability of affordable housing, and on evidence of the tenant family's efforts to locate such housing; and
2. Notify the tenant family in writing, at least 60 days in advance of the expiration of the deferral period, that termination will be deferred again (providing that the granting of another deferral will not result in aggregate deferral periods that exceed three years) and a determination was made that other affordable housing is not available; or
3. Notify the tenant family in writing, at least 60 days in advance of the expiration of the deferral period, that termination of financial assistance will not be deferred because either granting another deferral will result in aggregate deferral periods that exceed three years, or a determination has been made that other affordable housing is available.

A family who is eligible for, and receives temporary deferral of termination of assistance, may request, and the SCHA shall provide, proration of assistance at the end of the deferral period if the family has made a good faith effort during the deferral period to locate other affordable housing.

The SCHA shall notify the family of its decision concerning the family's qualification for assistance under this section. If the family is ineligible for assistance under this section, the notification shall state the reasons, which must be based on relevant factors. For tenant families, the notice shall inform the family of any applicable appeal rights.

#### D. Proration Of Assistance for Mixed Families:

Method for prorating assistance for mixed families (other than a family receiving continued assistance or a family who is eligible for and requests and receives temporary deferral of termination of assistance is outlined in **Section 8** of this Plan.

#### **Submission of Evidence of Citizenship or Eligible Immigration Status:**

Eligibility for assistance or continued assistance under a Section 214 covered program is contingent upon a family's submission and verification of certain document (as described in Plan).

#### **Verification of Status Before Admission**

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

#### **G. Consent Authorization For Release Of Information**

Applicants or residents will sign and submit a sufficient number of copies of **Form HUD 9886, Authorization for the Release of Information/Privacy Act Notice** and any appropriate SCHA consent to verification form that applies to information not covered by form HUD 9886, at initial application, at the time their eligibility is determined, or during an interim examination or regularly scheduled income recertification.

A sufficient number of copies of form HUD 9886 and the SCHA Open Verification form will be signed by the head of household and spouse regardless of age and by each adult member eighteen years of age or older in the household at the initial application. These forms may be used in accordance with The Computer Matching and Privacy Protection Act of 1988 which mandates the Privacy Protection Act of 1974 expand the safeguards and verification requirements applicable to data that will be used in federal computer matching programs.

Form 9886 is a general authorization form and is not intended to replace specific forms used by the SCHA to verify information about applicants and residents.

#### **H. Students Enrolled In Institutions Of Higher Education**

Section 327 of Public Law 109-115 and the implementing regulation at 24 CFR 5.612 established new restrictions on the eligibility of certain students (both part- and full-time) who are enrolled in institutions of higher education.

If a student enrolled at an institution of higher education is under the age of 24, is not a veteran, is not married, does not have a dependent child, and is not a person with disabilities receiving assistance as of November 30, 2005, the student's eligibility must be examined along with the income eligibility of the student's parents. In these cases, both the student and the student's parents must be income eligible for the student to receive HCV assistance. If, however, a student in these circumstances is determined independent from his/her parents in accordance with SCHA policy, the income of the student's parents will not be considered in determining the student's eligibility.

The new law does not apply to students who reside with parents who are applying to receive HCV assistance. It is limited to students who are seeking assistance on their own, separately from their parents.

### **Definitions**

In determining whether and how the new eligibility restrictions apply to a student, the SCHA will rely on the following definitions [FR 4/10/06, p. 18148].

#### ***Dependent Child***

In the context of the student eligibility restrictions, *dependent child* means a dependent child of a student enrolled in an institution of higher education. The dependent child must also meet the definition of *dependent* in 24 CFR 5.603, which states that the dependent must be a member of the assisted family, other than the head of household or spouse, who is under 18 years of age, is a person with a disability, or is a full-time student. Foster children and foster adults are not considered dependents.

#### ***Independent Student***

The SCHA will consider whether a student is “independent” if he or she meets the U.S. Department of Education’s definition of an “independent student” in accordance with Section 490(d) of the Higher Education Act of 1965, as amended (the HEA) by the College Cost Reduction and Access Act of 2007:

1. The individual is 24 years of age or older by December 31 of the award year for which aid is sought;
2. The individual is an orphan, in foster care, or a ward of the court or was an orphan, in foster care, or a ward of the court at any time when the individual was 13 years of age or older;
3. The individual is, or was immediately prior to attaining the age of majority, an emancipated minor or in legal guardianship as determined by a court of competent jurisdiction in the individual’s State of legal residence;
4. The individual is a veteran of the Armed Forces of the United States (as defined in subsection (c)(1) of HEA) or is currently serving on active duty in the Armed Forces for other than training purposes;
5. The individual is a graduate or professional student;
6. The individual is a married individual;
7. The individual has legal dependents other than a spouse;
8. The individual has been verified during the school year in which the application is submitted as either an unaccompanied youth who is a homeless child or youth (as such terms are defined in section 725 of the McKinney-Vento Homeless Assistance Act) (42 U.S.C. 11431 et seq.), or as unaccompanied, at risk of homelessness, and self-supporting, by—

- (i) a local educational agency homeless liaison, designated pursuant to section 722(g)(1)(J)(ii) of the McKinney-Vento Homeless Assistance Act;
- (ii) the director of a program funded under the Runaway and Homeless Youth Act or a designee of the director;
- (iii) the director of a program funded under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act (relating to emergency shelter grants) or a designee of the director; or
- (iv) a financial aid administrator; or .

9. The individual is a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances.

The SCHA will verify that a student meets the above criteria in accordance with the policies in this Plan.

***Institution of Higher Education***

The SCHA will use the statutory definition under section 102 of the Higher Education Act of 1965 to determine whether a student is attending an *institution of higher education*.

***Parents***

For purposes of student eligibility restrictions, the definition of *parents* includes biological or adoptive parents, stepparents (as long as they are currently married to the biological or adoptive parent), and guardians (e.g., grandparents, aunt/uncle, etc.).

***Veteran***

A *veteran* is a person who served in the active military, naval, or air service and who was discharged or released from such service under conditions other than dishonorable.

**Determining Student Eligibility**

If a student is applying for assistance on his/her own, apart from his/her parents, the housing agency must determine whether the student is subject to the eligibility restrictions contained in 24 CFR 5.612. If the student is subject to those restrictions, the SCHA must ensure that: (1) the student is individually eligible for the program, (2) either the student is independent from his/her parents or the student's parents are income eligible for the program, and (3) the "family" with which the student is applying is collectively eligible for the program.

For any student who is subject to the 5.612 restrictions, the SCHA will:

- Follow its usual policies in determining whether the student individually and the student's "family" collectively are eligible for the program

- Determine whether the student is independent from his/her parents in accordance with the definition of *independent student* in this section
- Follow the policies below, if applicable, in determining whether the student's parents are income eligible for the program

If the SCHA determines that the student, the student's parents (if applicable), or the student's "family" is not eligible, the SCHA will send a notice of denial in accordance with the policies in this Chapter, and the applicant family will have the right to request an informal review in accordance with the policies in this Plan.

***Determining Parental Income Eligibility***

For any student who is subject to the 5.612 restrictions and who does not satisfy the definition of *independent student* in this section, the SCHA will determine the income eligibility of the student's parents as follows:

- If the student's parents are married and living together, the SCHA will obtain a joint income declaration and certification of joint income from the parents.
- If the student's parent is widowed or single, the SCHA will obtain an income declaration and certification of income from that parent.
- If the student's parents are divorced or separated, the SCHA will obtain an income declaration and certification of income from each parent.
- If the student has been living with one of his/her parents and has not had contact with or does not know where to contact his/her other parent, the SCHA will require the student to submit a certification under penalty of perjury describing the circumstances and stating that the student does not receive financial assistance from the other parent. The SCHA will then obtain an income declaration and certification of income from the parent with whom the student has been living or had contact.

In determining the income eligibility of the student's parents, the SCHA will use the income limits for the jurisdiction in which the parents live.

**I. Criminal Background Check**

***Applicant and all family members over the age of eighteen must pass a criminal background check.***

The SCHA will perform a criminal background check on all applicants prior to participation in the program. In doing so, the SCHA contacts local law enforcement agencies to complete the SCHA Criminal Background Verification Form. In compliance with the 1998 Act, if any family member has a history of criminal activity, especially related to drugs or crimes of violence, he/she will not qualify for participation in the program.

The Authority will not be obligated to ferret out information concerning a family's criminal activities as part of the processing of an application for assistance. Initial screening will be limited to routine inquiries of the family and any other information provided to the Authority regarding this matter. The inquiries will be standardized and directed to all applicants by the inclusion of the inquiry on the application form.

#### **J. Additional Screening Criteria**

Applicant and all family members over the age of eighteen must meet the SCHA's additional screening criteria.

**All applications are pre-screened for initial eligibility.** Initial screening will also be conducted in compliance with the Quality in Housing and Work Responsibility Act of 1998 (QHWRA), and shall include specifically:

1. Documented eviction from any assisted or non-assisted housing for Drug-Related Criminal Activity. Drug-related Criminal Activity is defined as the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use a controlled substance. **Applicants who have been evicted from public housing, or Section 8 programs because of Drug-Related Criminal Activity will be placed on the wait list only after a three-year period (from the date of arrest) has expired.**
2. Documented eviction from public housing or Section 8 programs because of Drug-Related Criminal Activity are ineligible for admission to assisted programs for a three-year period beginning on the date of such eviction. **Applications will be accepted from applicants who have been evicted from public housing or Section 8 programs because of Drug-Related Criminal Activity only after a three-year period (from the date of arrest) has expired.**
3. Documented record of arrest or conviction from any assisted or non-assisted housing for manufacturing or producing methamphetamine. **Persons arrested or convicted of manufacturing or producing methamphetamine are never allowed to participate in SCHA's housing programs.**
4. Determination by the SCHA that the applicant or member of the applicant's family is a registered sex offender. **Registered sex offenders are never allowed to participate in SCHA's housing programs.**
5. Determination by the SCHA that the applicant or member of the applicant's family owes back rent or other charges, or has established a pattern (three or more times in a 12 month period) of late payment. A former SCHA resident who applies while owing a balance consisting of uncollected rent and/or miscellaneous charges will not be considered for housing. In this case, the SCHA makes no distinction between an outstanding balance carried as a current receivable and an outstanding balance which has been written off as a collection loss. **Applications shall not be accepted from applicants owing a balance until such time as the balance is paid in full.**
6. Determination by the SCHA that the applicant or member of the applicant's family has been evicted from public housing or Section 8 programs for lease violations or violations of family obligations. **Applications will be accepted from applicants who have been evicted from public housing or Section 8 programs because of lease violations or violations of family obligations only after a three-year period (from the date of occurrence) has expired.**

The SCHA will not screen family behavior or suitability for tenancy. The SCHA will not be liable or responsible to the owner or other persons for the family's behavior or the family's conduct in tenancy.

The owner is responsible for screening and selection of the family to occupy the owner's unit. At or before SCHA approval of the tenancy, the SCHA may inform the owner that screening and selection for tenancy is the responsibility of the owner.

The SCHA will advise families how to file a complaint if they have been discriminated against by an owner. The SCHA will advise the family to make a Fair Housing complaint.

The SCHA may also report the owner to HUD (Fair Housing/Equal Opportunity) or the local Fair Housing Organization.

**K. Changes in Eligibility Prior to Effective Date of the Contract**

Changes that occur during the period between issuance of a voucher and lease up may affect the family's eligibility or share of the rental payment.

**L. Ineligible Families**

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

**M. Prohibited Admissions Criteria**

Admission to the program may not be based on where the family lives before admission to the program.

Admission to the program may not be based on:

Discrimination because members of the family are unwed parents, recipients of public assistance, or children born out of wedlock.

Discrimination because a family includes children.

Whether a family decides to participate in a family self sufficiency program; or

Other reasons as listed in the "Statement of Policies and Objectives" chapter under the Fair Housing and Reasonable Accommodations sections.

## **SECTION 5 - APPLYING FOR ADMISSION**

### **A. How to Apply**

Families wishing to apply for any of the Authority's programs must complete the application process described in this Section.

Applications are taken to compile a waiting list. Due to the demand for housing in the Authority's jurisdiction, the Authority will generally take applications on an "open enrollment" basis. At times when the waiting list gets unreasonably long, resulting in long waits for assistance, the Authority may opt to close the waiting list.

If the waiting list is closed and the Authority decides to open the waiting list, the Authority will publish the application date(s), the bedroom size and program for which applications are opening, in the Pottsville Republican Herald. The publication will also specify the location where applications are taken. Generally, applications will be taken at the Authority office. The Authority will also send the announcement to agencies whose clients are very low income, and flyers will be available in the front office of the Authority.

The application process will be undertaken by the Authority taking a formal application and verify the information provided.

### **Acceptance of Application**

Generally, any family requesting an application for the Housing Choice Voucher Program will be given the opportunity to fill one out as long as the waiting list is open and the SCHA is accepting applications. Other families will be allowed to apply when the waiting list is closed according to the conditions described in Section 5 Item B.

If application-taking is open, applications may be made in person at the SCHA during specified dates and business hours posted at the SCHA office. The application must be dated, time-stamped, and referred to the SCHA's office where tenant selection and assignment is processed.

Individuals who have a physical impairment which would prevent them from making application in person may call the Section 8 Coordinator to make special arrangements to complete their application.

The SCHA may also take applications at designated outreach sites as it determines necessary to comply with special outreach efforts.

### **B. Opening/Closing of Application Taking**

Generally, any family requesting an application for Housing Choice Voucher Program will be given the opportunity to fill one out as long as the waiting list is open and the SCHA is accepting applications. Other families will be allowed to apply when the waiting list is closed according to the conditions described in Section 6, Maintaining the Waiting List.



If application-taking is open, applications may be made in person at the Authority's Application office during specified dates and business hours posted at the Authority's offices. The application must be dated, time-stamped, and referred to the Housing Authority's application office where tenant selection and assignment is processed.

Individuals who have a physical impairment which would prevent them from making application in person may call the Section 8 Coordinator to make special arrangements to complete an application form.

The Housing Authority may also take Applications at designated outreach sites as it determines necessary to comply with special outreach efforts.

If the Housing Authority is taking applications on an open enrollment basis and decides that the waiting list is too long in any category, the Authority will utilize the following procedures for opening and closing the waiting list.

### **Open Waiting List**

Generally, applications are to be accepted from all families seeking admission to the SCHA's programs, regardless of the number of eligible applications on hand, unless the number and type of applications received are such as to indicate future applicants would unlikely be offered units within twelve months.

Waiting lists may be closed completely during certain times of the year.

The waiting list may not be closed if it would have a discriminatory effect inconsistent with applicable civil rights laws.

### **Suspension of Application Taking**

If the SCHA is taking applications on an open enrollment basis, the SCHA may suspend the taking of applications if the waiting list is such that additional applicants would not be able to receive a rental voucher within 12 months.

Depending on the number of families on the waiting list and the number of rental vouchers to become available, while the waiting list is closed, the SCHA may have the applicant initially fill out a form as to whether or not they claim a preference.

If a preference is claimed, they will be allowed to complete an application and be placed on the waiting list unless the SCHA elects to close the waiting list to all families because there are enough applicants with a local preference to fill rental vouchers which are expected to turn over with a 12 month period.

### **Reopening of the List**

Any reopening of the list is done in accordance with the HUD requirements, and any waiver that HUD may have granted for special allocations through memorandum and

notice from the HUD Central Office. This action is taken utilizing the following procedures:

- a. Notice in newspaper of general circulation
- b. Posting such notice in plain view in the applications office.
- c. Notice published in minority media publications in the SCHA's jurisdiction

The closing date for taking applications may be determined administratively at the same time that the SCHA determines to open enrollment. The open enrollment period shall be long enough to allow enough applicants as required by the projected turnover of rental vouchers.

### **C. Notification of Family Status**

Based on the information on the pre-application, if the family is preliminarily determined eligible the applicant will be informed of the probable date their name will be reached to receive a rental voucher. The SCHA communication will in no way lead applicants to believe that the estimated date of rental voucher issuance is exact, but will stress that the estimated date of rental voucher issuance is subject to several factors that are beyond the SCHA's control (ie. preference determination, turnover, funding, etc.)

This information with respect to eligibility (and time period to receive a rental voucher) will be written and delivered to the applicant with a copy placed in the applicant's file.

### **Right to Informal Review**

Applicants who are denied Section 8 assistance are entitled to an informal review of their application. Households participating in the program have a right to an informal hearing by an impartial Hearing Officer under certain situations. People are considered "applicant" until there is an effective lease and subsidy contract, at which time they become a "participant".

Ineligible applicants will be promptly provided with a letter detailing their individual status, stating the reason for their ineligibility, and offering them an opportunity for an informal review.

An informal review may be requested for the following decisions denying:

Listing on the SCHA's Waiting List

Issuance of a rental voucher

Participation in the Program

Preference Determination

Citizenship/Eligible Immigration status

Applicants must submit their request in writing to the SCHA with 10 working days from the date on the determination letter.

### **Removal of Applicants from the Waiting List**

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

1. The applicant requests that the name be removed.
2. The applicant has failed to advise the Authority of his/her continued interest in housing. Annually, the SCHA mails out an update notice which must be returned to the central office. The SCHA requires applicants to respond to the notice to inform the Authority of continued interest on a yearly basis. This notice includes advising the Authority of any change in family status, change in preference status, or change in living or mailing address.
3. The Authority has made reasonable efforts to contact the applicant to determine continued interest, but has been unsuccessful. Correspondence to the latest address will constitute documentation of reasonable effort to contact the applicant.
4. The Authority has notified the Applicant of its intention to remove the Applicant's name because the applicant no longer qualifies for housing.
5. The SCHA has made reasonable efforts to contact the applicant to (a) schedule interviews necessary to complete the application process; or (b) obtain information necessary to process the application, and the applicant has failed to respond.
6. When an applicant fails to keep a scheduled interview or fails to respond to the Authority concerning information that is necessary to process the application, the Authority will notify the applicant in writing that he/she has 14 working days within which to reschedule the interview or provide the needed information. If the applicant fails to respond within that period, the application will be withdrawn from the waiting list.
7. The applicant fails to meet the screening and Tenant Selection Criteria. (Applicants who have their applications withdrawn from the active waiting list because of the reasons cited in this paragraph will be sent a Notice of Ineligibility), as described in this section.

### **D. Application Processing**

Applicants on the waiting list will be requested to verify and/or update their application when the SCHA estimates that a rental voucher can be issued within 120 days.

Application interviews shall be conducted in privacy to the greatest extent possible.

Families will be notified of an interview date and required to verify and/or update their application at a scheduled interview.

1. Requirement to Attend Scheduled Meeting

It is the applicant's responsibility to reschedule the interview if they miss the appointment. If the applicant does not reschedule and misses two scheduled meetings, the SCHA has the right to reject the application.

Rejection of the application means that the household will be removed from the waiting list and must reapply when applications are being taken. Applicants will be notified in writing if the application is rejected for this reason.

All adult family members are required to attend the interview with the head of household and sign the housing application. Exceptions will be made for the severely handicapped.

2. Verification of Application Information

Information provided by the applicant will be verified including information on family composition, birth certificates, social security numbers, citizenship/eligible immigration status, income, assets, allowances and deductions, preference status, full time student status, and other factors relating to eligibility determination before the applicant is issued a voucher.

All adult members must sign the blanket authorization and Applicant/Tenant Certification Form in order for the application to be considered complete.

Current third party verification in writing (sent by mail) is preferred. Oral third party verifications are acceptable if they are properly documented.

If third party verification is impossible, the SCHA will use documents provided by applicant. Documents will be photocopied when not prohibited by law. When documents cannot be photocopied, staff certification forms noting "document viewed" will be used by recording the source of information, the information obtained, and signed and dated by the staff person who viewed the document.

If the SCHA determines at the interview that more information or verification is needed, they will be given or sent a letter, requesting the applicant to provide the information within 10 days.

If there is no response, after 10 days, a second letter will be sent with an additional 10 day response requested.

If there is no response to the second letter, an ineligibility letter will be sent.

Acceptable verification of preferences is described in Section 6. Preferences will

be verified during the full application review process.

**E. Final Determination and Notification of Eligibility**

After the verification process is completed, the SCHA makes its final determination of eligibility, based on verified data at this point in time.

The household is not actually eligible for rental voucher issuance until this final determination has been made.

Because HUD can make changes in rules and regulations, it is necessary to make a final eligibility determination. Also family circumstances may have changed between initial application and final eligibility determination.

**F. Grounds for Denial of Admission**

In accordance with HUD regulations, the SCHA is not required to assist families who:

1. Currently owe rent or other amounts to the Authority or any other SCHA;
2. Were previous participants in the Authority's Section 8 or public housing program and left the program owing the SCHA money for unpaid rent, damages or vacancy loss;
3. Breached an agreement to repay monies owed the Authority;
4. Previously violated the family obligations under the Section 8 Program, or listed on the rental voucher, including the denial of admission for drug-related activity as described in Section 2-G.
5. Committed fraud in connection with any Federal housing assistance program.
6. Did not provide information required within the time frames specified.
7. Engaged in drug-related criminal activity or violent criminal activity, including other criminal activity by any family member.
8. If any member of the family has been evicted from federally assisted housing in the last 7 years.
9. No individual registered with the State sex offender registration program will be admitted to Housing Choice Voucher.

**Preference Denial**

Should the Authority exercise its right to deny a preference claimed by the applicant, the Housing Authority will notify the applicant of the reasons why the preference was denied and offer the applicant an opportunity for an informal meeting. The informal meeting may be conducted by the person or persons who made or reviewed the decision.

## **Notification of Ineligibility**

The ineligibility notification shall include the following information:

- a. The specific findings/facts and reason for the determination
- b. A clause informing the individual that appeal of the determination must be made in writing with ten (10) days of its receipt,
- c. The name, address, and phone number of the housing counselor, eligibility technician or other appropriate staff person (hearing officer) who will receive the written request for an informal hearing,
- d. The effective date of the termination,
- e. The family's responsibility to pay the full rent to the owner if they remain in occupancy.
- f. A final clause informing the individual that if a written request for an informal hearing is not received within ten (10) days, the individual forfeits his/her right to appeal and the determination becomes final.

If a hearing is requested, the designated hearing officer shall schedule the hearing within twenty (20) days following receipt of the request in order to allow the individual adequate advance notice. The SCHA shall notify the family of the time, date and place of the informal hearing by Certified Mail, return receipt requested. If the family has a good reason for not being able to attend the hearing on the particular date and time set by the notice, the family must inform the appropriate staff person prior to the date set. If the reason is acceptable, a mutually convenient time will then be scheduled. Failure to show at the hearing without prior notification to the SCHA will result in forfeiture of his/her right to the hearing.

### **G. Right to Informal Review**

Applicants who are denied Section 8 assistance are entitled to an informal review of their application. Households participating in the program have a right to an informal review by an impartial Hearing Officer under certain situations. People are considered "applicants" until there is an effective lease and subsidy contract, at which time they become "participants".

Ineligible applicants will be promptly provided with a letter detailing their individual status, stating the reason for their ineligibility, and offering them an opportunity for an informal review.

An informal review may be requested for the following decisions denying:

Listing on the SCHA's waiting list

- Issuance of a rental voucher
- Participation in the Program
- Preference Determination
- Citizenship/Eligible Immigration status

Applicants must submit their request in writing to the SCHA with 10 working days from the date of the determination.

#### **H. Conduct of Informal Review**

This is a non-judicial hearing, so no formal procedure need to be followed. It is up to the discretion of the designated review officer as to how the review is to be conducted. However, it shall be the responsibility of the review officer to insure that adequate information is brought and that the order of the review go accordingly. The person conducting the review will always identify the session (parties present, date, time, place), and read the initial SCHA determination which prompted the review. The review officer is to make pertinent notes and determination. (The need for a tape recording and transcript of proceedings shall be at the discretion of the review officer. However, a request by the family for a taping to be done, or not to be done, will be honored.)

The decision will be made by the review officer, and shall be a final determination of the family's eligibility/status under the SCHA's Housing Choice Voucher Programs. This decision shall rest solely on the evidence brought out at the informal review. Therefore, the hearing officer shall state the reasons (applicable federal regulations and program guidelines) for the particular determination and indicate the relevant evidence. The decision will be in writing and shall be sent to the family by Certified and First Class mail, return receipt requested within fourteen (14) working days after the conclusion of the review. If the landlord is to have notice of the decision, it shall not contain the entire determination, but only the final decision "summary".

## **Section 6 - ESTABLISHING PREFERENCES AND MAINTAINING THE WAITING LIST**

### **A. Administration of Waiting List**

Selection from the Waiting List: Except for special admissions, participants in the tenant-based rental voucher programs will be selected from the Housing Authority waiting list in accordance with the admission policies in this Administrative Plan and the Authority's Equal Opportunity Plan.

**Organization of the Waiting List:** After the preliminary determination has been made, the SCHA will maintain information that permits the selection of participants from the waiting list in accordance with the Authority's admission policies. At a minimum, the waiting list will contain the following information for each applicant listed:

1. Applicant name;
2. Family unit size (number of bedrooms for which the family qualifies under the occupancy standards in this Administrative Plan);
3. Date and time of application;
4. Qualification for any ranking preference or local preference; and
5. Racial or ethnic designation of the head of household.
6. Income source and amount

An application waiting list will be maintained in accordance with the following factors:

1. The application will be a permanent file.
2. The pool will be subdivided by bedroom size requirements of the applicants. Within each bedroom category, applications will be maintained in order of preference and rent range. Applications equal in preference will be maintained by date and time sequence.

If applications are not being accepted, persons may be placed on an inquiry list, at their oral or written request. Persons on the inquiry list shall be individually informed simultaneously when the next application period begins.

Persons on the inquiry list are responsible for informing the Authority of any



changes in address. Placement on the inquiry list will have no bearing on their eventual placement on the waiting list.

### **Purging and Removing Applicant Names from the Waiting List:**

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

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

An extension of 30 calendar days to respond will be granted, if requested and needed as a reasonable accommodation for a person with a disability.

If an applicant did not respond to SCHA's request for information or updates because of a family member's disability, SCHA will reinstate the applicant in the family's former position on the waiting list, upon written verification of the family member's disability provided by a person licensed to provide such verification.

Mail sent from SCHA to an applicant is considered received unless returned by the post office as undeliverable. If a letter is returned by the post office, the applicant will be removed from the waiting list without further notice and the envelope and letter will be maintained by SCHA. Mail sent from SCHA to an applicant will not be forwarded. Mail returned to SCHA, which is not the result of post office error, will result in the removal of an application from the waiting list. Applicants removed from the waiting list, who would like to be considered for rental assistance, will be required to submit another application and be processed according to the initial application procedures. Documentation of a post office error is the responsibility of the applicant and must include a letter from the postmaster explaining the error which caused the applicant's mail to be returned to SCHA. Documentation must be received within 30 calendar days from when the application was removed from the waiting list. Applicants providing acceptable documentation will be returned to the waiting list with their original application date. If an applicant claims to not have received a mailing from SCHA and SCHA has not received mail for the applicant returned by the post office:

SCHA will verify the mailing was sent to the address of record. If an error was made by SCHA, the applicant will be returned to the waiting list by the applicant's original application date. If an error was not made by SCHA, the applicant will be required to complete another application.

The applicant must provide written verification from their postmaster if the applicant has had a history of difficulty in receiving mail at the address of record before SCHA will return the applicant to the waiting list by their original application date. (The applicant will be required to submit a different mailing address).

The applicant will be required to complete another application if the applicant failed to submit a change of address according to SCHA's policy.

Applicants denied assistance may request, in writing, an informal review.

**Family Size:** The order of admission from the waiting list will **NOT** be based on family size, nor on the family unit size for which the family qualifies under the Housing Authority's occupancy standards.

If the SCHA does not have sufficient funds to subsidize the family unit size of the family at the top of the waiting list, the Housing Authority will not skip the top family to admit an applicant with a smaller family unit size. The family at the top of the waiting list will be admitted when sufficient funds are available.

**Funding for Specified Category of Waiting List Families:** When HUD awards the SCHA program funding for a specified category of families on the waiting list, the Housing Authority will select applicant families in accordance with the criteria for the specified category.

**B. Different Programs**

**Cross-Listing:** If the SCHA's waiting list for its Housing Choice Voucher program is open when an applicant is placed on the waiting list for the Voucher program and if the other program includes units suitable for the applicant, the Housing Authority will offer to place the applicant on its waiting list for the other program.

**Effect of Application for, Receipt or Refusal of Other Housing Assistance:** The SCHA will **NOT** take any of the following actions because an applicant has applied for, received or refused other housing assistance:

- Refuse to list the applicant on the Housing Authority's waiting list for tenant-based assistance;
- Deny any admission preference for which the applicant is currently qualified; or
- Remove the applicant from the waiting list.

**C. Opening and Closing the Waiting List**

**Public Notice:** When the SCHA opens a waiting list, the Authority will give public notice in the local newspapers of general circulation that families may apply for tenant-based assistance. The public notice will state where and when to apply.

The SCHA will also publish the public notice in local newspapers of general circulation and minority media and other suitable means described in the Authority's Equal Opportunity Plan.

The public notice will state any limitations on who may apply for available slots in the program. The Housing Authority will accept applications from families for whom the list is open unless there is good cause for not accepting the application (such as a denial of assistance because of action or inaction by members of the family) for the grounds stated in Section 5, G of this Administrative Plan.

**Closing the Waiting List:** If the Housing Authority determines that the existing waiting list contains an adequate pool for use of available program funding, the Authority may stop accepting new applications, or may accept only applications meeting criteria adopted by the Housing Authority.

**D. Preferences for Admission**

The Housing Authority will first consider applicants that contribute to meeting the statutory requirement that 75 percent of new participants are extremely low income families that are at or below 30 percent of the median family income. The preferences listed below will then be prioritized accordingly.

**Preferences do not guarantee admission** Rather, they establish the order of placement on the Waiting List. SCHA has adopted local preferences as its primary preferences, which are related to the Statement of Housing Needs in the Authority's Annual Plan (24 CFR 903.7(a)). New or revised local preferences may be adopted by Board resolution to this Policy and will be adopted as a part of the Annual Plan process.

**Civil Rights Requirements:** SCHA has adopted preferences that are consistent with all laws relating to Civil Rights (as described in Section 2).

**Informing Applicants About Admission Preferences:** SCHA staff will inform all applicants of the duly adopted preferences so applicants may demonstrate their qualification. The SCHA staff will provide every applicant with a **Fact Sheet** describing the available preferences at the time of initial application.

**Considerations before Applying Preferences:** Before applying SCHA's preference system, household characteristics will be matched with the characteristics of the units by type and features such as unit size, accessibility features, or type of project.

**Deconcentration Rule:** Before applying the local and Ranking Preference listed below, preference regarding certain ranges of income will be targeted to ensure that 75% of all new admissions in any given year are targeted to the Extremely-Low Income families (families with income at thirty percent (30%) of area's median income or lower. In order to implement this requirement, applications will be grouped as follows:

**Tier 1:** families with income between 0% - 30% of area median income

**Tier 2:** Families with income between 31% – 50% of area median income

Three out of every four applicants admitted will be selected from the Tier 1 category in order of qualifying preference and by the oldest application date on file. No more than 25% of new admissions in any given year will be assigned to families with incomes between 31% - 50%.

The SCHA will track the status of all new admissions monthly by utilizing income reports generated by the SCHA's computer system. The goal will be tracked semi-annually. The practice will continue until the SCHA achieves its goal.

**E. Local and Ranking Preferences**

In accordance with the Housing and Community Development Act of 1992 and prevailing HUD regulations, the Housing Authority has established "Local Preferences" for use in selecting among applicants. Families who qualify for a local preference may claim only one preference. All preferences are equal in rank. The following are the Local Preferences as defined by the Authority.

***Resident of Schuylkill County (excluding the City of Pottsville):***

An applicant qualifies for a local preference on the basis of residency if:

- the applicants are working or who have been notified within the 30 calendar day period immediately preceding application that they are hired to work in the Authority's area of operation (Schuylkill County with the exception of the City of Pottsville); or
- the family is residing in the Authority's area of operation, has given the proper physical address of the unit, and has properly identified the owner.

In its dedication to Fair Housing, without regard to age or handicap, the Housing Authority will give working preference to applicants' households whose head, spouse, or sole member is age 62 or older or is receiving social security disability, supplemental security income disability benefits, or any other payments based on the individual's (certifiable) inability to work and such will be counted as essentially the equivalent under the working preference.

**Note: Persons residing in shelters or half-way houses are considered temporary residences and therefore do not qualify as a permanent resident of Schuylkill County.**

***Currently Employed***

An applicant qualifying for a local preference on the basis of residency will be further evaluated on the basis of being currently employed if the head or co-head of the applicant household is currently employed at a minimum of 20 hours per week

***Evidence of Economic Empowerment Motivational Activities***

An applicant qualifying for a local preference on the basis of residency will be further evaluated on the basis of economic motivational activities provided the head or co-head of the applicant family is a graduate of, or an active participant in educational and training programs designed to prepare individuals for the job market.

***Elderly or Person with Disabilities***

In its dedication to Fair Housing, without regard to age or handicap, the Housing Authority will give working preference to applicants' households whose head, spouse, or sole member is age 62 or older or is receiving social security disability, supplemental security income disability benefits, or any other payments based on the individual's (certifiable) inability to work and such will be counted as essentially the equivalent under the working preference.

Applicants who are residents of Schuylkill County in accordance with the above definition will be accorded and in combination with the following criteria will be selected according to the highest number of points, by date and time of application.

***Families of Veterans and Servicemen***

This preference is available to applicants where the head of household, spouse or co-head is a veteran or survivor of a veteran who actively served in a branch of the United States Armed Services. The term survivor includes the spouse or widow of a veteran (unless remarried). A person who served in the military that was dishonorably discharged is not eligible for the veteran's preference. You must provide a copy of your DD-214 as proof of veteran status. If you are a widow/er of a Veteran, in addition to the Veteran's DD-214 you must submit a copy of your marriage certificate and the Veteran's death certificate.

This preference applies to Pennsylvania residents who serve:

- On 30 or more consecutive days of active duty with the Armed Forces of the United States or its reserve components.
- On 30 or more consecutive days of active duty or state active duty in the Pennsylvania Army or Air National Guard.
- As a member in good standing of any reserve component of the Armed Forces of the United States, including the PA National Guard, for a period of one year after release from a tour of active duty, authorized under Title 10 or Title 32, United States Code (other than active duty for training), of 30 or more consecutive days duration, when the need for assistance is directly related to the member's performance of active duty.
- A member in good standing of the PA National Guard for a period of one year after release from a tour of state active duty of 30 or more consecutive days duration, when the need for assistance is directly related to the member's performance of state active duty.
- A former member of the Armed Forces of the United States or its reserve components, including the PA National Guard for a period of 2 years after

discharge if the discharge was for medical reasons arising out of the member's military service, and meets the other requirements.

- The household of which the service member or veteran is a member.
- The surviving household members of a deceased service member or veteran who died of service connected causes, provided:
  - The death occurred during active duty service or within five years of discharge from service
  - The death occurred not more than five years from the date of application for housing.

The program also applies to certain members of the families of the eligible service members as long as the relatives are residents of Pennsylvania.

"Eligible service members" and "eligible relatives of eligible service members" are defined in 51 Pa.C.S. § 7319(j). An "eligible service member" is a member of the armed forces of the United States or reserve components serving on active duty for 30 or more consecutive days or a member of the Pennsylvania National Guard serving on state active duty for 30 or more consecutive days. Eligible service members must be legal residents of Pennsylvania when they apply for assistance.

Eligible relatives of eligible service members include the dependent spouse and dependent child of an eligible service member. In the case of applications for assistance to visit hospitalized service members, parents and siblings of the service member may also apply. To be eligible a relative must be a legal resident of Pennsylvania when they apply for assistance.

***In accordance with Section 13 of the Pennsylvania Housing Authority Law, as amended shall be cumulative with any other preference allowed by the Housing Authority for which the applicant qualifies, so that services members or veterans have priority over non-service members and nonveterans within each preference category.***

***Applicants from another state.*** Subject to priority of admission, an eligible veteran who resides in another state may apply for admission if this Commonwealth was listed as home of record upon entry into active duty or this Commonwealth's military forces. An applicant who is not a bona fide resident of this Commonwealth at the time of admission may not be admitted if a bona fide resident of this Commonwealth is awaiting admission.

### ***Displaced Person***

A person (family, or individual) that moves from real property, or moves personal property from real property, permanently and involuntarily, as a direct result of action by a government agency related to acquisition, rehabilitation, demolition, fire, flood or other acts of nature or who has been displaced as a result of domestic violence or stalking perpetuated against them

A person does not qualify as a "displaced person" if the person has been evicted for cause based upon a serious or repeated violation of material terms of the lease or occupancy agreement, or has completed prescribed or voluntarily leaves a transitional housing program, or has been released after being incarcerated.

### **Victim of Domestic Violence**

Domestic violence, as defined by HUD, is the "actual or threatened physical violence directed against one or more members of the applicant's family be a spouse or other members of the applicant's household".

The term "domestic violence" and the term "stalking" means:

1. to follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate another person; and
2. to place under surveillance with the intent to kill, injure, harass, or intimidate another person; and
3. in the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to that person; a member of the immediate family of that person; or the spouse or intimate partner of that person; and
4. the term 'immediate family member' means, with respect to a person:
  - a. a spouse, parent, brother or sister, or child of that person, or an individual to whom that person stands in loco parentis; or
  - b. any other person living in the household of that person and related to that person by blood and marriage.

**Currently Living in Substandard Housing** Living in substandard housing (including homeless families) means that a unit is substandard it:

- Is dilapidated
- Does not have a usable flush toilet inside the unit for the exclusive use of the family
- Does not have a usable bathtub or shower inside the unit for the exclusive use of the family
- Does not have electricity or have inadequate or unsafe electrical service
- Does not have a safe or adequate source of heat
- Should, but does not, have kitchen; or
- Has been declared unfit for habitation by an agency or unit of government.

A housing unit is dilapidated if it:

- Does not provide safe and adequate shelter, and in its present condition endangers the health, safety or well-being of a family; or
- It has one or more critical defects, or a combination or intermediate defects in sufficient number and extent to require considerable repair or rebuilding. The defects may involve original construction, or they may result from continued neglect or lack of repair, or from serious damage to the structure.

Applicants who are homeless families are considered to be living in substandard housing.

A homeless family is defined in the McKinney Homeless Assistance Act (PL 100-77, approved 22 July 1987). The definition of a homeless family includes any individual or family who:

- Lacks a fixed, regular and adequate nighttime residence; and
- Has a primary nighttime resident that is:
  - A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill);
  - An institution that provides a temporary residence for individuals intended to be institutionalized; or
  - A public or private place not designed for, or ordinarily used as a regular sleeping accommodation for human beings.

Homeless family does NOT include any individual imprisoned or otherwise detained pursuant to an Act of Congress or State Law.

### **Victim of Presidential Declared Disaster and Participant of Public Housing or Section 8**

A person or family who was a participant of Public Housing or Section 8 housing in the designated disaster impacted-area and became displaced as a result of such disaster. SCHA may access PIC system and REAC to coordinate information provided by victim of disaster.

### **Nursing Home Transition**

A low-income frail elderly individuals who elect to transition from a nursing home or nursing facility care to an affordable housing unit in the community with the appropriate supportive services;

Eligibility for the “Nursing Facility Transition” preference is as follows:



1. The individual must meet the income criteria and all other requirements of the public housing or housing choice voucher programs;
2. Must have resided in a hospital or nursing facility that medical assistance is provided under the Commonwealth plan for service;
3. Must be receiving Medicaid benefits for inpatient services furnished by such inpatient facility; and
4. Who is approved by the appropriate home and community based service provider to transition into a community based setting with an appropriate supportive services plan.

**No individual registered with the State sex offender registration program will be admitted to Housing Choice Voucher.**

### **Admission of Applicants Residing in a Rental Rehabilitation**

An applicant who meets one or more of aforementioned preferences and is residing in a rental rehabilitation project will receive preference over other preferred applicants as follows. The SCHA will issue a Voucher to:

- any **lower income** family living in a rental rehabilitation project who is physically displaced because of rehabilitation activities, overcrowding, or a change in the use of the unit.
- any **lower income** (but not very low income) family living in a rental rehabilitation project who has a post rehabilitation rent burden in excess of forty percent (40%) of adjusted gross income.
- any eligible **very low-income** family living in a rental rehabilitation project who has post rehabilitation rent burden of excess of forty percent (40%) of adjusted gross income

### ***Admission of Elderly, Disabled or Displaced over Other Singles***

The SCHA in the selection of applicants, will give preference to a single person who is displaced, elderly or disabled plus elderly or disabled head/spouse families before a single person who is not elderly, disabled or displaced

### ***Employed Non-resident***

Applicants who are employed, but not a resident of Schuylkill County may qualify for a preference if the head-or co-head of the applicant household is currently employed at a minimum of 20 hours per week.

### ***Methods for Selection***

The SCHA will select among applicants on the waiting list with the same preference status by **date and time of application**.

The method for selecting applicants from preference categories will be consistent with the requirements governing the single preference described in this Section.

**Applicants Evicted for Drug-Related Criminal Activity:** The SCHA will not

give a preference to an applicant if any member of the family is a person who was evicted during the past 7 years because of drug-related criminal activity from housing assisted under a 1937 Housing Act program.

The Housing Authority may, at its discretion, give an admission preference only in the following case:

- If the SCHA determines that the evicted person clearly did not participate in or know about the drug-related criminal activity.

**Fair Housing Requirements:** The SCHA has established a policy consistent with HUD's affirmative fair housing objectives which states that the Housing Authority will not discriminate against families or family members on the basis of race, color, religion, sex, national origin, age, familial status or disability (See Section 2 for more detail).

**Informing Applicants About Admission Preferences:** The SCHA will inform applicants about available preferences and give the applicants an opportunity to show that they qualify for available preferences by providing the applicants with a fact sheet describing the available preferences at the time of initial application.

**Changes in Preference Status While on the Waiting List:** Families on the waiting list who did not qualify for any preference when they applied may experience a change in circumstances that later qualifies them for a preference. The reverse may also occur. In such instances, the family is responsible for contacting SCHA so that their status may be recertified or reverified. If preference status changes, applicant retains original date and time of application or application number.

If SCHA determines that the family does now qualify for a preference, they would be moved up on the Waiting List in accordance with their preference and their date and time of application/application number and would be informed in writing of how the change in status has affected their position on the waiting list.

Applicants are informed of their right and responsibility to provide SCHA with information that may change their preference status.

**Meeting for Applicants Denied a Preference [24CFR 5.410(g)]:** If an applicant claims, but does not qualify for a preference, the applicant is given an opportunity to show that they qualify for available preferences.

SCHA will provide a written notice if the applicant does not qualify for a preference. The notice will contain a brief statement of the reasons for the determination, and a statement that the applicant has the right to meet with SCHA's designee to review the determination.

If the applicant requests the meeting, the Executive Director will designate someone to conduct the meeting who is not the person who made the initial determination or

reviewed the determination, or a subordinate of that person. A written summary of this meeting will be retained in the applicant's file, and the applicant will be informed in writing accordingly.

An applicant may exercise other rights if he or she believes discrimination, based on race, color, national origin, sex, religion, age, disability, or familial status contributed to SCHA's decision to deny the preference.

**Updating a Waiting List:** SCHA will update the Waiting List annually. An updated Waiting List will make it easier for the staff to contact applicants. The following process will be followed for updating the Waiting List:

**Preparing the Update Package:** Each applicant will be sent an Update Package containing both a letter (explaining the process) and a form the applicant may either fill out and mail back, or (if the applicant needs assistance in completing the form) may bring it into the office. Applicants with disabilities who have requested an alternative form of communication would be contacted using the requested method.

**Disseminating the Update Package:** The update package will be mailed to each applicant in a format that accommodates individual applicant's need. Advocacy agencies serving low income families, such as Social Security/SSI, Public Assistance, Bureau of Employment/Unemployment, or agencies serving people with disabilities such as Easter Seal Society, Independent Living, etc. will be notified at the time SCHA is updating its Waiting List, and will be provided with a copy of the Update Package so they may better inform and advise their clients.

Applicant will be allowed ten (10) days from the date of the letter to either mail the Update Form to SCHA or by hand, deliver it to the Occupancy Office.

**Applicants Who Fail to Respond: Second Notice**

SCHA will begin entering update information as applicants return their Update Forms. Three (3) weeks after the first mailing, a second Reminder Notice will be sent out in order to reach applicants who have not responded.

Applicants will have one week (7 days) from the date of the letter to report in person to SCHA.

If an applicant fails to respond to either of SCHA's update letters, or if the letters are returned postmarked undeliverable, SCHA will withdraw their application. Letters returned by the post office will be filed unopened. To maximize the response rate, SCHA will inform applicants at the time of their initial application that it is their (the applicant's) responsibility to inform SCHA of any changes in contact information.

**Reasonable Accommodation of Applicants with Disabilities (See Section 2 for more detail)**

SCHA is committed to provide reasonable accommodations for applicants with disabilities. Such reasonable accommodations include, but are not limited to:

- Providing update materials in formats requested by applicants;
- Providing sign language interpreters for applicants with hearing impairments;
- Permitting applicants to be represented by a family member, advocate, case worker or other person designated by the applicant;
- Contacting the applicant in the manner designated by the applicant;
- Conducting interviews or completing paperwork at a site other than SCHA's Occupancy office for applicants who cannot come to the office for reasons connected with a disability;
- Granting extended time for response to persons who cannot respond within the timeframes described above because of a disability; and
- Reinstating applicants with disabilities who do not respond in the timeframes described above because of a verified reason connected to a disability.

#### **Completing the Waiting List Update**

SCHA will complete the data entry after all the responses have been received from the applicants who confirm their continued interest in Housing Choice Voucher. The Waiting List will be recorded according to the updated information, including, but not limited to: applicant income, preferences, or need for accessible unit features.

#### **Removing Applicants form the Waiting List**

SCHA will remove applicants from the waiting list because of the following: they have been housed, they have requested that their names be removed, their application has been withdrawn or rejected, or they have refused an offer of housing without good cause.

#### **Withdrawing an Application from the Waiting List**

SCHA may remove/withdraw an applicant's name from the waiting list under the following circumstances:

- The applicant requests that the name be removed;

- The applicant has failed to advise SCHA of his/her continued interest in Housing Choice Voucher during the Waiting List update. (This includes failing to notify SCHA of any changes in family status, preference status, address);
- SCHA has made reasonable efforts to contact the applicant to update the waiting list, but has been unsuccessful. Correspondence (or other methods designated by an applicant with a disability) sent by first class mail to the latest address that is returned by the Post Office will constitute documentation of reasonable effort to contact the applicant;
- SCHA has made reasonable efforts to contact the applicant to schedule interviews necessary to complete the application process or to obtain information necessary to process the application, and the applicant has failed to respond; or
- When an applicant fails to keep a scheduled interview or fails to respond to SCHA concerning information that is necessary to process the application or to maintain the waiting list, SCHA will notify the applicant in writing that he/she has 10 working days within which to reschedule the interview or provide the needed information. If the applicant fails to respond within that period, the application will be withdrawn from the waiting list. SCHA may consider mitigating circumstances such as health problems or lack of transportation in determining whether the application should be withdrawn.

#### **Rejecting an Application for Participation in the Housing Choice Voucher Program**

SCHA may reject an application and thus remove an applicant's name from the waiting list under the following circumstances:

- SCHA has notified the applicant of its intention to remove the applicant's name because the applicant is no longer eligible for Housing Choice Voucher;
- The applicants fails to pay an outstanding balance owed to SCHA or another Housing Choice Voucher authority;
- The applicant fails to meet the home visit requirements in this policy;
- The applicant fails to complete the Pre-Occupancy Classes/Orientation;

- The applicants fails to pay an existing utility balance which results in a denial of service by the utility supplier; or the applicants fails SCHA's screening because of a documented tenant history of:
  - Poor past performance in meeting financial obligations, especially rent;
  - A record of disturbance of neighbors, destruction of property, or reports of living or housekeeping habits at prior residences that may adversely affect the health, safety or welfare of other tenants, or cause damage to the unit or development;
  - Involvement in criminal activity on the part of any applicant family member that would adversely affect the health, safety or welfare of other tenants;
  - A record of eviction from housing or termination from residential programs;
  - Inability or unwillingness to comply with the terms of SCHA's lease;

Misrepresentation of any information related to eligibility, award of preference for admission, allowances, family composition or rent.

## **SECTION 7 - SUBSIDY AND PAYMENT STANDARDS**

### **INTRODUCTION**

HUD guidelines require that the Housing Authority (SCHA) establish subsidy standards for the determination of family unit size, and that such standards provide for a minimum commitment of subsidy while avoiding overcrowding. The standards used for the unit size selected by the family must be within the minimum unit size requirements of HUD's Housing Quality Standards.

This Section explains the subsidy standards, which will be used to determine the voucher size (family unit size) for various sized families when they are selected from the waiting list, as well as SCHA's procedures when a family's size changes, or a family selects a unit size that is different from the Voucher.

#### **A. Determining Family Unit (Voucher) Size [24 CFR 982.402]**

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

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

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

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

Consideration will be given for medical reasons and the presence of a live-in aide.

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

- Separate bedrooms will be allocated for persons of the opposite sex, other than adults who have a spousal relationship.
- Separate bedrooms will be allocated for unrelated adults.
- Foster children will be included in determining unit size only if they will be in the unit for more than 6 months.
- Live-in attendants will be provided a separate bedroom. No additional bedrooms are provided for the attendant's family.

Space will not be provided for a child who is away at school but who lives with the family during school recesses.

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

Space will not be provided for a child subject to a custody agreement who is with the family less than 51 percent of the time (183 days).

A single pregnant woman with no other family members will be treated as a two-person family.

Single person families shall be allocated one bedroom.

**Guidelines for Determining Voucher Size**

<b>Voucher Size</b>	<b>Persons in Household</b>	
	<b>Minimum Number</b>	<b>Maximum Number</b>
0 Bedroom	1	1
1 Bedroom	1	2
2 Bedroom	2	4
3 Bedroom	3	6
4 Bedroom	4	8
5 Bedroom	6	10
6 Bedroom	8	12

**B. Exceptions to Subsidy Standards [24 CFR 982.403(a) & (b)]**

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

SCHA will grant an exception upon request as an accommodation for persons with disabilities.

Circumstances may dictate a larger size than the subsidy standards permit when persons cannot share a bedroom because of a need, such as a:

Verified medical or health reason; or

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

**Request for Exceptions to Subsidy Standards**



The family may request a larger sized voucher than indicated by SCHA's subsidy standards. Such request must be made in writing within 30 calendar days of SCHA's determination of bedroom size. The request must explain the need or justification for a larger bedroom. Documentation verifying the need or justification will be required as appropriate.

Once the voucher has been issued, SCHA will not issue a larger voucher due to additions of family members other than by birth, adoption, marriage, or court-awarded custody.

Requests for a larger voucher based on health related reasons must be verified by a medical doctor.

### **SCHA Error**

If the SCHA errs in the bedroom size designation, the family will be issued a Voucher of the appropriate size.

### **Changes for Applicants**

The voucher size is determined after the briefing by comparing the family composition to SCHA's subsidy standards

If there is an addition to the household after the voucher has been issued, SCHA will not increase the voucher size, unless the addition to the household is due to birth, adoption or court-awarded custody.

### **Changes for Participants**

The members of the family residing in the unit must be approved by SCHA. The family must obtain approval of any additional family member before the new member occupies the unit.

Additions to the household resulting from birth, adoption, or court-awarded custody must be reported to SCHA, in writing, by the next annual recertification.

A family's voucher size may be increased only at the annual recertification. If there is an addition to the household once the annual recertification process has been completed, SCHA will not increase the voucher size until the next annual recertification.

SCHA will decrease the family's voucher size whenever there is a decrease in the family's household.

### **Under-Housed Families**

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

SCHA will notify the family of the circumstances under which an exception to the subsidy standard will be granted, such as:

If a family with a disability is under-housed in an accessible unit.

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

**C. Unit Size Selected [24 CFR 982.402(C)]**

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

**Subsidy Limitation:** The family unit size as determined for a family under SCHA's subsidy standard for a family assisted in the voucher program is based on SCHA's adopted payment standards. The payment standard is reviewed annually. The payment standard for a family shall be the *lower of*:

The payment standard amount for the family unit size; or

The payment standard amount for the unit size rented by the family.

**Utility Allowance:** The utility allowance used to calculate the gross rent is based on the actual size of authorized on the family's Voucher.

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

**HQS Guidelines for Unit Size Selected**

<b>Unit Size</b>	<b>Maximum Number in Household</b>
0 Bedroom	1
1 Bedroom	4
2 Bedrooms	6
3 Bedrooms	8
4 Bedrooms	10
5 Bedrooms	12
6 Bedrooms	14



## **SECTION 8 - INCOME CONSIDERATIONS AND DETERMINATION OF TOTAL TENANT PAYMENT**

### **INTRODUCTION**

This Section presents information on annual income, adjusted income, earned income disallowances, as well as information on rent, including the income-based rents, minimum rent, flat rent and pro-rated assistance for mixed families. Before determining rent, it is important to correctly identify income before the rent formula is applied.

Annual income includes all amounts, monetary and non-monetary that go to, or on behalf of the family head or spouse (even if temporarily absent) or to any other family member or are anticipated to be received from a source outside the family in the 12 months following admission or the effective date of the annual reexamination. Annual income includes amounts derived from assets to which any member of the family has access that are specifically excluded by Federal regulations. Categories of included and excluded annual income are discussed on the following pages.

#### **A. Annual Income**

##### **Annual Income Includes, But Is Not Limited To:**

1. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
2. The net income from operation of a business or profession, including any withdrawal of cash or assets from the operation of the business. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining the net income from a business. An allowance for the straight-line depreciation of assets used in a business or profession may be deducted as provided in IRS regulations. Withdrawals of cash or assets will not be considered income when used to reimburse the family for cash or assets invested in the business;
3. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for the straight-line depreciation of real or personal property is permitted. Withdrawals of cash or assets will not be considered income when used to reimburse the family for cash or assets invested in the property. If 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**;

**When determining the value of net family assets, the cost of disposing of the asset is deducted. Such cost may include penalties on Certificates of Deposits for early withdraw, attorney fees for insurance settlements, etc.)**

**If a family permanently transfers assets to an irrevocable trust not under the control of any family member, the value of the trust is not included as part of the Net Family assets. Income distributed from the trust is included in Annual Income.**

#### *Assets Disposed Of For Less Than Fair Value*

SCHA must count assets disposed of for less than fair market value during the two years preceding certification or recertification. SCHA will count the difference between the market value and the actual payment received.

Assets disposed of as a result of foreclosure or bankruptcy are not considered to be assets disposed of for less than Fair Market value. Generally, assets disposed of as a result of a divorce or separation are not considered to be assets disposed of for less than Fair Market value.

SCHA's minimum threshold for counting assets disposed of for less than Fair Market value is \$1000. If the total amount of assets disposed of within a one-year period is less than \$1000, they will not be considered an asset for the two-year period.

If the total amount of assets disposed of within a one year period is more than \$1000, all assets disposed of for less than Fair Market value will be counted as assets for two years from the date the asset was disposed of.

4. The full 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 (See Item B - 13, below for treatment of delayed or deferred periodic payment of social security or supplemental security income benefits);

#### *Contributions To Retirement Funds*

Contributions to a company retirement/pension funds are handled in this manner:

While an individual is employed, count only amounts the family can withdraw without retiring or terminating employment.

After retirement or termination of employment, count any amount the employee elects to receive as a lump sum.

5. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay. (see Section B. 3, below) concerning treatment of lump-sum additions as Family Assets;
6. All welfare assistance payments (Temporary Assistance to Needy Families, General Assistance) received by or on behalf of any family member:
  - a. If the amount of welfare is reduced due to an act of fraud by a family member or because of any family member's failure to comply with requirements to participate in an economic self-sufficiency program or work activity, the amount of rent required to be paid by the family will not be decreased. In such cases, the amount of income attributable to the family will include what the family would have received had they complied with the welfare requirements and/or had not committed an act of fraud.
  - b. If the amount of welfare assistance is reduced as a result of a lifetime time limit, the reduced amount is the amount that shall be counted as income.
7. Periodic and determinable allowances, such as alimony and child support payments, and regular cash and non-cash contributions or gifts received from agencies or persons not residing in the dwelling made to or on behalf of family members; and

*Alimony And Child Support*

Regular alimony and child support payments are counted as income. If the child support is not received on a regular basis, SCHA must count the amount of child support in the divorce decree or separation agreement unless SCHA receives verification that the income is not provided.

In order to calculate any other amount, than the amount in the award, SCHA must obtain certification from a third party source as to how much is being received on an annual basis, plus having the support documentation in the file that the family has filed with the agency responsible for enforcing the payments.(refer to Section 9 - E-5 for verification procedures for irregular Payments).

### *Regular Contributions And Gifts*

Regular contributions and gifts received from persons outside the household are counted as income (could add dollar value). This includes rent and utility payments paid on behalf of the family and other cash or non-cash contributions provided on a regular basis. It does not include casual contributions or sporadic gifts.

8. All regular pay, special pay, and allowances of a family member in the Armed Forces. (See B-7 below) concerning pay for exposure to hostile fire.

### **B. Income Exclusions**

Annual Income does not include the following:

1. Income from the employment of children (including foster children) under the age of 18 years; (only the **earned** income of children is excluded; benefits such as welfare or SSI and other non-earned income paid to the children is always included in Annual Income).
2. Payments received for the care of foster children or foster adults (usually individuals with disabilities, unrelated to the resident family, who are unable to live alone);
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, one-time lottery winnings, and settlement for personal property losses (Although these payments are not included as income, **such lump-sum payments will be considered an asset.**) (see Item 4 and 5 above) if the payments are or will be periodical in nature);

### ***Lump Sum Receipts***

Lump-sum payments caused by delays in processing periodic payments (unemployment, welfare assistance) **are** counted as income.

**(Note: Lump-sum payments from SSI and Social Security are excluded by HUD Notice PIH 93-11 issued 3/16/93, as are delayed or deferred periodical payments from SSI and Social Security (see B-13 below).**

Treatment of accumulated periodic payments because the income was deferred due to a dispute is handled no differently than periodic payments that are deferred because of processing problems.

The calculation will be done prospectively for families who report the lump sum amount on a timely basis.

If the lump sum amount is received and reported so that it results in an interim adjustment, it will be calculated as follows:

The entire lump sum payment will be added to the rest of the annual income at the interim;

SCHA will determine the percent of the year the interim represented (3 months would be 25% of the year, leaving a 75% balance);

At the next annual recertification, SCHA will take 75% of the lump sum and add to the rest of the annual income;

The lump sum will be used in the same method for any interims which occur prior to the next annual recertification.

If the family does not report the lump-sum payment in a timely manner, the lump sum amount will be calculated retroactively this way:

SCHA will calculate the lump-sum retroactively, going back to the date the lump-sum payment was to be considered, as long as that date is not prior to program participation.

If the lump-sum payment started 5 months ago, for example, the entire lump-sum amount is added to the annual income in effect 5 months ago and the Total Resident Payment and Resident Rent are recalculated. The new Resident Rent is taken times the number of months that had elapsed until the current calculation and the difference between what was paid and what should have been paid is determined.

At SCHA's option, the Resident will enter into a Repayment Agreement or require that the entire amount be repaid at this time unless the entire payment represented an onerous burden on the family.

Attorney fees may be deducted from lump sum payments when computing annual income when:

The attorney's efforts have recovered a lump-sum compensation for the wrongful reduction or denial of a periodic payment, and

The recovery does not include an additional amount in full satisfaction of the attorney fees.

In these situations, the Resident does not actually recover the entire amount of the past due periodic payment because s/he must pay the attorney fees.



This situation does not include those in which an amount is withheld from funds otherwise due the Resident to satisfy legitimate financial obligations unrelated to obtaining the income such as:

Withholding from wages to pay child support, alimony or a judgment creditor;

Garnishment for failure to pay child support, alimony, or a judgment creditor.

The situation does not include those where a Resident incurs attorney fees unrelated to asserting a right to a source of income or where no income results from the attorney's actions. These are the financial responsibility of the Resident and are not deducted in determining annual income.

4. Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member, including any low-income subsidy received to assist low-income persons in paying for the Medicare prescription drug plan costs in accordance with the Medicare Prescription Drug Improvement and Modernization Act (MMA) that was signed into law on December 8, 2003.;
5. Income of a live-in aide, provided the person meets the definition of a live-in aide (see **Section 4** of this policy);
6. The full amount of student financial assistance paid directly to the student or the educational institution; (this exclusion applies to all students, not just those eligible for the dependent deduction, and that it is not limited to assistance for tuition, books or fees.)

#### *Grants and Scholarships*

Educational scholarships include various educational entitlement, grants, work-study programs, and financial aid packages. They also include amounts received by veterans for educational purposes.

SCHA will determine the purpose of the grant or scholarship from the financial aid office or other scholarship sources.

SCHA will not verify how the student actually uses the funds that are provided. None of the expense categories have to be defined because there is no verification of expenses.

Student loans will not be considered income even if part of the loan is being used for general living expenses.

If a family member (student) is attending school away from home, the family may remove the person's name from the lease and exclude person's income completely, whether from scholarship or any other source.

7. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
8. Certain amounts received that are related to participation in the following programs:
  - (a) Amounts received under HUD funded training programs (e.g. Step-up program: excludes stipends, wages, transportation payments, child care vouchers, etc. for the duration of the training);
  - (b) Amounts received by a person with disabilities that are disregarded for a limited time for purposes of Supplemental Security Income and benefits that are set aside for use under a Plan to Attain Self- Sufficiency (PASS);
  - (c) Amounts received by a participant in other publicly assisted programs that are specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) to allow participation in a specific program;
  - (d) A resident services stipend. A resident services stipend is a modest amount (not to exceed \$200/month) received by a public housing resident for performing a service for SCHA, on a part-time basis, that enhances the quality of life in public housing. Such services may include but are not limited to, fire patrol, hall monitoring, lawn maintenance, and resident initiatives coordination. No resident may receive more than one such stipend during the same period of time; and
  - (e) Incremental earnings and/or benefits resulting to any family member from participation in qualifying state or local employment training program (including training programs not affiliated with the local government), and training of family members as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for a limited period as determined in advance by the SCHA;
9. Temporary, non-recurring, or sporadic income (including gifts);
10. Reparation payments paid by foreign governments pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;

11. Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of the household and spouse);
12. Adoption assistance payments in excess of \$480 per adopted child;
13. Earned Income Disallowance (EID) for persons with disabilities (see Item F of this Section.
14. Deferred periodic payments of supplemental security income and social security benefits that are received in a lump sum payment or in prospective monthly amounts; a lump sum payment covering the period from application to determination of eligibility; (While not included as income, these lump sum amounts are additions to assets)
15. Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit;
16. Amounts paid by a State agency to a family with a developmentally disabled family member living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home;
17. 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 United States Housing Act of 1937. (A notice will be published by HUD in the Federal Register identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary.)

The following is a list of benefits excluded by other Federal Statute:

- The value of the allotment provided to an eligible household for coupons under the Food Stamp Act of 1977 [7 USC 2017 (h)];
- 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), and the Older American Committee Service Program;
- National Volunteer Antipoverty Programs such as VISTA, Peace Corps, Service Learning Program, and Special Volunteer Programs;

- Small Business Administration Programs such as the National Volunteer Program to Assist Small Business and Promote Volunteer Service to Persons with Business Experience, Service Corps of Retired Executives (SCORE), and Active Corps of Executives (ACE).
  - Payments received under the Alaska Native Claims Settlement Act [43 USC.1626 (a)];
  - Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes [(25 USC. 459e);
  - Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program [42 USC 8624 (f)];
  - Payments received under programs funded in whole or in part under the Job Training Partnership Act [29 USC 1552 (b) ] ;
  - Income derived from the disposition of funds of the Grand River Band of Ottawa Indians [Pub. L. 94-540, 90 Stat 2503-04];
  - The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the Court of Claims (25 USC 1407-08), or from funds held in trust for an Indian Tribe by the Secretary of Interior [25 USC 117b, 1407]; and
  - Amounts of scholarships funded under Title IV of the Higher Education Act of 1965 including awards under the Federal work-study program or under the Bureau of Indian Affairs student assistance programs [20 USC 1087 uu].
- Examples of Title IV programs include but are not limited to: Basic Educational Opportunity Grants (Pell Grants), Supplemental Opportunity Grants, State Student Incentive Grants, College Work Study, and Byrd Scholarships.
- Payments received from programs funded under Title V of the Older Americans Act of 1965 [42 USC 3056 (f)]:
    - Examples of programs under this act include but are not limited to: Senior Community Services Employment Program (CSEP), National Caucus Center on the Black Aged, National Urban League, Association National Pro Personas Mayors, National Council on Aging, American Association of Retired Persons, National Council on Senior Citizens, and Green Thumb.
  - Payments received after January 1, 1989 from the Agent Orange Settlement Fund or any other fund established in the Agent Orange product liability litigation;

- Payments received under the Maine Indian Claims Settlement Act of 1980 (Pub. L. 96-420, 94 Stat. 1785);
- The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990 (42 USC 9858q);
- Earned income tax credit refund payments received on or after January 1, 1991 (26 USC 32 (j)).
- Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation;
- Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990;
- Any allowance paid under the provisions of 38 U.S.C. 1805 to a child suffering from spinabifida who is the child of a Vietnam veteran (38 U.S.C. 1805);
- 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); and
- Allowances, earnings and payments to individuals participating in programs under the Workforce Investment Act of 1998 (29 U.S.C. 2931).

**C. Anticipating Annual Income**

Once SCHA verifies all known sources of income, the Authority will convert reported income to an annual figure. Generally the SCHA shall use current circumstances to anticipate annual income, unless verification forms indicate an imminent change. Listed below are two ways to analyze annual income when the income received by a family is irregular:

**1. Annualizing Income**

Annualizing current income (when it is not feasible to anticipate income for a 12-month period), the Authority may use the annualized income anticipated for a shorter period, (and subsequently conduct an interim recertification at the end of the shorter period if income changes) (Example: This method would be used for teachers who are only paid for 9 months, or for tenants receiving unemployment compensation.); or

**2. Averaging Income**

The SCHA will attempt to anticipate income for a twelve month period from the anniversary date of reexamination.

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

- Average known sources of income that vary to compute an annual income,
- Average the known sources of income from the previous year to compute a projected average annual income, or
- Annualize current income and conduct an interim reexamination if income changes.

If there are bonuses or overtime which the employer cannot anticipate for the next twelve months, bonuses and overtime received the previous year will be used.

If, by averaging, an estimate can be made for those families whose income fluctuates from month to month, this estimate will be used so as to reduce the number of interim adjustments.

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

**SCHA will use the annualizing current income method for all families unless the Executive Director approves a deviation.**

Last year's income could be analyzed to determine the amount of income to be anticipated when it cannot be clearly verified.

If the last three months' of income are representative of the income which may be anticipated for the next year, such as overtime worked when the employer cannot anticipate how much overtime the family will have over the next year, the last three months may be used to anticipate the income.

If the last three months of income are not representative of the income which may be anticipated for the next year, such as overtime worked only at Christmas, the overtime worked for the entire year will be used to anticipate income.

If the anticipated income from the employer shows a raise in pay which is to occur 3 months from the effective date of the recertification, income is to be calculated at the old rate for 3 months and at the new rate for 9 months.

If there are bonuses to be anticipated, but the employer does not know how much the bonus will be, the bonus from last year, if any, will be used for calculation purposes.

If, by averaging, a reasonable estimate can be made, that estimate is used instead of changing the lease every month.

At recertification, if the income cannot be anticipated for the coming year, SCHAs can use last year's income to calculate an average anticipated income.

#### **D. Adjusted Income**

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

HUD has five allowable deductions from Annual Income:

1. Dependent Allowance: \$480 each for family members (other than the head or spouse) who are minors, and for family members who are 18 and older who are full-time students or who are disabled.
2. Elderly/Disabled Allowance: \$400 per family for families whose head or spouse is 62 or over or disabled.
3. Allowable Medical Expenses: Deducted for all family members of an eligible elderly/disabled family (SS Item R of the Section).
4. Child Care Expenses: Deducted for the care of children under 13 when child care is necessary to allow an adult member to work, attend school, or actively seek employment (see Item P of this Section).
5. Allowable Disability Assistance Expenses: Deducted for attendant care or auxiliary apparatus for persons with disabilities if needed to enable the individual or an adult family member to work (see item S of this Section).

#### **E. Disallowance of Earned Income from Rent Determinations for Persons with Disabilities**

The annual income for qualified disabled families may not be increased as a result of increases in earned income of a family member who is a person with disabilities beginning on the date on which the increase in earned income begins and continuing for a cumulative 12-month period. After the disabled family receives 12 cumulative months of the full exclusion, annual income will include a phase-in of half the earned income excluded from annual income.

A disabled family qualified for the earned income exclusion is a disabled family that is receiving tenant-based rental assistance under the Housing Choice Voucher Program; and

Whose annual income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment; or

Whose annual income increases as a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; or

Whose annual income increases, as a result of new employment or increased earnings of a family member who is a person with disabilities, during or within six months after receiving assistance, benefits or services under any State program for TANF provided that the total amount over a six-month period is at least \$500.

The definition of "previously unemployed" includes a person with disabilities who has earned in the previous 12 months no more than the equivalent earnings for working 10 hours per week for 50 weeks at the minimum wage. Minimum wage is the prevailing minimum wage in the State or locality.

The definition of economic self-sufficiency program is: any program designed to encourage, assist, train or facilitate economic independence of assisted families or to provide work for such families. Such programs may include job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, or any other program necessary to ready a participant to work (such as substance abuse or mental health treatment).

Amounts to be excluded are any earned income increases of a family member who is a person with disabilities during participation in an economic self-sufficiency or job training program and not increases that occur after participation, unless the training provides assistance, training or mentoring after employment.

The amount of TANF received in the six-month period includes monthly income and such benefits and services as one-time payments, wage subsidies and transportation assistance.

The amount that is subject to the disallowance is the amount of incremental increase in income of a family member who is a person with disabilities. The incremental increase in income is calculated by comparing the amount of the disabled family member's income before the beginning of qualifying employment or increase in earned income to the amount of such income after the beginning of employment or increase in earned income.

### ***Initial Twelve-Month Exclusion***

During the cumulative 12-month period beginning on the date a member who is a person with disabilities of a qualified family is first employed or the family first

experiences an increase in annual income attributable to employment, the SCHAs will exclude from annual income of a qualified family any increase in income of the family member who is a person with disabilities as a result of employment over the prior income of that family member.

### ***Second Twelve-Month Exclusion and SCHAs-in***



During the second cumulative 12-month period after the expiration of the initial cumulative 12-month period referred to above, the SCHA must exclude from annual income of a qualified family 50 percent of any increase in income of a family member who is a person with disabilities as a result of employment over income of that family member prior to the beginning of such employment.

### ***Maximum Four Year Disallowance***

The earned income disallowance is limited to a lifetime 48-month period for each family member who is a person with disabilities. For each family member who is a person with disabilities, the disallowance only applies for a maximum of 12 months of full exclusion of incremental increase, and a maximum of 12 months of SCHAsE-in exclusion during the 48-month period starting from the date of the initial exclusion.

If the period of increased income does not last for 12 consecutive months, the disallowance period may be resumed at any time within the 48-month period, and continued until the disallowance has been applied for a total of 12 months of each disallowance (the initial 12-month full exclusion and the second 12-month SCHAsE-in exclusion)

No earned income disallowance will be applied after the 48-month period following the initial date the exclusion was applied.

### ***Applicability to Child Care and Disability Assistance Expense Deductions***

The amount deducted for child care and disability assistance expenses necessary to permit employment shall not exceed the amount of employment income that is included in annual income. Therefore, for disabled families entitled to the earned income disallowance, the amounts of the full and SCHAsE-in exclusions from income shall not be used in determining the cap for child care and disability assistance expense deductions.

### ***Tracking the Earned Income Exclusion***

The earned income exclusion will be reported on the HUD 50058 form. Documentation will be included in the family's file to show the reason for the reduced increase in rent. Such documentation will include:

- Date the increase in earned income was reported by the family
- Name of the family member whose earned income increased
- Reason (new employment, participation in job training program, within 6 months after receiving TANF) for the increase in earned income
- Amount of the increase in earned income (amount to be excluded)

- Date the increase in income is first excluded from annual income
- Date(s) earned income ended and resumed during the initial cumulative 12-month period of exclusion (if any)
- Date the family member has received a total of 12 months of the initial exclusion
- Date the 12-month SCHase-in period began
- Date(s) earned income ended and resumed during the second cumulative 12-month period (SCHase-in) of exclusion (if any)
- Date the family member has received a total of 12 months of the SCHase-in exclusion
- Ending date of the maximum 48-month (four year) disallowance period (48 months from the date of the initial earned income disallowance)

The SCHA will maintain a tracking system to ensure correct application of the earned income disallowance.

### ***Inapplicability to Admission***

The earned income disallowance is only applied to determine the annual income of disabled families who are participants in the Housing Choice Voucher Program, and therefore does not apply for purposes of admission to the program (including the determination of income eligibility or any income targeting that may be applicable).

### **F. Determination of Rent**

**Total Tenant Payment:** The Total Tenant Payment (TTP) is the family's share of the rent minus the allowance for utilities. TTP represents the minimum amount a family must contribute toward rent and utilities regardless of the unit selected. The TTP is calculated using a statutory formula and individual income information. The Total Tenant Payment for rent shall be the greater of:

- 30% of adjusted monthly income; or
- 10% of monthly income; but never less than the
- Minimum Rent; and never more than the

**30% of adjusted monthly income** is derived by determining annual income of household and applying a set of mandatory statutory deductions as described in this chapter.

\*Maximum Initial Rent Burden: When a family selects a unit with a gross rent exceeding the SCHA payment standard, the SCHA shall determine whether the family's share for that unit would exceed the maximum initial rent burden. The family share may not exceed 40 percent of the family's monthly adjusted income when the family initially moves into the unit or signs the first assisted lease for a unit. The maximum initial rent burden applies only when the gross rent for the unit selected exceeds the applicable payment standard. The maximum initial rent burden shall be calculated when the housing choice voucher is issued so the family will know the maximum amount it can pay for a unit while it is searching for housing.

Maximum Subsidy: The maximum subsidy the SCHA can pay in the housing choice voucher program is the payment standard minus the TTP. The maximum subsidy calculation is done at the time the family is issued a housing choice voucher. It is important for the family to know the maximum the SCHA will pay while searching for a unit. The actual SCHA subsidy can be calculated only after the family has selected a specific unit.

**10% of monthly income** is self- explanatory

**Minimum Rent** - The Minimum Rent shall be \$50.00 per month.

#### **G. Minimum Rent**

"Minimum rent" is \$50.00. Minimum rent refers to the Total Tenant Payment and includes the combined amount a family pays towards rent and/or utilities when it is applied.

#### ***Hardship Requests for an Exception to Minimum Rent***

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

#### ***Criteria for Hardship Exception***

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

- The family has lost eligibility or is awaiting an eligibility determination for Federal, State, or local assistance;
- The family would be evicted as a result of the imposition of the minimum rent requirement;

- The income of the family has decreased because of changed circumstances, including:
  - Loss of employment
  - Death in the family

### **SCHA Notification to Families of Right to Hardship Exception**

The SCHA will notify all families subject to minimum rents of their right to request a minimum rent hardship exception. "Subject to minimum rent" means the minimum rent was the greatest figure in the calculation of the greatest of 30% of monthly-adjusted income, 10% of monthly income, minimum rent or welfare rent.

The SCHA notification will advise families that hardship exception determinations are subject to SCHA review and hearing procedures.

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

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

The SCHA will request documentation as proof of financial hardship. The SCHA will use its standard verification procedures to verify circumstances, which have resulted in financial hardship.

Requests for minimum rent exception must include a statement of the family hardship that qualify the family for an exception.

### ***Suspension of Minimum Rent***

The SCHA will grant the minimum rent exception to all families who request it, effective the first of the following month.

The minimum rent will be suspended until the SCHA determines whether the hardship is:

- Covered by statute
- Temporary or long term

"Suspension" means that the SCHA must not use the minimum rent calculation until the SCHA has made this decision.

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

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

### ***Temporary Hardship***

If the SCHA determines that the hardship is temporary, a minimum rent will not be imposed for a period of up to 90 days from the date of the family's request. At the end of the temporary suspension period, a minimum rent will be imposed retroactively to the time of suspension.

The SCHA will offer a repayment agreement to the family for any such rent not paid during the temporary hardship period. (See "Owner and Family Debts to the SCHA" chapter for Repayment agreement policy).

### ***Long-Term Duration Hardships***

If the SCHA determines that there is a qualifying long-term financial hardship, the SCHA must exempt the family from the minimum rent requirements.

### **H. Definition of Temporarily/Permanently Absent**

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

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

It is the responsibility of the head of household to report changes in family composition.

The SCHA will evaluate absences from the unit using this policy.

### ***Absence of Any Member***

Any member of the household will be considered permanently absent if s/he is away from the unit for (3) consecutive months, and not more than 120 days in a calendar year, except as otherwise provided in this Section.

### ***Absence due to Medical Reasons***

If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, the SCHA will seek advice from a reliable qualified source as to the likelihood and timing of their return. If the verification indicates that the family member will be permanently confined to a nursing home, the family member will be

considered permanently absent. If the verification indicates that the family member will return in less than 180 consecutive days, the family member will not be considered permanently absent.

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

#### ***Absence Due to Full-time Student Status***

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

#### ***Absence due to Incarceration***

If the sole member is incarcerated for more than 180 consecutive days, s/he will be considered permanently absent. Any member of the household, other than the sole member, will be considered permanently absent if s/he is incarcerated for 3 consecutive months, and not more than 120 days in a calendar year.

#### ***Absence of Children due to Placement in Foster Care***

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

If the time period is to be greater than 180 days from the date of removal of the child/ren, the Voucher size will be reduced. If all children are removed from the home permanently, the voucher size will be reduced in accordance with the SCHA's subsidy standards.

#### ***Absence of Entire Family***

These policy guidelines address situations when the family is absent from the unit, but has not moved out of the unit.

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

Families must notify the SCHA at least 30 days before leaving the unit if they are going to be absent from the unit for more than 30 consecutive days.

If the entire family is absent from the assisted unit for more than 60 consecutive days, the unit will be considered to be vacated and the assistance will be terminated.

"Absence" means that no family member is residing in the unit. In order to determine if the family is absent from the unit, the SCHA may:

- Write letters to the family at the unit
- Telephone the family at the unit
- Interview neighbors
- Verify if utilities are in service
- Check with the post office

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

If the absence which resulted in termination of assistance was due to a person's disability, and the SCHA can verify that the person was unable to notify the SCHA in accordance with the family's responsibilities, and if funding is available, the SCHA may reinstate the family as an accommodation if requested by the family, as long as the period was within 180 days.

### ***Caretaker for Children***

If neither parent remains in the household and the appropriate agency has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period, the SCHA will treat that adult as a visitor for the first 30 days.

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

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

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

If custody is awarded for a limited time in excess of stated period, the SCHA will state in writing that the transfer of the Voucher is for that limited time or as long as they have custody of the children. The SCHA will use discretion as deemed appropriate in determining any further assignation of the Voucher on behalf of the children.

When the SCHA approves a person to reside in the unit as caretaker for the child/ren, the income should be counted pending a final disposition. The SCHA will work with the

appropriate service agencies and the landlord to provide a smooth transition in these cases.

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

### ***Visitors***

Any adult not included on the HUD 50058 who has been in the unit more (30) consecutive days without SCHA approval, or a total of 30 days in a 12-month period, will be considered to be living in the unit as an unauthorized household member.

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

In the situation where the landlord acknowledges that a person/s is staying more than 30 days in a 12-month period, but refuses to place that person/s on the lease, the SCHA will add those person/s to the family following the procedures outlined in this plan.

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

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

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

Minors and college students who were part of the family but who now live away from home during the school year and are no longer on the lease may visit for up to 90 days per year without being considered a member of the household.

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

### ***Reporting Additions to Owner and SCHA***

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

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



In the event that a visitor continues to reside in the unit after the maximum allowable time, the family must report it to the SCHA in writing immediately. In the case of minors staying longer than 30 days, as described above, written permission must be obtained from the owner, allowing them to continue residence as a visitor.

Families are required to report any additions to the household in writing to the SCHA immediately.

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

In addition, the lease may require the family to obtain prior written approval from the owner when there are changes in family composition other than birth, adoption or court awarded custody.

### ***Reporting Absences to the SCHA***

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

If a family member leaves the household, the family must report this change to the SCHA, in writing, immediately and certify as to whether the member is temporarily absent or permanently absent.

The SCHA will conduct an interim evaluation for changes, which affect the Total Tenant Payment in accordance with the interim policy.

#### **I. Minimum Income**

There is no minimum income requirement, but staff should use good interviewing skills to determine whether there actually is income, but it is not being reported. Families who report zero income will have scheduled reviews, whereby they are required to complete a Survival Statement, certification, and interview with an Section 8 Coordinator every 30 days.

Additionally, families that report zero income will be required to provide information regarding their means of basic subsistence, such as food, utilities, transportation, etc. If the family's expenses exceed their known income, the SCHA will make inquiry of the head of household as to the nature of the family's accessible resources.

The burden of proof of expenses versus income rests on the family. If the family is unable to show proof of accessible resources where expenses exceed known income, the family will be considered to have unreported resources, and the SCHA will terminate assistance for unreported income.

#### **J. Income of Person Permanently Confined to Nursing Home**

If a family member is permanently confined to a hospital or nursing home and there is a family member left in the household, the SCHA will calculate the income by using the following methodology and use the income figure, which would result in a lower payment by the family:

1. Exclude the income of the person permanently confined to the nursing home and give the family no deductions for medical expenses of the confined family member.

OR

Include the income of the person permanently confined to the nursing home and give the family the medical deductions allowable on behalf of the person in the nursing home.

2. Exclude the income and deductions of the member if his/her income goes directly to the facility.

OR

Include the income and deductions of the member if his/her income goes to a family member.

**K. Regular Contributions and Gifts**

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

This includes rent and utility payments made on behalf of the family and other cash or non-cash contributions provided on a regular basis.

It does not include casual contributions or sporadic gifts. (See "Verification Procedures" chapter for further definition.)

If there are tenant-supplied utilities that are obtained in the name of a person not listed on the 50058, the cost of the utilities will be considered a regular contribution, and will be counted as income for calculation of the Total Tenant Payment.

If the family's expenses exceed its known income, the SCHA will inquire of the family regarding contributions and gifts.

**L. Alimony and Child Support**

Regular alimony and child support payments are counted as income for calculation of Total Tenant Payment.

If the amount of child support or alimony received is less than the amount awarded by the court, the SCHA will use the amount awarded by the court unless the family can verify that they are not receiving the full amount and verification of item(s) below are provided.

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

- The SCHA receives verification from the agency responsible for enforcement or collection.
- The family furnishes documentation of child support or alimony collection action filed through a child support enforcement/collection agency, or has filed an enforcement or collection action through an attorney.

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

Lump-sum Child support will not be counted as income, and will be counted as an asset, as long as the SCHA can verify that the lump-sum was not regular or periodic.

**M. Lump-Sum Receipts**

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, are not included in income but may be included in assets.

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

In order to determine amount of retroactive tenant rent that the family owes as a result of the lump sum receipt caused by delays in processing periodic payments:

The SCHA uses a calculation method, which calculates retroactively, or prospectively depending on the circumstances.

The SCHA will calculate prospectively if the family reported the payment from the date the lump-sum payment was to be considered, as long as that date is not prior to program participation, and retroactively to date of receipt if the receipt was not reported in a timely manner.

***Prospective Calculation Methodology***

If the payment is reported on a timely basis, the calculation will be done prospectively and the entire lump-sum payment will be added to the annual income at the time of the interim.

***Retroactive Calculation Methodology***

The SCHA will go back to the date the lump-sum payment was received, or to the date of admission, whichever is closer. The SCHA will determine the amount of income for

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

At the SCHA's option, the SCHA may enter into a Payment Agreement with the family.

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

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

**N. Contributions to Retirement Funds - Assets**

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

While an individual is employed, count as assets only amounts the family can withdraw without retiring or terminating employment.

After retirement or termination of employment, count any amount the employee elects to receive as a lump sum.

**O. Assets Disposed of For Less Than Fair Market Value**

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

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

**P. Child Care Expenses**

Childcare expenses for children under 13 may be deducted from annual income if they enable an adult to work or attend school full time, or to actively seek employment.

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

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

- The abuser in a documented child abuse situation, or
- A person with disabilities or older person unable to take care of a small child, as verified by a reliable knowledgeable source.

Allowability of deductions for childcare expenses is based on the following guidelines:

**Child care to work:** The maximum child care expense allowed must be less than the amount earned by the person enabled to work. The "person enabled to work" will be the adult member of the household who earns the least amount of income from working. The number of hours claimed for child care may not exceed the number of hours the family member is working, including reasonable travel time to and from work.

**Child care for school:** The number of hours claimed for child care may not exceed the number of hours the family member is attending school, including reasonable travel time to and from school.

**Child Care to Actively Seek Employment:** The number of hours claimed may not exceed 20 hours per week, or the actual, verified, number of hours the family member is seeking employment while receiving services from an employment related program or service agency, such as Job Training Partnership Act, Vocational Rehabilitation Division, Department of Human Resources JOBS Program, etc.

**Amount of Expense:** The SCHA will survey the local care providers in the community to determine a reasonableness standard. If the hourly rate materially exceeds the guideline, the SCHA may calculate the allowance using the guideline.

#### **Q. Medical Expenses**

For Elderly and Disabled Families only:

**Medical Expense Deduction** — A deduction of non-reimbursable medical expenses, including medical insurance premiums or Prescription Drug Plan benefit premiums for enrollees under the Medicare Prescription Drug Improvement and Modernization Act (MMA), as anticipated for the period for which Annual Income is computed. Medical expenses include but are not limited to: services of physicians and other health care professionals, services of health care facilities, health insurance premiums (including the cost of Medicare), prescription and non-prescription medicines, **(Nonprescription medicines must be doctor recommended with a specific dosage in order to be considered as a medical expense)** transportation to and from treatment, dental expenses, eyeglasses, hearing aids and batteries, attendant care (unrelated to employment of family members), and payments on accumulated medical bills. See IRS Publication 502 for detailed list of allowable medical expense deductions.

Medicare beneficiaries with low income and limited assets are eligible for additional assistance in paying their Medical prescription drug plan costs. This assistance is known as "low-income subsidy" or "limited income" or "extra help".

Beneficiaries qualifying for the low- income subsidy will have the majority of their prescription drug plan costs and prescription drug spending covered. The low-income subsidy received to assist these families in paying their Medicare prescription drug plan costs **must be excluded** as annual income for purpose of calculation any rent or assistance.

To be considered by SCHA for the purpose of determining a deduction from income, the expenses claimed must be verifiable.

- a. For elderly or disabled families without work-related disability expenses: The amount of the deduction shall equal total medical expenses less three percent of annual income.
- b. For elderly or disabled families with both work-related disability expenses and medical expenses: the amount of the deduction is calculated as described in paragraph 3 (b) above.

*Medical Expense:*

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

### **Allowable Disability Expense**

**Work-related 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. Equipment and auxiliary apparatus may include but are not limited to: wheelchairs, lifts, reading devices for the visually impaired, and equipment added to cars and vans to permit their use by the disabled family member. Also included would be the annualized cost differential between a car and the cost of a van required by the family member with disabilities.

*Handicapped Assistance Expense*

Anticipated costs for care attendants and auxiliary apparatus for handicapped and disabled family members which enables a family member to work. The amount allowed as a deduction is the amount that exceeds three percent of Annual Income and cannot exceed the amount earned.

For non-elderly families and elderly or disabled families without medical expenses: the amount of the deduction equals the cost of all unreimbursed

expenses for work-related disability expense less three percent of Annual Income, provided the amount so calculated does not exceed the employment income earned.

For elderly or disabled families with medical expenses: the amount of the deduction equals the cost of all unreimbursed expenses for work-related disability expense less three percent of Annual Income (provided the amount so calculated does not exceed the employment income earned) PLUS medical expenses as defined below.

**R. Proration of Assistance for "Mixed" Families**

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

***Prorated Assistance Calculation***

Prorated assistance is calculated by determining the amount of assistance payable if all family members were eligible and multiplying by the percent of the family members who actually are eligible. Calculations for each housing program are performed on the HUD 50058 form.

Method Of Prorating Assistance For assistance under the Section 8 Voucher Program, the Authority will prorate the family's assistance as follows: [§812.11(b)(2)]

Step 1. Determine the amount of the pre-proration voucher housing assistance payment in accordance with 24 CFR 887.353. Annual income includes income of all family members, including any family member who has not established eligible immigration status.

Step 2. Multiply the amount determined in Step 1 by a fraction for which:

- a. The numerator is the number of family members who have established eligible immigration status; and
- b. The denominator is the total number of family members.

Note: The numerator is the part of the fraction above the line; the denominator is the part of the fraction below the line.

Step 3. Prorated housing assistance. The amount determined in Step 2 is the prorated housing assistance payment for a mixed family.

Step 4. No effect on rent to owner. Proration of the voucher housing assistance payment does not affect rent to the owner. The family

must pay as rent the portion of rent not covered by the prorated housing assistance payment.

**S. Income Changes Resulting From Welfare Program Requirements**

The SCHA will not reduce the rental contribution for families whose welfare assistance is reduced specifically because of:

- fraud by a family member in connection with the welfare program; or
- failure to participate in an economic self-sufficiency program; or
- noncompliance with a work activities requirement

However, the SCHA will reduce the rental contribution if the welfare assistance reduction is a result of:

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

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

Imputed welfare income is not included in annual income if the family was not an assisted resident at the time of sanction.

The amount of imputed welfare income is offset by the amount of additional income a family receives that begins after the sanction was imposed.

When additional income is at least equal to the imputed welfare income, the imputed welfare income is reduced to zero.

***Verification Before Denying a Request to Reduce Rent***

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

The welfare agency, at the request of the SCHA, will inform the SCHA of:



- amount and term of specified welfare benefit reduction for the family;
- reason for the reduction; and
- subsequent changes in term or amount of reduction.

### ***Cooperation Agreements***

The SCHA has a cooperation agreement in place with the local welfare agency which assists the SCHA in obtaining the necessary information regarding welfare sanctions.

The SCHA has taken a proactive approach to culminating an effective working relationship between the SCHA and the local welfare agency for the purpose of targeting economic self-sufficiency programs throughout the community that are available to Section 8 and public housing residents.

The SCHA and the local welfare agency have mutually agreed to notify each other of any economic self-sufficiency and/or other appropriate programs or services that would benefit Section 8 and public housing residents.

### **T. Utility Allowance and Utility Reimbursement Payments**

The same Utility Allowance Schedule is used for all tenant-based and unit-based (Moderate Rehabilitation) programs.

The utility allowance is intended to cover the cost of utilities not included in the rent. The allowance is 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. Allowances are not based on an individual family's actual energy consumption.

The SCHA's utility allowance schedule, and the utility allowance for an individual family, must include the utilities and services that are necessary in the locality to provide housing that complies with the housing quality standards.

The SCHA will not provide any allowance for non-essential utility costs, such as costs of cable or satellite television.

The utilities in the utility allowance schedule are divided into the following general categories: space heating, cooking, water heating, water, sewer, trash collection, other electric, refrigerator (for tenant supplied refrigerator), range (cost of tenant-supplied range), wood heating, and small appliances.

The SCHA will review the utility allowance schedule annually. If the review finds a utility rate has changed by 10 percent or more since the last revision of the utility allowance schedule, the schedule will be revised to reflect the new rate. Revised utility allowances will be applied in a participant family's rent calculation at their next reexamination or interim.

The approved utility allowance schedule is given to families along with their Voucher.

The utility allowance is based on the actual unit size selected.

Where families provide their own range and refrigerator, the SCHA will establish an allowance adequate for the family to purchase or rent a range or refrigerator, even if the family already owns either appliance. Allowances for ranges and refrigerators will be based on the lesser of the cost of leasing or purchasing the appropriate appliance over a 24 month period.

Where the calculation on the HUD 50058 results in a utility reimbursement payment due the family, the SCHA will provide a Utility Reimbursement Payment for the family each month. The check will be made out either to the family or directly to the utility company to which the highest utility liability is owed.

### **Third Party Notification**

Residents are responsible to promptly pay any utility bills for utilities supplied directly by the utility company to the Tenant. The Housing Authority requires the resident to authorize the utility supplier to notify the Authority of non-payment of resident responsible utility services. Notification of non-payment of resident responsible utility services is a lease violation and grounds for termination of lease.

### **Reasonable Accommodations of Residents with Disabilities (See Section 2 of this Plan)**

SCHA will consider a request from a family that includes a disabled or elderly person 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 in accordance with 24 CFR 8 to make the program accessible to and usable by the family with a disability. This may include charges for the use of certain resident-supplied appliances if there is a verified need for special equipment because of the disability.

## SECTION 9 - VERIFICATION PROCEDURES

### INTRODUCTION

SCHA verifies family income, family composition, (including birth certificates and social security cards) status of full time students, value of assets, factors allowing a preference, applicant screening, and other factors relating to eligibility determination before an applicant is determined eligible and assigned the appropriate Subsidy Standard (size unit). Proper verification of annual income is critical to ensure program integrity. Thus, the initial interview with an applicant is important, as this interview sets the groundwork for future interims and annual reexamination interviews once the applicant is housed.

#### A. **Methods of Verification**

In the order presented SCHA will attempt to effectuate:

1. Up-front income verification (UIV)
2. Third-party written verification
3. Third-party oral verification
4. Review of documents
5. Certification/self-declaration

#### 1. **Up-Front Income Verification:** Some Up-front income verification sources available to housing authorities include:

Tenant Assessment Sub System (TASS).

TASS matches Social Security and SSI income to HUD's MTCS and TRACS databases.

State Wage Information Collection Agencies (SWICA) (source of employers and reported wages)-fee may be charged and a Memorandum of Understanding (MOU) may be required)

The Work Number – an automated service to access 40 million employment records

Internal Revenue Service (IRS) – tax filing status of individual. Individual may obtain their own listing and use as a third party verification.

Credit Bureau Association (CBA) Credit Report – used for credit history and ability to pay rent

Up-front income verification replaces, to the maximum extent possible, the more time-consuming and less accurate third-party verification process of contacting individual

employers identified by families or reviewing outdated income verification documents. Up-front income verification should not be considered an automatic substitute for other third-party verification. Rather up-front income verification may supplement other verification documentation, such as original, current tenant-provided documents that satisfies third party obligations through EIV while also providing current and detailed information from pay stubs or other tenant provided documents.

When UIV does **not** differ substantially from tenant provided documents, SCHA may use the UIV to satisfy their regulatory obligation to obtain third-party verification.

When UIV differs substantially from tenant provided documents, third party verification is still required.

## **2. Third Party Verifications**

Third party verification is considered to be the most effective means of verifying information provided by the family. Verification forms will be sent by mail to the appropriate third party with a request that the form be returned via mail. It is the intent of the Authority that the form shall never pass through the hands of the applicant/participant.

SCHA will not allow applicants/participants to "hand carry" or bring back verifications from the source to be considered third party verifications. Third party verifications will be mailed directly to the third party source.

### Use of Computer Print-Out – Up-Front – Automated or Manual Verification

In as much as many employers and agencies have gone to the use of computer-generated forms as their response to requests for "third party written verification", SCHA may accept all such computer forms as documentation of third party written verification. Such sources and their forms may include (but are not limited to):

Social Security Administration

Veteran's Administration

Welfare Area

Unemployment Compensation Board

Child Support through Agency Enforcement

Employment Verification

Two attempts to obtain third-party verification will be made before relying on another method. The SCHA will allow four weeks for return of third-party verifications. If third-

party written verification is not obtained, the SCHA will document the reasons in the file.

### 3. **Third-Party Oral Verification**

In the event that third party written verification is not possible due to an unwillingness by the source to respond or in the event that the information is not returned after two (2) written requests, staff will be advised to note the file accordingly and then to proceed with the third party oral verification.

Oral verification will be made through a phone call to the source or by an "in person" meeting. All phone verification must originate from SCHA. When third party oral verification is used, staff will be required to complete a standard Certification of Document Viewed or Person Contact form, noting with whom they spoke with, the date of the conversation, and the nature (facts provided) of the conversation along with the signature and title of the staff person obtaining the information. Such verification will become a part of applicant/tenant's file. Information obtained will be compared to any documents provided by the family.

### 4. **Review of Documents**

In the event neither third party written or oral verification is possible, staff will request the applicant/participant to bring in actual documents at the time of the application.

All documents, **excluding government checks**, will be photocopied and retained in the applicant file. No government checks will be photocopied. A verification notation will be recorded in the file on a standard Certification of Document Viewed or Person Contacted form, as described above.

SCHA will accept the following documents from family:

Printed wage stubs

Computer printouts from employers

Signed letters (provided that information is confirmed by phone)

Other documents identified by SCHA as acceptable verification

SCHA will accept faxed documents. Photocopies will not be accepted. If third-party verification is received after documents have been accepted as provisional verification and there is a discrepancy, the SCHA will contact the third-party source and the family to resolve differences.

Where "review of documents" occurs and forms cannot be photocopied, staff viewing document(s) will be required to complete a standard form or make a notation to the

file indicating source of verification, date received, signature and title of staff person obtaining documentation, along with pertinent explanation of information received.

SCHA will allow up to one week for families to provide documents when third-party verification is impossible to obtain.

SCHA will not delay the processing of an application beyond 45 days because a third-party information provider does not return a verification in a timely manner.

**5. Applicant Certification/Self-Declarations(s)**

When verification cannot be effectuated by either form of third party verification nor review of documents, applicants will be required to submit a notarized statement.

Notarized statements are only to be used as a last resort, when the other forms of verification are impossible to obtain. A non-notarized resident/applicant statement as a form of verification is not acceptable.

Certifications which do not have to be notarized include the certification of the Divestiture of Assets.

**B. Release of Information**

At the application stage, families will be asked to sign appropriate verification forms, as well as a blanket authorization form. Each member, so requested to consent to the release of information, will be provided with a copy of the appropriate forms for their review and signature.

Each and every verification form will contain the appropriate family members' signature as proof of:

Their consent to the "third party" for release of specified information; and

Evidence of their understanding of the type/nature of information being sought.

Family refusal to cooperate with the HUD prescribed verification system will result in the termination of the household's application or housing assistance and will result in ineligibility status.

**C. Items To Be Verified**

ALL INCOME unless specifically excluded by the regulations;

CURRENT ASSETS (for those assets disposed of for less than fair market value in preceding two years, verification will simply be the difference between market value and actual value);

FAMILY COMPOSITION/STATUS, Birth Certificates, Social Security Numbers, Citizenship/Eligible Immigration Status (for each member of the household)

DEDUCTIONS for such items as income of family member under age 18 (other than head or spouse), an allowance for the disability of a family member other than head or spouse or elderly/disabled head(s) of household, and/or dependents.

FULL TIME STUDENT STATUS (as defined by the institution for persons carrying equivalent of what school considers to be full-time for "day" students) - includes High School students who are 18 or over;

INDEPENDENT STUDENT as defined by the Department of Education in the Higher Education Act (the HEA) as amended by the College Cost Reduction and Access Act of 2007 ;

TOTAL MEDICAL EXPENSES for "elderly" families only whose head or spouse is 62 years of age or older or handicapped or disabled according to the HUD definition;

CHILD CARE EXPENSES where it allows an adult family member to be gainfully employed or to further their education;

WORK RELATED DISABILITY HANDICAPPED ASSISTANCE EXPENSES (to include only those costs associated with attendant care or auxiliary apparatus which allows an adult family member to be gainfully employed);

FAMILY REQUESTING A LARGER UNIT THAN APPLICABLE (under SCHA's Subsidy Standards only where family can show that larger unit is needed for "medical purposes" or other extenuating circumstances);

PERSONS REQUESTING "PREFERENCE" STATUS", based upon preferences approved in the applicable policies pertaining to the various programs;

TENANT SELECTION SCREENING VERIFICATION (relevant to previous landlord references. (housekeeping, payment history and lease compliance).

Additionally, SCHA may request a credit report on families to determine if there are any monies being paid on behalf of the household on a regular basis that should be included as income for rent determination purposes.

CRIMINAL CHECK AND VERIFICATION, will be performed for all applicants for housing and the information will lead to a decision based on the following:

1. If there is no criminal history whatsoever with the last seven years, the applicant is not denied eligibility to housing assisted by SCHA.
2. If there is criminal history of any type with the last seven years further screening shall be required as described under Item F 4 (below).

**ZERO-INCOME STATUS** of household will be verified initially and every 30 days thereafter. Families alleging to have NO income will be required to execute

verification forms to determine that the more obvious forms of income such as unemployment benefits, AFDC, SSI, etc. are not being received by the household. The responses from these types of sources will then serve as third party INDEPENDENT verification. Applicants may be asked to complete a family expense form to document how much they spend on: food, transportation, health care, child care, debts, household items, phone service, cable, etc. to determine the source of income supporting such cash expenditures. Additionally, SCHA may request a credit report on families to determine if there are any monies being paid on behalf of the household on a regular basis that should be included as income for rent determination purposes.

**D. Minimum Income**

There is no minimum income requirement, but there must be rent paying ability of at least \$50.00 per month. Families will not be required to apply for welfare, but it may be suggested to them.

**E. Acceptable Forms of Verification  
(See Table II Following This Section)**

Specific and current information must be obtained on verification documents. Income verification less than 90 days old is an acceptable means of verification. Such documentation may be extended with a telephone update for an additional 30 days. **(A record of the update (facts provided), including the name and title of the individual contacted, must be placed in the applicant's file and dated and signed by staff person obtaining information, as denoted in 9-A Item 3 above).** Verification older than 120 days must be reverified, unless it is information which is not subject to change, thus requiring no further verification. Projections of Annual income shall be based on the best available information, with due consideration to past year's income, current income rate and effective date; and shall include estimates of each income recipient in the family group. The following verification information will be considered acceptable by SCHA in the order listed if up-front verification tools are unavailable:

**1. Employment Income:** Any verification form will request the employer to specify the:

Pay rate, frequency of pay, past earnings (including overtime, commission, bonus or tips, if applicable); and

Effective date of the last pay increases; and

Probability and effective date of any increase during the next 12 months.

Acceptable forms of verification include (in this order):

a. Employment verification form or printout, completed by the employer.



- b. Check stubs or earning statements showing employee's gross pay per pay period and frequency of pay (preferably three month or more).
  - c. W-2 forms if applicant has had the same job for at least two years and pay increases can be accurately projected.
  - d. Notarized statements, affidavits or income tax returns signed by the applicant describing self-employment and amount of income or income from tips and other gratuities.
2. Social Security, Pensions, Supplementary Security Income (SSI), Disability Income:
- If EIV or TASS or other third party verification is unavailable, SCHA must document file and follow verification procedures as outlined in Notice PIH 2004-18, dated September 17, 2004 as follows:
- a. Resident/applicant shall provide current (dated within the last 60 days) benefit verification letter for each household member that receives social security benefits.
  - b. Resident or applicant shall request award or benefit notification letters, by calling (1-800-772-1213) or visiting the following website ([www.ssa.gov](http://www.ssa.gov).) Original copy of notification letter that resident obtains must be submitted to Authority office. SCHA shall photocopy and return original to family and retain copy for its file.
3. Unemployment Compensation:
- a. Verification form or printout completed by the unemployment compensation agency.
  - b. Records from unemployment office stating payment dates and amounts.
4. Welfare:
- a. All Welfare Programs. Welfare agency's written statements or printouts as to type and amount of assistance family are currently receiving, and any changes in assistance expected during the next 12 months.
5. Alimony or Child Support Payments:
- a. Verification from Domestic Relations Office.

- b. Copy of a separation or settlement agreement, printout, or a divorce decree stating amounts and types of support and payment schedules.
- c. A letter from the person paying the support.
- d. Copy of latest check. SCHA must record the date, amount, and number of the check.
- e. Applicant's notarized statement or affidavit of amount received or that support payments are not being received and the likelihood of support payments being received in the future.

If payments are irregular:

- (1) Verification of irregularity of payment by Domestic Relations Office.
- (2) Copy of separation or settlement agreement, printout, or a divorce decree stating amount and type of support and payment schedules.
- (3) Statement from agency responsible for enforcing payments to show that family has filed.
- (4) Applicant's notarized statement or affidavit of amount received.

6. Earned Income Tax Credit:

For credits applied in one lump sum against tax liability, use  
Income Tax Return (IRS Form 1040 or 1040A) or  
IRS Form W-5 (Earned Income Credit Advance Payment).

7. Net Income From A Business:

The following documents show income for the prior years. SCHA must consult with Participant and use this data to estimate income for the next 12 months.

- a. IRS Tax Return, Form 1040, including any:
  - Schedule C (Small Business)
  - Schedule E (Rental Property Income)
  - Schedule F (Farm Income)

- b. An accountant's calculation of depreciation of expense computed, using straight-line depreciation rules. (Required when accelerated depreciation was used on the tax return or financial statement.)
- c. Audited or unaudited financial statement(s) of the business.
- d. Loan Application listing income derived from the business during the previous 12 months.
- e. Applicant's notarized statement or affidavit as to net income realized from the business during previous years.

8. Child Care Business:

Net income from a child care business must be verified as with any other business (see Net Income from a Business above) However, if participant's operation of business is newly established or is of a "cash and carry" type, participant/applicant may be requested to provide a form for each "customer" that he/she provides child care services to. Each form must provide the name, address, and phone number of the "customer". It must be signed and dated. A verification form will then be sent to identified "customer(s)", requesting the names of the children cared for, the number of times the care is provided, the rate of pay, method of payment (cash/check) and the typical yearly amount projected, (including school and vacation periods). Verification forms must be signed and dated by "customer".

The income stated above must be reported as earned income on IRS Tax Return.

If a person is no longer providing child care service, a third party written verification will be mailed to the customer (parent of the child being cared for) requesting verification of termination of services.

9. Recurring Gifts:

- a. Notarized statement or affidavit signed by the person providing the assistance. Must give the purpose, dates and value of gifts.
- b. Applicant's notarized statement or affidavit that provides the required information.

10. Scholarships, Grants, and Veterans Administration Benefits for Education

1. Benefactor's written confirmation of amount and purpose of assistance
2. Statement from school showing amount of grant for costs of attendance figured into grant or scholarship.

11. Family Assets Now Held:

For non-liquid assets, collect enough information to determine the current cash value - the net amount the family would receive if the asset were converted to cash.

- a. Verification forms, letters, or documents from a financial institution, broker, stock listings in the newspaper, etc.
- b. Passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker.
- c. Quotes from a stock broker or realty agent as to net amount family would receive if they liquidated securities or real estate.
- d. Real estate tax statements (if tax authority uses approximate market value).
- e. Copies of closing documents showing the selling price, the distribution of the sales proceeds and the net amount to the borrower.
- f. Appraisals of personal property held as an investment.
- g. Applicant's notarized statements or signed affidavits describing assets or cash held at the applicant/participant's home or in safe deposit box.

12. Assets Disposed of For Less Than Fair Market Value (FMV) During Two Years Preceding Effective Date of Certification or Recertification:

- a. SCHA will obtain the Family's certification as to whether any member has disposed of assets for less than fair market value during the two years preceding effective date of the certification or re-certification.
- b. If the family certifies that they did dispose of assets for less than fair market value - a certification that shows: (a) all assets disposed of for less than FMV; (b) the date they disposed of the

assets: (c) the amount the family received; and (d) the assets' market value at the time of disposition.

13. Savings Account Interest Income and Dividends:
  - a. Account statements, passbooks, certificates of deposit, etc., (if they show enough information) and are signed by the financial institution.
  - b. Broker's quarterly statements showing value of stocks or bonds and the earning credited the applicant.
  - c. If SCHA accepts an IRS Form 1099 from the financial institution, SCHA will adjust the information to project earnings expected for the next 12 months.
14. Interest Income From Sale of Real Property Pursuant to a Purchase Money Mortgage, Installment Sales Contract, or Similar Arrangement:
  - a. A letter from an accountant, attorney, real estate broker, the buyer, or a financial institution stating interest due for next 12 months. (A copy of the check paid by the buyer to the applicant is NOT sufficient since appropriate breakdown of interest and principal is not included.)
  - b. Amortization schedule showing interest for the 12 months following the effective date of the certification or re-certification.
15. Rental Income from Property Owned by Applicant/Participant:
  - a. IRS Form 1040 with Schedule E (rental Income)
  - b. Copies of latest rent checks, leases, or utility bills.
  - c. Documentation of applicant/participant's income and expenses in renting the property (tax statements, insurance premiums, receipts for reasonable maintenance and utilities, bank statements or amortization schedules showing monthly interest expense).
  - d. Lessee's written statement identifying monthly payments due the applicant/participant and applicant/participant's affidavit as to net income realized.
  - e. Anticipated changes in rental income over the next 12-month period should also be considered.
16. Full-Time Student Status:

- a. Written verification from the registrar's office or appropriate school official.
- b. School records indicating enrollment for sufficient number of credits to be considered a full-time student by the school.

17. Independent Student:

The SCHA will verify student's independence from his or her parents to determine that the student's parents' income is not relevant for determining the student's eligibility for assistance by doing all of the following:

- a. Reviewing and verifying previous address information to determine evidence of a separate household or verifying the student meets the U.S. Department of Education's definition of "independent student";
- b. Reviewing a student's prior year income tax returns to verify the student is independent or verifying the student meets the U.S. Department of Education's definition of "independent student"; and
- c. Verifying income provided by a parent by requiring a written certification from the individual providing the support. Certification is also required if the parent is providing no support to the student. Financial assistance that is provided by persons not living in the unit is part of annual income. (Except if the student meets the Department of Education's definition of "independent student").

18. Child Care Expense:

- a. Written verification from the person who receives the payment. If the child care provider is an individual, they must provide their Social Security Number and a notarized statement of the amount they are charging the applicant/participants for their services.
- b. Verifications must specify the child care provider's name, address, and phone, the names of the children cared for, and the frequency (number of times the baby-sitting occurs), the rate of pay, and the typical yearly amount, including school and vacation periods.
- c. Applicant's certification as to whether any of those payments have been or will be reimbursed by outside sources.

19. Medical Expenses:

- a. Written verification or printout by a doctor, hospital or clinic personnel, dentist, pharmacist, etc, of:

- (1) the estimated medical costs to be incurred by the applicant and of regular payments due on medical bills; and
  - (2) extent to which those expenses will be reimbursed by insurance or a government agency.
- b. The insurance company's or employer's written confirmation of health insurance premiums to be paid by the applicant/participant.
- c. Social Security Administration's written confirmation of Medicare premiums to be paid by the applicant/participant over the months.
- d. For attendant care:
- (1) Doctor's certification that the assistance of an attendant is medically necessary.
  - (2) Attendant's written confirmation of hours of care provided and amounts and frequency of payments received from the family (or copies of canceled checks the family used to make those payments).
  - (3) Applicant/participant's certification as to whether any of those payments have been or will be reimbursed by outside sources.
- e. Receipts, canceled checks, or pay stubs that indicate health insurance premium costs, etc., that verify medical and insurance expenses also likely to be incurred in the next 12 months.

SCHA must verify in accordance to HUD Notice: PIH 2005-37 (HA), if applicant or tenant has enrolled in a Medicare prescription drug plan that qualifies under the Medicare Prescription Drug Improvement and Modernization Act (MMA) that was signed into law on December 8, 2003. Participants/applicants are required to present a card issued by the provider of the private prescription drug plan selected. The card will contain a logotype seal comprised of the words Medicare Rx with the words Prescription Drug Coverage directly beneath.

Persons with low income and limited asset may be eligible for low-income subsidy in paying their Medical prescription drug plan cost. The subsidy received to assist these families in paying their Medicare prescription plan is excluded as annual income for purpose of calculating rent or assistance

Medicare beneficiaries will receive statements about their prescription drug spending for months in which they have prescription drug spending. If there is no activity in a given month, the plan is not obligated to send an explanation of benefits.

Tenant/applicant may provide the statements they receive to help verify how much they spend on prescription drugs. In determining co-pays and deductibles, refer to Attachment 2, Medicare Part D Coverage and Assistance Chart of HUD Notice: PIH-2005-37 (HA) or refer to the Department of Health and Human Service website at: <http://WWW.cms.hhs.gov/medicarereform/pdbma/>.

- f. Copies of payment agreements with medical facilities or canceled checks that verify payment made on outstanding medical bills that will continue over all or part of the next 12 months.
- g. Receipts or other record of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. SCHA may use this approach for general medical expenses such as nonprescription drugs and regular visits to doctor or dentists, but not for one-time, nonrecurring expenses from the previous year.

SCHA will use a mileage (at the prevailing IRS rate) or cab receipts with to/from addresses listed for verification of the cost of transportation directly related to medical treatment.

20. Medical Need for Larger Unit:

A reliable medical source must certify that such arrangements are medically necessary.

21. Assistance to Handicapped:

a. Attendant Care:

- (1) Attendant's written certification as to: amount received from the applicant/participant; frequency of receipt; hours of care provided; and/or copies of canceled checks applicant/participant used to make those payments.
- (2) Certifications required in paragraph 3-b below.

b. Auxiliary Apparatus:

- (1) Receipts for purchases of, or evidence of monthly payments for, auxiliary apparatus.



- (2) In the case where the handicapped person is employed, a statement from the employer that the auxiliary apparatus is necessary for employment.

c. In All Cases:

- (1) Written certification from a doctor or a rehabilitation agency that the handicapped person requires the services of an attendant or the use of auxiliary apparatus to permit the handicapped person to be employed or to function sufficiently independent to enable another family member to be employed.
- (2) Family's written certification as to whether they receive reimbursement for any of the expenses in paragraph b.(1) and b. (2) above and the amount of any reimbursement received.

**F. Verifying Factors of Eligibility**

1. Family Status: The following types of verification will be acceptable as methods to document applicant/participants' statements regarding family status.

To verify blood relationship, a driver's license or work ID will be used to verify name.

For marriage, a legal certificate of marriage will be used to verify relationship.

For stable family relationship, the following types of proof will be used:

- a. Joint bank accounts, purchases or loans
- b. Prior or current lease or rental agreement showing cohabitation period or a statement from landlord to this effect.
- c. Credit report showing residence and joint financial activity

For persons with disability, who are requesting a reasonable accommodation or program benefits that are available specifically for persons with disabilities i.e. (\$400 exemption), third-party verification must be obtained verifying that applicant meets the HUD definition of a person with a disability as stated in this policy. Such verification shall include:

Third party verification from a qualified professional having knowledge of the person's disability (not necessarily a physician). The qualified

professional will be requested to complete a Disability Verification Form to declare the appropriate category the applicant qualifies for disability status, if any. The Authority will not verify detailed information related to the nature or extent of anyone's disability or medical history.

Note: The mere receipt of Social Security or SSI disability income may not necessarily verify disability status, as defined by HUD. Such income may be due to a drug or alcohol problem and does not qualify as a disability under HUD regulations. Also in some cases the head of household or spouse may be receiving such benefit on behalf of another individual and therefore may not qualify as a person with a disability.

There must be verification that the person listed in the household actually exists, therefore birth certificates or other such documents must be submitted.

Verification for adults would include one of these forms:

1. Certificate of Birth, naturalization papers
2. Church issued baptismal certificate
3. Legal driver's license
4. US military discharge
5. US passport
6. Voter's registration
7. Company ID
8. Health and Human Services ID
9. Social Security ID
10. Department of Motor Vehicles ID

Verification for minors would include one of these forms:

1. Certificate of Birth
2. Adoption papers
3. Custody agreement
4. Health and Human Services ID
5. School records

## 6. Department of Motor Vehicles ID

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

Acceptable verification of a separation will be a copy of court-ordered maintenance agreement.

Verification of guardianship will be:

1. Court-ordered assignment
2. Notarized declaration of parent
3. Verification from social services agency
4. School records.

It is possible to have what appears to be two families in the same household (such as mother and father and daughter with her own family). However, they have applied as one family, so they are one family as long as they claim to be a family and meet the family definition.

### 2. Verification of Social Security numbers:

Verification will be done through the provision of a valid Social Security card issued by the Social Security Administration.

The Authority will accept copies of the Social Security card only when it is necessary for the Authority to verify by mail the continuing eligibility of HCV participant families.

If an applicant or participant cannot provide his or her Social Security card, other documents listed below showing his or her Social Security Number may be used for verification. He/she may be required by the Authority to provide one or more of the following alternative documents to verify his or her Social Security Number.

These documents include:

Driver license

Identification card issued by a Federal, State or local agency

Identification card issued by an employer or trade union

Identification card issued by a medical insurance company

Photo ID or other acceptable proof of identity

Earnings statements or payroll stubs

Bank statements

IRS Form 1099

Benefit award letters from government agencies

Unemployment benefit letter

Retirement benefit letter

Life insurance policies

Court records such as real estate tax notices, marriage and judgment or bankruptcy records

Applicants may not become participants until the documentation is provided. The applicants will retain their position on the waiting list during this period.

If an applicant or participant is able to disclose the Social Security number, but cannot meet the documentation requirements, the applicant or participant must file an application for a new social security card.

New family members 5 year of age or older will be required to verify (or certify, as applicable) their Social Security information when the change in family composition is reported by the family, whether that be at an annual or interim recertification.

### **3. Verification of Citizenship Or Eligible Immigration Status**

- a. General: For any notice or document that the Noncitizens Rule requires SCHA to provide to an individual, or requires that SCHA obtain signature of the individual, SCHA, where feasible, will arrange for the notice or document to be provided to the individual in a language that is understood by the individual if the individual is not proficient in English.
- b. Each family member, regardless of age, must submit the following evidence to SCHA:
  - (1) For citizens, the evidence consists of a signed declaration of U.S. citizenship:
  - (2) For noncitizens who are 62 years of age or older and who are receiving assistance under a Section 214 covered program on June 19, 1995, the evidence consists of:
    - a. A signed declaration of eligible immigration status; and

- b. Proof of age document.
- (3) For all other noncitizens, the evidence consists of the following:
- a. A signed declaration of eligible immigration status;
  - b. One of the original INS documents listed below:
    - (i) Form I-i 51, Alien Registration Card (issued to lawful permanent residents prior to 1979). This form will no longer be valid after March 20, 1996.
    - (ii) Form 1-551, Alien Registration Receipt Card (for permanent resident aliens);
    - (iii) Arrival-Departure Record, with one of the following annotations:
      - (a) "Admitted as Refugee Pursuant to Section 207";
      - (b) "Section 208" or "Asylum";
      - (c) "Section 243(h)" or "Deportation stayed by Attorney General";
      - (d) "Paroled Pursuant to Section 212(d) (5) of the INA";
    - (iv) If Form 1-94, Arrival-Departure Record, is not annotated, then accompanied by one of the following documents:
      - (a) A final court decision granting asylum (but only if no appeal is taken);
      - (b) A letter from an INS asylum officer granting asylum (if application is filed on or after October 1, 1990) or from an INS district director granting asylum (if application filed before October 1, 1990);
      - (c) A court decision granting withholding of deportation; or
      - (d) A letter from an asylum officer granting withholding of deportation (if application filed on or after October 1, 1990).
    - (v) Form 1-688, Temporary Resident Card, which must be annotated "Section 245A" or "Section 210";

(vi) Form I-688B, Employment Authorization Card, which must be annotated "Provision of Law 274a.12(11)" or "Provision of Law 274a.(12);

(vii) A receipt issued by the INS indicating that an application for issuance of a replacement document in one of the above-listed categories has been made and the applicant's entitlement to the document has been verified; or

(viii) Other acceptable evidence that the INS announce by notice published in the Federal Register.

- (4) A signed Verification Consent Form.
- (5) For each family member who contends that he or she is a U.S. citizen, or a noncitizen with eligible immigration status, the family must submit to SCHA a written declaration, signed under penalty of perjury, by which the family member declares whether he or she is a U.S. citizen or a noncitizen with eligible immigration status. For each adult, the declaration must be signed by the adult. For each child, the declaration must be signed by an adult who is or will be residing in the assisted dwelling unit who is responsible for the child.
- (6) The SCHA shall retain copies of all documents for a minimum of 5 years along with any and all forms, applications, documents, etc. submitted to SCHA by the family, or provided to SCHA as part of the INS appeal or the SCHA informal hearing.

#### Evidence Of Eligible Immigration Status Process

The SCHA shall require evidence of eligible immigration status to be submitted at the times specified below, subject to any extension granted in accordance with the following paragraph.

1. Applicants: For applicants, SCHA must ensure that evidence of eligible immigration status is submitted with or prior to the date SCHA anticipates or has knowledge that verification of other aspects of eligibility for assistance will occur and prior to admission as a participant.
2. Families already receiving assistance: For a family already receiving the benefit of assistance in a covered program on June 19, 1995, the required evidence shall be submitted at the first regular reexamination after June 19, 1995.

3. New occupants of assisted units: For any new family members, other than newborns, the required evidence shall be submitted prior to SCHA's approval of that family member residing in the household.

The SCHA shall extend the time to submit evidence of eligible immigration status if the family member:

a. Submits the declaration required certifying that any person for whom required evidence has not been submitted is a noncitizen with eligible immigration status; and

b. Certifies that the evidence needed to support a claim of eligible immigration status is temporarily unavailable, additional time is needed to obtain and submit the evidence, and prompt and diligent efforts will be undertaken to obtain the evidence.

Any extension of time, if granted, shall be for a specific period of time. The additional time provided should be sufficient to allow the family the time to obtain the evidence needed. SCHA's determination of the length of extension needed shall be based on the circumstances of the individual case.

SCHA's decision to grant or deny an extension as provided above shall be issued to the family by written notice. If the extension is granted, the notice shall specify the extension period granted. If the extension is denied, the notice shall explain the reasons for denial of the extension.

If the family fails to submit required evidence of eligible immigration status within the time period specified in the notice, or any extension granted in accordance with this section, or if the evidence is timely submitted but fails to establish eligible immigration status, SCHA shall proceed to deny, prorate or terminate assistance, as appropriate.

#### Verification of Eligible Immigration Status

Verification of eligible immigration status shall be conducted by SCHA simultaneously with verification of other aspects of eligibility for assistance. SCHA shall verify eligible immigration status in accordance with INS procedures for Primary Verification or Secondary Verification. Primary verification of the immigration status of the person is conducted through the INS automated system, Systematic Alien Verification for Entitlements (SAVE). The SAVE system confirms eligible immigrant status. If the SAVE system does not verify eligible immigrant status, the INS will perform a (Secondary Verification) manual search of records. If Primary and Secondary

Verification to confirm eligible immigration status fails, the SCHA shall issue to the family a notice, as described in **Chapter 3 - Notice Concerning Non-Citizen Rule.**

#### **4. Tenant Screening Verification Procedure**

Listed below are the approaches to verifying every applicant's performance relative to various aspects of lease compliance.

Reports of interviews, letters or telephone conversations with reliable sources: At a minimum, such reports will indicate the date of the conversation, source of the information, name and job title of the individual contacted, and a written summary of the information received.

Sources of information may include, but are not limited to the applicant, by means of interviews or home visits of: present or former landlords, present and former employers, credit checks, family social workers, parole officers, court records, drug treatment centers, clinics, physicians, clergy, or police departments where warranted by the particular circumstances. Person(s) with disabilities who have spent some or much of their past in medical facilities receiving treatment and has no or little housing history to report will be required to provide third party verification for the span of time they were receiving treatment and were not living in housing. They will not be required to divulge any medical information whatsoever or the nature of the condition for which they were treated, unless mitigating circumstances warrant it (i.e information presented by applicant to explain that poor rental history was caused by disability that is now successfully treated).

CRIMINAL CHECK AND VERIFICATION, in accordance with SCHA'S One Strike Policy (Section 17), will be performed for all applicants for housing and the information will lead to a decision.

GUIDELINES FOR EVALUATING CRIMINAL HISTORIES OF APPLICANT: The following guidelines are intended to assist and guide the decision-makers in approving or denying application so far as criminal activities are concerned:

The denial of an application based on criminal activity shall be treated the same as a denial for any other reason, i.e., the applicant is entitled to a hearing.

Evidence of any member of the applicant household having engaged in criminal activity within the last seven years will be grounds for further screening action as described. SCHA's approval or denial of an application will be based on the criminal activity engaged in, and is not dependent upon any action or inaction by any law enforcement agency, district attorney, or court. However, evidence of conviction for a crime shall be conclusive proof that a particular criminal activity was engaged in



and no denial decision shall be based solely upon the fact that an arrest was made for any particular crime.

- a. If there is no criminal history whatsoever within the last seven years, the applicant passes the screening test and is **not** denied eligibility to housing assisted by SCHA.
- b. If there is criminal history of any type within the last seven years, an applicant household, depending on the particular crime committed, will be placed in Category 1, 2, 3, or 4 (see below) and further screened according to the highest category guidelines subscribed for that particular category. Any second and subsequent occurrences in any one category will be placed in the next higher category. Any occurrence more than 10 years will be placed in the next lower category.

#### SCREENING REQUIREMENT, BY CATEGORY:

(Attach to Appendix I, appropriate itemized list of the specific crimes associated with the following four categories)

#### **Category 1:** Summary Offenses (S)

Summary Traffic Offense (S)

Action: No further screening required, applicant household admitted so far as criminal history is concerned.

#### **Category 2:** Misdemeanor Offenses (M3)

Misdemeanor Offenses (M2)

Misdemeanor Traffic Offenses (M3)

Misdemeanor Traffic Offenses (M2)

Action: Applicant(s) will be asked for explanation of criminal activities. Denial of application by Intake personnel requires approval of supervisor.

#### **Category 3:** Misdemeanor Offenses (M1)

Felony Offenses (F3)

Misdemeanor Traffic Offenses (M1)

Felony Traffic Offenses (F3)

Action: Applicant(s) will be asked for explanation and extensive evidence of rehabilitation, including but not limited to recommendations from social workers, parole or probation officers, treatment centers and others. Approval of application by intake personnel requires approval of supervisor.

**Category 4: Felony Offenses (F2)**

Felony Offenses (F1)

Felony Traffic Offenses (F2)

Felony Traffic Offenses (F1)

Any Pattern of Criminal activity and Drug Offense.

Action: Admission denied

**Individual registered with the state sex offender registration program will be denied assistance .**

Applicant may inform SCHA when there is a disposition to their case and may become eligible.

If unfavorable information is received regarding an applicant, SCHA is to consider the time and nature of the applicant's conduct, as well as other factors that would indicate favorable future conduct. Such factor would include evidence of rehabilitation or evidence of the family's current participation or willingness to participate in an appropriate counseling program or educational/employment training programs to increase income and self sufficiency.

In circumstances of illegal use of a controlled substance or a pattern of abuse of alcohol, the applicant must demonstrate that they are no longer engaging in such practices and are participating or have successfully completed a supervised drug or alcohol rehabilitation program or have been rehabilitated otherwise.

To be factored into SCHA's screening assessment of the applicant's mitigating circumstances must be verifiable.

Mitigating circumstances are facts relating to the applicant's record, which when verified would both:

Indicate the reason for unsuitable behavior; and

The reason for unsuitable behavior is no longer in effect or is under control, AND

Applicant's prospect for lease compliance is an acceptable one, justifying admission. Mitigating circumstances would overcome or outweigh information already gathered in the screening process.

If applicant asserts that the mitigating circumstances relate to a change in disability, medical condition or course of treatment, the Authority shall have the right to refer such information to persons qualified to evaluate the evidence and the Authority may request further information, if required, even if such information is of a medically confidential nature. Such inquiries will be limited to the information regarding the mitigating circumstances. Examples of mitigating circumstances might include:

- evidence of rehabilitation; or
- evidence of the applicant family participation in or willingness to participate in social service or other appropriate counseling service.

Consideration of mitigating circumstances does not guarantee that applicant will qualify for admission. Rather Authority will consider the following:

- Applicant's ability to verify the claim of mitigating circumstances and improved future behavior; and
- Applicant's overall performance with respect to all screening requirements; and
- The nature and seriousness of any criminal activity, especially drug related criminal history.

If, during the course of processing an application, it becomes evident that an applicant has falsified or otherwise misrepresented any facts about his/her current situation, history, or behavior in any way that affects eligibility, preference, applicant selection, criteria qualification, allowances, or rent, the application will be rejected. This provision excludes minor mistakes that produce no benefit to the applicant.

#### **G. Local Preferences for Admission**

Listed below are acceptable verification methods for determining applicants qualifying preference claim.

- Resident of Schuylkill County (person must reside in a specified geographical area, specifically Schuylkill County).
  1. Documentation or reference from current or previous landlord(s)
  2. Contact with current or previous owner of property occupied
  3. Verification of physical address, i.e., current rent receipts, lease, deed or driver's license, denoting address
  4. Documentation from employer or prospective employer that person is working or has been hired to work in specified preference area within 30 calendar day period immediately

preceding application

5. Family has given the proper physical address of the unit and has properly identified the owner.

#### Elderly or Persons with Disabilities

1. Disability Status: statement from physician or other reliable professional source, having knowledge of person with disability (if EIV verification or benefits documenting status has not been received).
  2. Telephone or in-person contact with source documented in file by SCHA
  3. Elderly Status (when there is reasonable doubt that applicant is at least 62): birth certificate, baptismal certificate, social security records, driver's license, census record, official record of birth or other authoritative document or receipt of SSI old age benefits or SS benefits.
- Currently Employed
    1. EIV or other up-front verification
    2. Verification from employer
    3. Personal or phone contact with employer
    4. Pay stubs, earning statements or W-2 forms
    5. Notarized statements, affidavits, or tax returns signed by applicant for such items as self-employment income, tips, or other gratuities
  - Evidence of Economic Empowerment motivational Activities
    1. Letter from program provider indicating:
      2. Whether enrolled or completed program
      3. Whether training is HUD funded
      4. Whether federal, state, local government or local program
      5. Whether it is employment training
      6. Whether it has clearly defined goals and objectives

7. Whether program has supportive services
  8. Whether payments are for out-of pocket expenses incurred in order to participate in a program
  9. Date of first job after program completion
- Families of Veteran and Serviceman
    1. Documentation from source, of person or is currently serving (or had served) in the U.S. Armed Forces for a period of more than 180 days and if discharged was other than a dishonorable discharge (as defined in Section 101, Title 38 of the U.S. Code).
    2. Veteran Benefits documentation
  - Displaced Person due to Governmental Action
    1. Displacement Status: Written statement or certificate of displacement by the appropriate governmental authority
  - Domestic Violence

In accordance with the Violence Against Women Act as amended in 2005 and signed into law in 2006, SCHA may request that an individual certify via a HUD approved certification form that the individual is a victim of domestic violence, dating violence, or stalking, and that the incident or incidents in question are bona fide incidents of such actual or threatened abuse and meet the requirements set forth in Section 606 of the Act. Such certification shall include the name of the perpetrator. The individual shall provide such certification within 14 business days after SCHA requests such certification.

If the individual does not provide the requested certification in writing within 14 business days from the date of the request, nothing in this section may be construed to limit the authority of SCHA to deny the preference. SCHA may extend the 14-day deadline at its discretion.

In addition to the HUD approved certification, the individual must also provide the following:

1. Restraining or civil protection orders, police records, criminal court records, medical records, domestic violence provider records, counselor records, law enforcement reports

2. Victim's statement, testimony or affidavit outlining facts pertaining to violence and other credible evidence of violence
- Income Targeting
    1. Documentation of total family income , (as defined in Chapter 10 of this Policy) in order to target at least 40 percent of new admissions to extremely low-income households (families with incomes at or below 30 percent of the area median income) into the program.

## **SECTION 10 - VOUCHER ISSUANCE AND BRIEFINGS**

### **A. Issuance of Vouchers**

When funding is available, the Housing Authority (SCHA) will issue Vouchers to applicants whose eligibility has been determined. The number of Vouchers issued must ensure that the SCHA stays as close as possible to 100 percent lease-up. The SCHA performs a monthly calculation electronically to determine whether applications can be processed, the number of Vouchers that can be issued, and to what extent the SCHA can over-issue (issue more Vouchers than the budget allows to achieve lease-up).

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

### **B. Briefing Types and Required Attendance**

**Initial Applicant Briefing:** A full HUD-required briefing will be conducted for applicant families who are determined to be eligible for assistance. The briefings will be conducted in groups and, or individual meetings. Families who attend group briefings and still have the need for individual assistance will be referred to the Section 8 Coordinator.

Briefings will be conducted in English. Individuals with language needs should inform the Section 8 Coordinator, in order that translation services or a reasonable accommodation can be arranged.

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

The SCHA will not issue a Voucher to a family unless the household representative has attended a briefing and signed the Voucher. Applicants who provide prior notice of inability to attend a briefing will automatically be scheduled for the next briefing. Applicants who fail to attend 2 scheduled briefings, without prior notification and approval of the SCHA, may be denied admission based on failure to supply information needed for certification.

**Reasonable Accommodation:** The SCHA will conduct individual briefings for families with disabilities at a handicapped accessible location, for reasonable accommodation.

**Briefing Packet:** The documents and information provided in the briefing packet for the Voucher program will comply with all HUD requirements. The SCHA also includes other information and/or materials, which are not required by HUD.

The family is provided with the following information and materials

The term of the voucher, and the SCHA policy for requesting extensions

or suspensions of the voucher (referred to as tolling).

A description of the method used to calculate the housing assistance payment for a family, including how the SCHA determines the payment standard for a family; how the SCHA determines total tenant payment for a family and information on the payment standard and utility allowance schedule. How the SCHA determines the maximum allowable rent for an assisted unit, including the rent reasonableness standard.

What the family should consider in deciding whether to lease a unit, including the condition of a unit; whether the rent is reasonable; the cost of any tenant-paid utilities and whether the unit is energy-efficient; and the location of the unit, including proximity to public transportation, centers of employment, schools and shopping;

Where the family may lease a unit. For families that qualifies to lease a unit outside the SCHA jurisdiction under portability procedures, the information must include an explanation of how portability works.

The HUD required tenancy addendum, which must be included in the lease.

The Request for Approval of Tenancy form, key receipt form, and a description of the procedure for requesting approval for a unit.

A statement of the SCHA policy on providing information about families to prospective owners.

The SCHA Subsidy Standards, including when and how exceptions are made.

The HUD brochure on how to select a unit. Information on how to select an appropriate unit, based on HUD standards for rental assistance programs and/or the HUD brochure "A Good Place to Live" on how to select a unit that complies with HQS.

The HUD brochure on lead-based paint and information about where blood level testing is available.

Information on federal, State and local equal opportunity laws and a copy of the housing discrimination complaint form. The SCHA will also include the pamphlet "Fair Housing: It's Your Right".

A list of landlords or other parties willing to lease to assisted families or help in the search and/or known units available for the voucher issued. The list includes landlords or other parties who are willing to lease units or help families find units outside areas of poverty or minority concentration.



If the family includes a person with disabilities, notice that the SCHA will provide assistance in locating accessible units and a list of available accessible units known to the SCHA.

**The Family Obligations under the program.**

The grounds on which the SCHA may terminate assistance for a participant family because of family action or failure to act.

SCHA informal hearing procedures, including when the SCHA is required to offer a participant family the opportunity for an informal hearing, and how to request the hearing. Information packet including an explanation of how portability works, including a list of neighboring housing agencies with the name, address and telephone number of a portability contact person at each for use by families who move under portability.

A statement that it is SCHA policy (in accordance with (CFR 982.308): to provide information in the Authority's possession to all owners of units, for which participants are seeking leases regarding factors of family behavior or suitability for tenancy, including: the family's current and prior address (as shown in SCHA records), name and address of previous landlords (if known); the tenancy history of family members or drug trafficking by family members, any previous violation of program requirements; and payment history; *(The information provided is intended to assist owners in conducting their own screening. Owners will be informed how information was obtained and will be encouraged to confirm all information). SCHA shall provide the same types of information to all families and to all owners).*

A map showing areas representing various income levels of the jurisdiction and surrounding areas for the purpose of expanding housing opportunities for families.

Information regarding the SCHA's outreach program which assists families who are interested in, or experiencing difficulty in obtaining available housing units in areas outside of minority concentrated locations.

A list of properties or property management organizations that own or operate housing units outside areas of poverty or minority concentration.

An Owner's Handbook, an HQS checklist and sample contract.

Procedures for notifying the SCHA and/or HUD of program abuses such as side payments, extra charges, violations of tenant rights, and owner failure to repair.

The family's rights as a tenant and a program participant.

Requirements for reporting changes between annual recertifications.  
Information on security deposits and legal referral services.

A map showing where a utility allowance for tenant-paid air conditioning would be provided.

Exercising choice in residency Choosing a unit carefully and only after due consideration.

The Family Self-Sufficiency program and its advantages.

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

**C. Encouraging Participation in Areas without Low Income or Minority Concentration**

At the briefing, families are encouraged to search for housing in non-impacted areas and the SCHA will provide assistance to families who wish to do so. The SCHA has areas of poverty and minority concentration clearly delineated in order to provide families with information and encouragement in seeking housing opportunities outside highly concentrated areas.

The SCHA has maps that show various areas and information about facilities and services in neighboring areas such as schools, transportation, and supportive and social services.

The SCHA will investigate and analyze when Voucher holders are experiencing difficulties locating or obtaining housing units outside areas of concentration. The assistance provided to such families includes:

- Providing families with a search record form to gather and record info.
- Direct contact with landlords.
- Counseling with the family.
- Providing information about services in various non-impacted areas.
- Meeting with neighborhood groups to promote understanding.
- Formal or informal discussions with landlord groups Formal or informal discussions with social service agencies
- Meeting with rental referral companies or agencies Meeting with fair housing groups or agencies

**D. Assistance to Families Who Claim Discrimination**

The SCHA will give participants a copy of HUD form 903 to file a complaint and will

assist the family in completing and/or filing the form, if the family requests such assistance.

#### **E. Security Deposit Requirements**

**Leases Effective on or after October 2, 1995:** The owner is not required to but may collect a security deposit from the tenant. Security deposits charged by owners may not exceed those charged to unassisted tenants.

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

When the family moves out of the unit, subject to State or local law, the owner may use the security deposit and any interest accrued as reimbursement for any unpaid rent payable by the tenant, and damages to the unit or for other amounts the tenant owes under the lease.

The owner must give the tenant a written list of all items charged against the security deposit and the amount of each item. After deducting any charges, the owner must promptly refund the full amount of the remaining balance to the tenant. If the security deposit is not sufficient to cover the amount the tenant owes under the lease, the owner may seek to collect the balance from the tenant.

#### **F. Term of Voucher**

During the briefing session, each household will be issued a Voucher, which represents a contractual agreement between the SCHA and the Family, specifying the rights and responsibilities of each party. It does not constitute admission to the program, which occurs when the lease and contract become effective.

**Expirations:** The Voucher is valid for a period of 60 calendar days from the date of issuance. The family must submit a Request for Tenancy Approval (RFTA) within the 60-day period unless the SCHA has granted an extension.

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

**Suspensions:** The SCHA will stop the voucher period on the day the RFTA is received by the SCHA. The voucher period will resume on the earliest date the SCHA receives notice of: a) the landlord's refusal of tenancy, b) the tenant's refusal of tenancy, or c) the SCHA's refusal of tenancy.

**Extensions:** The SCHA may extend the term of the voucher. A family must submit a written request for an extension of the Voucher time period. All requests for extensions

must be received prior to the expiration date of the Voucher.

Extensions are permissible at the discretion of the SCHA up to a maximum of an additional 60 days primarily for these reasons:

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

The SCHA is satisfied that the family has made a reasonable effort to locate a unit, including seeking the assistance of the SCHA, throughout the initial sixty-day period. A completed search record is required.

The family has turned in a Request for Tenancy Approval prior to the expiration of the 60 day period, but the unit has not passed Housing Quality Standards.

The family was prevented from finding a unit due to **disability accessibility requirements** or large size bedroom unit requirement. A completed search record is required.

The SCHA extends a voucher in one or more 30 day increments. Unless approved by the Executive Director or her designee, no more than 2 extensions of 30 days or less will be granted and never for a total of more than an additional sixty days.

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

#### **G. Voucher Issuance Determination for Split Households**

In those instances when a family assisted under the Housing Choice Voucher program becomes divided into two otherwise eligible families due to divorce, legal separation, or the division of the family, and the new families cannot agree as to which new family unit should continue to receive the assistance, the Executive Director or appointed designee shall make a decision as to which family member retains the Voucher.

The Executive Director or her designee shall consider the following factors to determine which of the families will continue to be assisted:

Which of the two new family units has custody of dependent children.

Which family member was the head of household when the Voucher was initially issued (listed on the initial application).

The composition of the new family units, and which unit contains elderly or disabled members.

Whether domestic violence was involved in the breakup.

Which family members remain in the unit.

Recommendations of social service professionals.

Documentation of these factors will be the responsibility of the requesting parties. The Executive Director or appointed designee will make a decision as to which family member will receive the Voucher. The family member who does not receive the Voucher will have 14 days to request an Informal Review.

**H. Remaining Member of Tenant Family - Retention of Voucher**

In the situation where the Voucher holder is deceased, moved with the SCHA's approval, or has not had their assistance terminated by the SCHA; and there is a remaining member of the tenant family; the SCHA will make a determination as to whether that remaining member may retain the Voucher. To be considered the remaining member of the tenant family, the person must have been previously approved by the SCHA to be living in the unit.

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

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

The court has to have awarded emancipated minor status to the minor, or

The SCHA has to have verified that social services and/or the Juvenile Court has arranged for another adult to be brought into the assisted unit to care for the child(ren) for an indefinite period.

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

## **SECTION 11 - REQUEST FOR TENANCY AND CONTRACT EXECUTION**

### **A. Responsibility for Locating Suitable Housing**

Once a voucher has been issued, it is the family's responsibility to locate suitable housing. This means that the housing must be within the rent limitations set by the voucher, must meet Housing Quality Standards requirements, including minimum bedroom size requirements for units.

The Authority will maintain updated referral lists of owners with potential available units. The list will be made available to voucher holders.

Upon request the Authority may assist a family in finding a home, where because of age, disability, large family size, or other reasons determined appropriate by the Authority, the family is unable to locate an approvable one.

### **B. Eligible Types of Housing**

Any existing dwelling determined by the Authority to be in decent, safe, and sanitary condition is eligible for use in the Housing Voucher programs. Other types of existing housing that may be considered as eligible, include, but is not limited to:

1. Congregate housing for eligible elderly, disabled or displaced families or individuals;
2. Independent Group Residences for eligible elderly, disabled families or individuals, which require a planned program of continual supportive services;
3. Single Room Occupancy (SRO) housing that is located in an area in which there is a significant demand for SRO units, as determined by HUD, and approved by the Authority and the local governmental entity (if appropriate) that the property may be used for such purposes and meets applicable health and safety standards;
4. Manufactured homes where the tenant leases the mobile home and the pad. Manufactured homes where the tenant owns the mobile home and leases the pad;
6. Section 221 (d)(3) below market interest rate (BMIR) or market interest rate (MIR), Section 202, Section 236 (insured or non-insured), and FmHA Section 515 interest credit projects; and
7. Units under the Section 23 or rent supplement programs that continue to receive assistance or upon conversion to Section 8, as long as the total number of dwellings in the project receiving any form of assistance does not exceed 40 percent of the total number of dwellings in the project;

8. Shared housing in which an assisted family shares a dwelling (such as a house or an apartment) with another resident family. There are two types of shared housing:
  - A. Individual lease shared housing in which the Authority enters into a separate HAP contract for each assisted family residing in a shared housing unit.
  - B. Related lease share housing in which the Authority enters into a single HAP contract for two assisted families residing in a shared housing unit.
9. Units owned (but not subsidized) by the SCHA (following HUD-prescribed requirements).
10. Units financed in whole or in part through Section 42 of the IRS Code under the Low Income Tax Credit Housing Program.

All structure types can be utilized, including but not limited to single family, duplex, triplex, four-plex, garden apartments, town-houses, and high-rises;

Families may lease properties owned by relatives, as long as the SCHA determines that approving the unit would provide reasonable accommodations for a family member who is a person with a disability (See Item 12-A).

### **C. Request for Tenancy Approval**

The family must submit the Request for Tenancy Approval (RFTA) during the term of the voucher. The family must submit the RFTA in the form and manner required by the SCHA.

Both the owner and Voucher holder must sign the RFTA.

The SCHA will not issue the family more than one RFTA at a time, and will not permit the family to submit more than one RFTA at a time.

The SCHA will review the proposed lease and the RFTA documents to determine whether or not they are approvable. The Request will be approved if:

- a) The unit is an eligible type of housing
- b) The unit meets HUD's Housing Quality Standards (and any additional criteria as identified in this Administrative Plan)
- c) The rent is reasonable  
The proposed lease complies with HUD and SCHA requirements
- d) The owner is approvable, and there are no conflicts of interest.
- e) At the time a family initially receives assistance (new admissions and moves),

the family share of rent may not exceed 40 percent of the family monthly adjusted income.

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

When, for any reason, an RFTA is not approved, the SCHA will furnish another RFTA form to the family along with the notice of disapproval so that the family can continue to search for eligible housing.

#### **D. Owner Responsibility**

The owner is responsible for performing all of the owner's obligation under the HAP contract and the lease, including:

(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.

In accordance with HUD requirements, the SCHA will furnish prospective owners who request the family's address information in writing from the SCHA with the family's current address as shown in the SCHA's records and, if known to the SCHA, the name and address of the landlord at the family's current and prior address. The SCHA will make an exception to this requirement if the family's whereabouts must be protected due to domestic abuse or witness protection.

The SCHA will inform owners that it is the responsibility of the landlord to determine the suitability of prospective tenants. A statement of the SCHA's policy on release of information to prospective landlords will be included in the briefing packet, which is provided to the family. Owners are permitted and encouraged to screen families on the basis of their tenancy histories. An owner may consider a family's background with respect to such factors as:

- Payment of rent and utility bills;
- Caring for a unit and premises
- Respecting the rights of others to the peaceful enjoyment of housing
- Drug related criminal activity or other criminal activity that is a threat to the life, safety or property of others
- Compliance with other essential conditions of tenancy

The Authority will provide the owner with information in its possession, including information about the tenancy history of family members, or about drug-trafficking by family members.



- (2) Maintaining the unit in accordance with HQS, including performance of ordinary and extraordinary maintenance (see Section 12 of this Plan).
- (3) Complying with equal opportunity requirements
- (4) Preparing and furnishing to the SCHA information required under the HAP contract
- (5) Collecting from the family
  - Any security deposit
  - Tenant contribution (the part of rent to owner not covered by HAP)
  - Any charges for unit damage by family
- (6) Enforcing tenant obligations under the lease
- (7) Paying for utilities and services (unless paid by the family under the lease)

**E. Refusal to Execute a HAP Contract With Owner**

The Authority must not approve a unit if:

Information is obtained that owner is debarred, suspended, or subject to a limited denial of participation under 24 CFR 24.

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.

A court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements.

The Authority may refuse to execute a HAP contract with an owner if it believes that the owner, including a principal or other interested party, has committed any of the following:

1. The owner violated a Housing Choice Voucher assistance contract or any other HAP contract under Section 8 of the 1937 Act (42 U.S.C 1437f).
2. The owner committed fraud in connection with any federal housing program.
3. The owner engaged in drug-trafficking.
4. The owner has a history or practice of non-compliance with housing standards for dwellings leased under a federal housing program.
5. The owner has a history or practice of non-compliance with State or local housing codes.

All persons contracting with the housing authority as a lessor shall be required to supply a tax certification notice which indicates payment of all municipal, county and school district taxes, as well as proof of payment of all applicable municipal utility bills. Such certification shall be made upon initial application and annually thereafter. Failure to provide such certification shall result in denial or termination of any contract with the housing authority.

As used in this section, the following words and phrases shall have the meaning given to them in this subsection:

“Municipal Utility Bills.” Bills for services provided by a utility which is wholly owned and operated by a municipality or municipal authority. The term shall include, but not be limited to, water, sewer and solid waste disposal, utility bills. (Dec. 21, 1998 P.L. 1012, No 134)

6. The owner owes State or local real estate property taxes or any other municipal debt in accordance with the Housing Authority Law of the Commonwealth of Pennsylvania, as amended.
7. The owner owes the SCHA or any other SCHA a debt in connection with an assisted housing program.
8. The owner owes the SCHA or any other SCHA a debt in connection with an assisted housing program.

The Authority's refusal to approve the owner may be based on information received from HUD, or otherwise available to the Authority. The decision whether to approve the owner in these cases is at the Authority's administrative discretion.

#### **F. Lease Review**

The SCHA will review the lease before executing the HAP contract. The tenant must have legal capacity to enter into a lease under Pennsylvania law. Responsibility for utilities, appliances and optional services must correspond to those provided on the RFTA.

The family and owner must submit a standard form lease used in the locality by the owner and that is generally used for other unassisted tenants in the premises. The terms and conditions of the lease must be consistent with Pennsylvania law. The lease must specify what utilities and appliances are to be supplied by the owner, and what utilities and appliances are to be supplied by the family. The HUD prescribed tenancy addendum must be included in the lease word-for-word before the lease is executed.

The owner may attach additional rules (often called “House Rules”) to the lease as an addendum.

### **G. Actions before Lease Term**

All of the following must be completed before the beginning of the initial term of the lease for a unit:

The SCHA has inspected the unit and has determined that the unit satisfies the HQS;

The landlord and the tenant have executed the lease, including the HUD-prescribed tenancy addendum;

The SCHA has approved leasing of the unit in accordance with program requirements

### **H. Separate Agreements**

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

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

Owners and families may execute separate agreements for services, appliances (other than range and refrigerator) and other items that are not included in the lease if the agreement is in writing and approved by the SCHA.

Any appliances, services or other items, which are routinely provided to unassisted families as part of the lease (such as air conditioning, dishwasher or garage) or are permanently installed in the unit, cannot be put under separate agreement and must be included in the lease. For there to be a separate agreement, the family must have the option of not utilizing the service, appliance or other item.

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

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

### **I. Rent Limitations Of Proposed Rent**

The SCHA will make a determination as to the reasonableness of the proposed rent following the procedures outlined in this plan.

If the proposed rent is not reasonable, the SCHA will notify the owner and tenant in writing. The owner can lower the amount to the rent reasonable amount, or challenge the determination by following the procedures in this plan. If the rent is revised to reasonable amount, or is changed to the owner's amount; the SCHA will continue processing the RFTA and Lease. If the revised rent involves a change in the provision of utilities, the owner must submit a new Request for Approval of Tenancy.

If the Owner cannot prove that the proposed rent is reasonable, and refuses to lower the rent to the reasonable rent amount, the SCHA will inform the family and owner that the tenancy is disapproved.

#### **J. HAP Contract Execution Process**

The SCHA prepares the Housing Assistance Payments (HAP) Contract and lease for execution. To prepare the documents, the SCHA will compute the Total Tenant Payment, Tenant Rent, Utility Reimbursement (if any), and the Housing Assistance Payment. The family and the owner will execute the Lease agreement, and the owner and the SCHA will execute the HAP Contract. Copies of the documents will be furnished to the parties who signed the respective documents. The SCHA will retain a copy of all signed documents. The Authority may require a "Signature Briefing", especially where new owners are involved. To be attended by the owner and tenant, where responsibilities of both parties will be discussed prior to signing the lease and contract.

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

The following SCHA representative(s) is/are authorized to execute a Lease and HAP contract on behalf of the SCHA:

Director

Section 8 Coordinator

Owners must provide their current business address. |

Owners must provide a W-9.

The owner must provide a business telephone number and a home phone number if applicable.

The SCHA may require the owner(s) to submit proof of ownership of the property and proof of the Management Agreement if the property is managed by a management agent, in addition to and executed Owner Certification provided by the Authority.

Unless their lease was effective prior to June 17, 1998, a family may not lease properties owned by a parent, child, grandparent, grandchild, sister or brother of any family member. The SCHA will waive this restriction as a reasonable accommodation for a family member who is a person with a disability so long as the request is made prior to approval .

**K. Change in Total Tenant Payment (TTP) Prior to HAP Effective Date**

When the family reports changes in factors that will affect the total family share prior to the effective date of the HAP contract at admission, the information will be verified and the total family share will be recalculated. If the family does not report any change, the SCHA need not obtain new verifications before signing the HAP contract, even if verifications are more than 60 days old.

## SECTION 12 - OWNER DISAPPROVAL AND RESTRICTIONS

### A. Disapproval of Owner

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

The SCHA will disapprove the owner for the following reasons:

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

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

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

Unless their lease was effective prior to June 17, 1998, the owner may not be a parent, child, grandparent, grandchild, sister or brother of any family member.

The SCHA will waive this restriction as a reasonable accommodation for a family member who is a person with a disability.

When the owner of the unit is a relative of the family to be assisted, unless approving such a tenancy would provide reasonable accommodation for a disabled family member. Prohibited owner-family relationships include parent, child, grandparent, grandchild, sister, or brother of any member of the assisted family. This restriction applies at the time that the family receives assistance under the housing choice voucher program for occupancy of a particular unit.

Current contracts on behalf of owners and families that are related may continue. Any new leases or contracts for these families, however may not be approved, *except new leases or contracts sign solely as a result of the merger to the housing choice voucher program.* [CFR982.306(d)]

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

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

The owner has engaged in drug-related criminal activity or any violent criminal activity.

The owner has a history or practice of non-compliance with the HQS for units

leased under the tenant-based programs or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other federal housing program.

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

The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 or any other federally assisted housing program for activity by the tenant, any member of the household, a guest or another person under the control of any member of the household that:

Threatens the right to peaceful enjoyment of the premises by other residents;

Threatens the health or safety of other residents, of employees of the SCHA, or of owner employees or other persons engaged in management of the housing.

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

Threatening behavior to the health, safety or right to peaceful enjoyment of the premises by other residents, staff, or persons residing in the immediate vicinity of the premises; or any employee contractor, subcontractor or agent of the Authority who is involved with the housing operations. Such criminal activity also includes the abuse or pattern of abuse of alcohol.

"Threatening" refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

Abusive or violent behavior towards SCHA personnel includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language, written or oral, that is customarily used to insult or intimidate, may be cause for termination or denial.

Actual physical abuse or violence will always be cause for termination criminal activity;

Owner fails to comply with the following: All persons contracting with the housing authority as a lessor shall be required to supply a tax certification notice which indicates payment of all municipal, county and school district taxes, as well as proof of payment of all applicable municipal utility bills.

Such certification shall be made upon initial application and annually thereafter. Failure to provide such certification shall result in denial or termination of any contract with the housing authority.

As used in this section, the following words and phrases shall have the meaning given to them in this subsection:

“Municipal Utility Bills.” Bills for services provided by a utility which is wholly owned and operated by a municipality or municipal authority. The term shall include, but not be limited to, water, sewer and solid waste disposal, utility bills. (Dec. 21, 1998 P.L. 1012, No 134)

The owner has failed to comply with regulations, the mortgage or note, or the regulatory agreement for projects with mortgages insured by HUD or loans made by HUD.

The owner has engaged in or threatened abusive or violent behavior toward SCHA personnel.

"Abusive or violent behavior towards SCHA personnel" includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language, written or oral, that is customarily used to insult or intimidate, may be cause for termination or denial.

"Threatening" refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

#### **B. Owner Restrictions and Penalties**

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

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

#### **C. Change in Ownership**

The SCHA may approve the assignment of the HAP contract at the old owner's request. The SCHA may approve the assignment, since they are a party to the contract. The SCHA may deny approval of assignment of the contract, for any of the reasons listed in Section A. of this chapter.

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

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



The SCHA will supply an Assignment of Contract and Lease form that both the former and new owner must sign. If the new owner materially changes any terms of an assisted lease, the SCHA will require a new HAP contract to be executed.

## **SECTION 13 – HOUSING QUALITY STANDARDS AND INSPECTIONS**

### **A. General Purpose**

The Authority is required by HUD to inspect housing to ensure it is decent, safe, and sanitary.

The SCHA will use the Housing Quality Standards (HQS), as set forth in 24 CFR 982.401 in the operation of its Section 8 Programs. The acceptability criteria as listed in the above referenced regulations and the HUD Dwelling Unit Inspection Report (#52580-A) will be used for inspection purposes.

Families and owners, both, will be briefed as to the minimum housing standards that must be met and shown a copy of the HQS form that must be filled out by the assigned housing inspector or SCHA staff person before a lease can be executed.

The Authority will schedule a timely inspection of the dwelling upon receipt of the Request for Tenancy Approval (RFTA). The family and the owner will be notified of the results once the inspection is completed.

No home will be placed on the Housing Choice Voucher Program unless the standard or code requirements (as described above) are met; continuation on the program will require continued compliance.

In addition to using the HUD Housing Quality Standards, as it pertains to Interior Air Quality (see Item B, sub-heading G of this Section) the SCHA will enforce the Pennsylvania Carbon Monoxide Alarm Standards Act (2013 Act 121) – See B. Acceptability Criteria and Exceptions to HQS, Performance and acceptability requirements for Smoke and Carbon Monoxide Detectors below.

SCHA owned unsubsidized units will be inspected by a third party inspector approved by HUD in accordance with HUD procedures. These units will be required to meet the same Housing Quality Standards for inspection as all other units in the program.

**VARIATIONS TO HQS:** The SCHA will inspect units in its Section 8 Voucher Program based solely upon HQS. However, in addition to the Housing Quality Standards, the SCHA has the right, with the approval of HUD, to adopt variations or local requirements that may be more stringent.

HQS takes precedence over local housing codes and other pertinent codes only where the HQS calls for a more stringent approach to housing quality.

All program housing must meet the HQS performance requirements, both at commencement of assisted occupancy and throughout the assisted tenancy.

### **B. Type of Inspections**

Listed below are the various types of HQS inspections the Authority will perform:

1. Initial Inspections: Performed by SCHA staff after receiving the Request for Lease Approval from the applicant.
2. Annual Inspections: Rental voucher units will be inspected at least annually, using Housing Quality Standards (HQS) for tenants continuing to receive assistance and remaining in the same unit.

Annual inspections for mid-month move-ins (e.g. September 15th) will be conducted no later than the following year by the first of the move-in month (e.g. September 1).

3. Re-Inspections (HQS Complaints): If in the interim the tenant or owner complains that the unit does not meet HQS, the Authority will conduct an inspection.

The staff has to inspect only the items that the tenant or owner are complaining about, but if other fail items are noticed during the inspection, the staff must also note those items and require the owner to repair the failed items.

HQS "fails" must be corrected by the owner, even if they were caused by the family. (Fail items such as knob missing off a tenant's range).

The owner must be given time to correct the failed items. There are two guidelines to use:

If the item endangers the family's health or safety, the owner must be given 24 hours to correct the violation (see Item F, Emergency Item List, as listed below).

For less serious failures, the owner must be given up to 30 days to correct the item(s) (see Item E, Housekeeping Requirements).

If the owner does not correct failed items, after a reasonable time, the subsidy payment will be withheld.

4. Quality Control Inspections: Will re-inspect five percent (5%), based on a random sample of the total number of Section 8 units under HAP Contract to insure that inspections are being performed in compliance with HQS criteria. The Executive Director may perform some of the re-inspections, if necessary. The Section 8 Coordinator will maintain a file that documents the quality control inspections, currently conducted by a qualified third-party.
5. Special Inspections: These types of inspections may be necessary when a Federal official visits the SCHA to perform a compliance review of the Authority and/or the owner and may request a special inspection be performed to document the condition to the unit.

6. **Move-Out Inspections:** These inspections are performed after the tenant moves out of the unit and requires the Owner and/or the Owner's representative to attend the move-out inspection. If the tenant plans to remain in the unit and the HAP contract is going to be canceled, the inspection may be performed with the tenant in place. Move-out inspections substantiate possible damage claims/violation of family obligations. The Owner may write the SCHA and indicate that there are no damages and a move-out inspection is not required. If an Owner requests a move-out inspection to substantiate a damage claim/violation of family obligation, the inspection must be completed prior to the work being done that will correct the damage. The Owner must request an inspection within five (5) business days of the move-out in order to submit a damage claim, if applicable. If the SCHA cannot schedule the inspection prior to re-rental of the unit, the SCHA may give the Owner permission to submit a damage claim/violation of family obligation with picture of the unit in order to substantiate the damage. The SCHA may use this evidence to terminate the continuing assistance to the participant because of a family violation. Note: SCHA will not subsidize a family that owes damages to an owner and has not instituted a repayment agreement with the owner.

SCHA owned unsubsidized units will be inspected by a third-party inspector, approved by HUD in accordance with HUD procedures. These units will be required to meet the same Housing Quality Standards for inspection as all other units in the program.

**C. Responsibility of the Family to Allow Inspection**

The Authority must be allowed to inspect the unit at reasonable times with reasonable notice. The family is notified of the inspection appointment by mail. If the family is not able to be at home, the family must call to reschedule the inspection or make arrangements to have an adult family representative or the landlord present. If the family misses the inspection appointment and does not arrange for the landlord to be there, one or more inspection (or reinspection) appointment will be scheduled. If the family misses two inspection appointments, the Authority will consider the family to have violated a family obligation and their assistance will be terminated, following the termination of assistance procedures.

**D. Acceptability Criteria and Exceptions to HQS**

**Performance and acceptability requirements:** Housing assisted in the program must comply with the HQS, both at initial occupancy of the dwelling unit, and during the term of the assisted lease. The HQS consist of Performance requirements; and Acceptability criteria or HUD approved variations in the acceptability criteria for these key aspects of housing quality:

- (A) Sanitary facilities
- (B) Food preparation and refuse disposal
- (C) Space and security
- (D) Thermal environment

- (E) Illumination and electricity
- (F) Structure and materials
- (G) Interior air quality
- (H) Water supply
- (I) Lead-based paint
- (J) Access
- (K) Site and neighborhood
- (L) Sanitary condition and
- (M) Smoke detectors

All program housing must meet the HQS performance requirements both at commencement of assisted occupancy, and throughout the assisted tenancy.

In addition to meeting HQS performance requirements, the housing must meet the acceptability criteria stated in this section, unless variations are approved by HUD.

A. Sanitary facilities.

(1) Performance requirements: The dwelling must include sanitary facilities. The sanitary facilities must be in proper operating condition and adequate for personal cleanliness and the disposal of human waste. The sanitary facilities must provide privacy.

(2) Acceptability criteria.

(i) The bathroom must be located in a separate private room and have a flush toilet in proper operating condition.

(ii) The dwelling must have a fixed basin in proper operating condition, with a sink trap and hot and cold running water.

(iii) The dwelling must have a shower or a tub in proper operating condition with hot and cold running water.

(iv) The facilities must utilize an approvable public or private disposal system (including a locally approvable septic system).

B. Food preparation and refuse disposal.

(1) Performance requirement.

(I) The dwelling must have suitable space and equipment to store, prepare, and serve food in a sanitary manner.

(ii) There must be adequate facilities and services for the sanitary disposal of food wastes and refuse, including facilities for temporary storage where necessary (e.g., garbage cans).

(2) Acceptability criteria.

(I) The dwelling unit must have an oven, and a stove or range, and a refrigerator of appropriate size for the family. All of the equipment must be in proper operating condition. The equipment may be supplied by either the owner or the family. A microwave oven may be substituted for a tenant-supplied oven and stove or range. A microwave oven may be substituted for an owner-supplied oven and stove or range if the tenant agrees and microwave ovens are furnished instead of an oven and stove or range to both subsidized and unsubsidized tenants in the building or premises.

(ii) The dwelling unit must have a kitchen sink in proper operating condition, with a sink trap and hot and cold running water. The sink must drain into an approvable public or private system.

(iii) The dwelling unit must have space for the storage, preparation, and serving of food.

(iv) There must be facilities and services for the sanitary disposal of food waste and refuse, including temporary storage facilities where necessary (e.g., garbage cans).

C. Space and security.

(1) Performance requirement. The dwelling unit must provide adequate space and security for the family.

(2) Acceptability criteria.

(I) At a minimum, the dwelling unit must have a living room, a kitchen area, and a bathroom.

(ii) The dwelling unit must have at least one bedroom or living/sleeping room for each two persons. Children of opposite sex, other than very young children, may not be required to occupy the same bedroom or living/sleeping room.

(iii) Dwelling unit windows that are accessible from the outside, such as basement, first floor, and fire escape windows, must be lockable

(such as window units with sash pins or sash locks, and combination windows with latches). Windows that are nailed shut are acceptable only if these windows are not needed for ventilation or as an alternate exit in case of fire.

(iv) The exterior doors of the dwelling unit must be lockable. Exterior doors are doors by which someone can enter or exit the dwelling unit.

D. Thermal environment.

(1) Performance requirement. The dwelling unit must have and be capable of maintaining a thermal environment healthy for the human body.

(2) Acceptability criteria.

(I) There must be a safe system for heating the dwelling unit (and a safe cooling system, where present). The system must be in proper operating condition. The system must be able to provide adequate heat (and cooling, if applicable), either directly or indirectly, to each room, in order to assure a healthy living environment appropriate to the climate.

(ii) The dwelling unit must not contain unvented room heaters that burn gas, oil, or kerosene. Electric heaters are acceptable.

E. Illumination and electricity.

(1) Performance requirement. Each room must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants. The dwelling unit must have sufficient electrical sources so occupants can use essential electrical appliances. The electrical fixtures and wiring must ensure safety from fire.

(2) Acceptability criteria.

(I) There must be at least one window in the living room and in each sleeping room.

(ii) The kitchen area and the bathroom must have a permanent ceiling or wall light fixture in proper operating condition. The kitchen area must also have at least one electrical outlet in proper operating condition.

(iii) The living room and each bedroom must have at least two electrical outlets in proper operating condition. Permanent

overhead or wall-mounted light fixtures may count as one of the required electrical outlets.

F. Structure and materials

(1) Performance requirement. The dwelling unit must be structurally sound. The structure must not present any threat to the health and safety of the occupants and must protect the occupants from the environment.

(2) Acceptability criteria.

(i) Ceilings, walls, and floors must not have any serious defects such as severe bulging or leaning, large holes, loose surface materials, severe buckling, missing parts, or other serious damage.

(ii) The roof must be structurally sound and weathertight.

(iii) The exterior wall structure and surface must not have any serious defects such as serious leaning, buckling, sagging, large holes, or defects that may result in air infiltration or vermin infestation.

(iv) The condition and equipment of interior and exterior stairs, halls, porches, walkways, etc., must not present a danger of tripping and falling. For example, broken or missing steps or loose boards are unacceptable.

(v) Elevators must be working and safe.

G. Interior air quality.

(1) Performance requirement. The dwelling unit must be free of pollutants in the air at levels that threaten the health of the occupants.

(2) Acceptability criteria.

(i) The dwelling unit must be free from dangerous levels of air pollution from carbon monoxide, sewer gas, fuel gas, dust, and other harmful pollutants.

(ii) There must be adequate air circulation in the dwelling unit.

(iii) Bathroom areas must have one operable window or other adequate exhaust ventilation.

(iv) Any room used for sleeping must have at least one window. If the window is designed to be operable, the window must work.



H. Water supply.

(1) Performance requirement. The water supply must be free from contamination.

(2) Acceptability criteria. The dwelling unit must be served by an approvable public or private water supply that is sanitary and free from contamination.

I. Lead-based paint performance requirement.

(1) Purpose and applicability.

(i) The purpose of paragraph I. of this section is to implement section 302 of the Lead-Based Paint Poisoning Prevention Act, 42 U.S.C. 4822, by establishing procedures to eliminate as far as practicable the hazards of lead-based paint poisoning for units assisted under this part. Paragraph I. of this section is issued under 24 CFR 35.24 (b)(4) and supersedes, for all housing to which it applies, the requirements of subpart C of 24 CFR part 35.

(ii) The requirements of paragraph I. of this section do not apply to 0-bedroom units, units that are certified by a qualified inspector to be free of lead-based paint, or units designated exclusively for elderly. The requirements of subpart A of 24 CFR part 35 apply to all units constructed prior to 1978 covered by a HAP contract under part 982.

(2) Definitions.

Chewable surface. Protruding painted surfaces up to five feet from the floor or ground that are readily accessible to children under six years of age; for example, protruding corners, window sills and frames, doors and frames, and other protruding woodwork.

Component. An element of a residential structure identified by type and location, such as a bedroom wall, an exterior window sill, a baseboard in a living room, a kitchen floor, an interior window sill in a bathroom, a porch floor, stair treads in a common stairwell, or an exterior wall.

Defective paint surface. A surface on which the paint is cracking, scaling, chipping, peeling, or loose.

Elevated blood lead level (EBL). Excessive absorption of lead. Excessive absorption is a confirmed concentration of lead in whole

blood of 20 ug/dl (micrograms of lead per deciliter) for a single test or of 15-19 ug/dl in two consecutive tests 3-4 months apart.

HEPA means a high efficiency particle accumulator as used in lead abatement vacuum cleaners.

Lead-based paint. A paint surface, whether or not defective, identified as having a lead content greater than or equal to 1 milligram per centimeter squared (mg/cm<sup>2</sup>), or 0.5 percent by weight or 5000 parts per million (PPM).

(3) Requirements for pre-1978 units with children under 6.

(I) If a dwelling unit constructed before 1978 is occupied by a family that includes a child under the age of six years, the initial and each periodic inspection (as required under this part), must include a visual inspection for defective paint surfaces. If defective paint surfaces are found, such surfaces must be treated in accordance with paragraph (j)(6) of this section.

(ii) The Authority may exempt from such treatment defective paint surfaces that are found in a report by a qualified lead-based paint inspector not to be lead-based paint, as defined in paragraph I. (2) of this section. For purposes of this section, a qualified lead-based paint inspector is a State or local health or housing agency, a lead-based paint inspector certified or regulated by a State or local health or housing agency, or an organization recognized by HUD.

(iii) Treatment of defective paint surfaces required under this section must be completed within 30 calendar days of Authority notification to the owner. When weather conditions prevent treatment of the defective paint conditions on exterior surfaces within the 30 day period, treatment as required by paragraph I. (6) of this section may be delayed for a reasonable time.

(iv) The requirements in this paragraph I. (3) apply to:

(A) All painted interior surfaces within the unit (including ceilings but excluding furniture);

(B) The entrance and hallway providing ingress or egress to a unit in a multi-unit building; and

(C) Exterior surfaces up to five feet from the floor or ground that are readily accessible to children under six years of age (including walls, stairs, decks, porches, railings, windows

and doors, but excluding outbuildings such as garages and sheds).

(4) Additional requirements for pre-1978 units with children under 6 with an EBL.

(i) In addition to the requirements of paragraph I. (3) of this section, for a dwelling unit constructed before 1978 that is occupied by a family with a child under the age of six years with an identified EBL condition, the initial and each periodic inspection (as required under this part) must include a test for lead-based paint on chewable surfaces. Testing is not required if previous testing of chewable surfaces is negative for lead-based paint or if the chewable surfaces have already been treated.

(ii) Testing must be conducted by a State or local health or housing agency, an inspector certified or regulated by a State or local health or housing agency, or an organization recognized by HUD. Lead content must be tested by using an X-ray fluorescence analyzer (XRF) or by laboratory analysis of paint samples. Where lead-based paint on chewable surfaces is identified, treatment of the paint surface in accordance with paragraph I. (6) of this section is required, and treatment shall be completed within the time limits in paragraph I. (3) of this section.

(iii) The requirements in paragraph I. (4) of this section apply to all protruding painted surfaces up to five feet from the floor or ground that are readily accessible to children under six years of age:

(A) Within the unit;

(B) The entrance and hallway providing access to a unit in a multi-unit building; and

(C) Exterior surfaces (including walls, stairs, decks, porches, railings, windows and doors, but excluding outbuildings such as garages and sheds).

(5) Treatment of chewable surfaces without testing. In lieu of the procedures set forth in paragraph I. (4) of this section, the Authority may, at its discretion, waive the testing requirement and require the owner to treat all interior and exterior chewable surfaces in accordance with the methods set out in paragraph I. (6) of this section.

(6) Treatment methods and requirements. Treatment of defective paint surfaces and chewable surfaces must consist of covering or removal of the paint in accordance with the following requirements:

(i) A defective paint surface shall be treated if the total area of defective paint on a component is:

(A) More than 10 square feet on an exterior wall;

(B) More than 2 square feet on an interior or exterior component with a large surface area, excluding exterior walls and including, but not limited to, ceilings, floors, doors, and interior walls; or

(C) More than 10 percent of the total surface area on an interior or exterior component with a small surface area, including, but not limited to, window sills, baseboards and trim.

(ii) Acceptable methods of treatment are: removal by wet scraping, wet sanding, chemical stripping on or off site, replacing painted components, scraping with infra-red or coil type heat gun with temperatures below 1100 degrees, HEPA vacuum sanding, HEPA vacuum needle gun, contained hydroblasting or high pressure wash with HEPA vacuum, and abrasive sandblasting with HEPA vacuum. Surfaces must be covered with durable materials with joints and edges sealed and caulked as needed to prevent the escape of lead contaminated dust.

(iii) Prohibited methods of removal are: open flame burning or torching; machine sanding or grinding without a HEPA exhaust; uncontained hydroblasting or high pressure wash; and dry scraping except around electrical outlets or except when treating defective paint spots no more than two square feet in any one interior room or space (hallway, pantry, etc.) or totaling no more than twenty square feet on exterior surfaces.

(iv) During exterior treatment, soil and playground equipment must be protected from contamination.

(v) All treatment procedures must be concluded with a thorough cleaning of all surfaces in the room or area of treatment to remove fine dust particles. Cleanup must be accomplished by wet washing surfaces with a lead solubilizing detergent such as trisodium phosSCHAte or an equivalent solution.

(vi) Waste and debris must be disposed of in accordance with all applicable Federal, state and local laws.

(7) Tenant protection. The owner must take appropriate action to protect residents and their belongings from hazards associated with treatment procedures. Residents must not enter spaces undergoing treatment until cleanup is completed. Personal belongings that are in work areas must be relocated or otherwise protected from contamination.

(8) Owner information responsibilities. Prior to execution of the HAP contract, the owner must inform the Authority and the family of any knowledge of the presence of lead-based paint on the surfaces of the residential unit. The Authority will cooperate with the State Department of Health by sending notice to all families with children age 6 or under, residing in Authority Assisted housing, that if the child has an EBL, the dwelling must be tested and treated.

(9) Authority data collection and record keeping responsibilities.

(i) The Authority will cooperate with the State Department of Health by sending a list of all children age 6 or under who reside in Authority assisted housing. Where children with reported EBL's, the dwelling shall be tested and treated.

(ii) The Authority must keep a copy of each inspection report for at least three years. If a dwelling unit requires testing, or if the dwelling unit requires treatment of chewable surfaces based on the testing, the Authority must keep the test results indefinitely and, if applicable, the owner certification of treatment. The records must indicate which chewable surfaces in the dwelling units have been tested and which chewable surfaces in the units have been treated. If records establish that certain chewable surfaces were tested or tested and treated in accordance with the standards prescribed in this section, such chewable surfaces do not have to be tested or treated at any subsequent time.

J. Access performance requirement.

The dwelling unit must be able to be used and maintained without unauthorized use of other private properties. The building must provide an alternate means of exit in case of fire (such as fire stairs or egress through windows).

K. Site and Neighborhood.

(1) Performance requirement. The site and neighborhood must be reasonably free from disturbing noises and reverberations and other dangers to the health, safety, and general welfare of the occupants.

(2) Acceptability criteria. The site and neighborhood may not be subject to serious adverse environmental conditions, natural or manmade, such as dangerous walks or steps; instability; flooding, poor drainage, septic tank back-ups or sewage hazards; mudslides; abnormal air pollution, smoke or dust; excessive noise, vibration or vehicular traffic; excessive accumulations of trash; vermin or rodent infestation; or fire hazards.

L. Sanitary condition.

(1) Performance requirement. The dwelling unit and its equipment must be in sanitary condition.

(2) Acceptability criteria. The dwelling unit and its equipment must be free of vermin and rodent infestation.

M. Smoke detectors performance requirement.

(1) Except as provided in paragraph M. (2) of this section, each dwelling unit must have at least one battery-operated or hard-wired smoke detector, in proper operating condition, on each level of the dwelling unit, including basements but excepting crawl spaces and unfinished attics. Smoke detectors must be installed in accordance with and meet the requirements of the National Fire Protection Association Standard (NFPA) 74 (or its successor standards). If the dwelling unit is occupied by any hearing-impaired person, smoke detectors must have an alarm system, designed for hearing-impaired persons as specified in NFPA 74 (or successor standards).

(2) For units assisted prior to April 24, 1993, owners who installed battery-operated or hard-wired smoke detectors prior to April 24, 1993 in compliance with HUD's smoke detector requirements, including the regulations published on July 30, 1992, (57 FR 33846), will not be required subsequently to comply with any additional requirements mandated by NFPA 74 (i.e., the owner would not be required to install a smoke detector in a basement not used for living purposes, nor would the owner be required to change the location of the smoke detectors that have already been installed on the other floors of the unit).

**E. Housekeeping Inspections**

A physical inspection is conducted to ensure that residents, as well as the landlord, maintains the unit in a decent, safe, and sanitary condition. Participants are responsible

for practicing good housekeeping and if the following conditions exist, they must be corrected within a reasonable period of time:

1. The presence of fire hazards, such as a large accumulation of paper or other combustibles.
2. A cooking range heavily caked with grease.
3. An abnormal infestation of insects or rodents resulting from the tenant's failure to report this condition.
4. Evidence of neglected food scraps, food stains, trash/garbage within the unit.
5. Lack of ventilation, as shown by abnormal condensation or persistent odors.
6. A serious mildew condition.
7. Any damage, abuse or neglect to walls, doors, floors, fixtures, and equipment, including refrigerator and range.
8. Feces

**F. Emergency Repair Items**

The following items are to be considered of an emergency nature and are to be corrected by the owner within 24 hours of notice by the inspector:

- Broken lock on first floor window or door
- Electrical outlet smoking or sparking
- Escaping gas from gas stove
- Major plumbing leaks or flooding
- Natural gas leak or fumes
- Electrical situation which could result in shock or fire
- No heat when outside temperature is below 50 degrees
- No running water
- Utilities shut off
- Broken glass where someone could get cut
- Obstacle that prevents tenant's access to unit

Plugged and overflowing toilet

Roof Leaks

Absence of functional smoke detector

The Authority may give a short extension (not more that 48 additional hours) where the owner cannot be notified or it is impossible to repair within the 24 hour period.

If emergency items are not corrected within 72 hours, the Housing Assistance Contract will be canceled and the rent will be abated during the Contract cancellation period.

#### **G. Clearing Deficiencies**

If the unit fails the HQS inspection on the initial inspection, the owner will generally be given 30 days to correct the items noted as "Fail" depending on the extent of the repairs that have to be made.

The Authority allows one reinspection for corrected items noted on the inspection form after the initial inspection. Any additional inspections will be scheduled at the discretion of the inspector and the owner will be charged an inspection fee of thirty-five dollars (\$35.00) for each inspection required thereafter, until the identified deficiencies are completely corrected. This fee, if not paid immediately upon invoicing, will be deducted from the next assistance payment. If no rental assistance payments are due to the owner, the owner will be barred from participation in the program until such time as any or all fees are paid in full.

If the 30 days have elapsed (or it has failed on the reinspection) and the voucher has expired, the family would have to reapply to be eligible for the program.

If the voucher has not expired and the time period given by the inspector to correct the repairs (or two failed reinspections) have occurred, the family may select another unit, or, if they want to continue to try to lease the unit, the family and owner will have to submit another Request for Tenancy Approval.

#### **H. Subsidy Abatement**

When it has been determined that a dwelling fails to meet Housing Quality Standards and the owner has been given an opportunity to correct the problem(s) and does not do so within the time frame established, the rent for the unit shall be abated.

The abatement shall be for a specific period of time. At the most, the abatement shall continue until all items which caused the unit to fail have been corrected or thirty days.

If the owner makes repairs during this period and the tenant intends to stay in the unit, the abatement will end the first business day after the unit passes inspection.

The Authority will inspect abated units within 5 days of the owner's contact to report the completed work.



No retroactive payments will be made to the owner, and the tenant is not responsible to the owner for the Authority's portion of rent that was abated.

**I. Housing Assistance Contract Termination**

If the owner fails to correct all the items cited within thirty days of the beginning of the abatement period, the Contract will be terminated.

While the termination notice is running, the abatement will remain in effect.

Once the Housing Assistance Contract is terminated (with a thirty days notice prior to the first of the month), it will not be reinstated. The tenant is given a new voucher to move (even if they called in the Housing Quality Standards violation).

After the Housing Assistance Contract notice has been given, during the extended abatement period, only one more Housing Quality Standards inspection will be conducted.

## **Section 14 - OWNER RENTS, RENT REASONABLENESS, AND PAYMENT STANDARDS**

### **A. Making Payments to Owners**

Once the HAP Contract is executed, the SCHA begins processing payments to the landlord. A HAP Register will be used as a basis for monitoring the accuracy and timeliness of payments. Changes are made automatically to the HAP Register for the following month. Checks will only be disbursed on the 1<sup>st</sup> and 15<sup>th</sup> of the month, or the 1<sup>st</sup> and 15<sup>th</sup> business day, of the month. Exceptions may be made in cases of hardship.

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

### ***Excess Payments***

The total of rent paid by the tenant plus the SCHA housing assistance payment to the owner may not be more than the rent to owner. The owner must immediately return any excess payment to the overpaying entity (the SCHA or tenant.)

Owners who do not return excess payments made by the SCHA will be subject to penalties as outlined in the "Owner or Family Debts to the SCHA" section of this plan.

The tenant will be responsible for collecting from the owner any overpayments they have made the owner. The SCHA may assist the tenant in determining the amount of overpayment.

### **B. Rent Reasonableness Determinations**

#### **1. For Owner Required Data:**

As a part of the rent reasonableness documentation, the SCHA will require the owner of two or more units, to provide the rent roll of the unassisted units, including at a minimum for each unit, the address, the apartment number, the bedroom size, the contract rent and the utilities included in the rent. This documentation shall be required at lease-up and every time the owner requests an annual or special adjustment.

#### **2. For Maintaining Comparable Data:**

The Authority will prepare a rent reasonable analysis of housing in various portions of the County taking into consideration the items noted above; or

The data for other unassisted units will be gathered from newspapers, realtors, professional associations and inquiries of owners. Current data is used to prepare a rent reasonableness analysis.

The SCHA will determine and document on a case-by-case basis that the approved

rent is reasonable in comparison to rent for other comparable unassisted units in the market. This applies to all programs.

The SCHA will not approve a lease until the SCHA determines that the initial rent to owner is a reasonable rent.

The SCHA must redetermine the reasonable rent before any increase in the rent to owner, and if there is a five percent decrease in the published FMR in effect 60 days before the contract anniversary (for the unit size rented by the family) as compared with the FMR in effect one year before the contract anniversary.

The SCHA will not approve a rent increase if the new rental amount is not a reasonable rent. An owner may challenge the SCHA's reasonable rent determination by providing a minimum of three similar units in that market area.

The SCHA must redetermine rent reasonableness if directed by HUD and based on a need identified by the SCHA's auditing system. The SCHA may elect to redetermine rent reasonableness at any other time. At all times during the assisted tenancy, the rent to owner may not exceed the reasonable rent as most recently determined or redetermined by the SCHA

The owner will be advised that by accepting each monthly housing assistance payment s/he will be certifying that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises.

If requested, the owner must give the SCHA information on rents charged by the owner for other units in the premises or elsewhere. The SCHA may request information on the owner's units elsewhere if the SCHA has cause to demonstrate that the owner has a tendency to charge higher rents to program participants or if needed for rent reasonableness comparables.

The market areas for rent reasonableness are Schuylkill County, Pennsylvania (inclusive) within the SCHA's jurisdiction. Subject units within a defined housing market area will be compared to similar units within the same area.

The following items will be used for rent reasonableness documentation:

- Size (number of Bedrooms/square footage)
- Location
- Quality
- Amenities (bathrooms, dishwasher, air conditioning, etc.)
- Housing Services
- Age of unit
- Unit Type
- Maintenance

## Utilities

### ***Rent Reasonableness Methodology***

The SCHA utilizes a rent reasonableness system, which includes and defines the HUD factors listed above. The system has a total point count which is divided into rating categories.

Information is gathered on rental units in the Schuylkill County, Pennsylvania market area, and each unit is rated, using the SCHA's rent reasonableness system. Using an automated method, the average rents are identified for units of like size and type within the same market area. Each defined factor of the items listed above on the unit to be assisted will be compared, using a point adjustment system, to those factors of comparable unassisted units in the database. The average will be adjusted up or down based on the dollar value of all HUD required comparable items in comparison with the total database.

The SCHA maintains an automated database, which includes data on unassisted units for use by staff in making, rent reasonableness determinations. The data is updated on an ongoing basis and purged as needed.

### **C. Payment Standards for the Voucher Program**

The Payment Standard is used to calculate the housing assistance payment for a family. In accordance with HUD regulation and at the SCHA's discretion, the Voucher Payment Standard amount is set by the SCHA between 90 percent and 110 percent of the HUD published FMR. This is considered the basic range. The SCHA reviews the appropriateness of the Payment Standard annually when the FMR is published. In determining whether a change is needed, the SCHA will ensure that the Payment Standard is always within the range of 90 percent to 110 percent of the new FMR, unless HUD has approved an exception payment standard.

The SCHA will establish a single voucher payment standard amount for each FMR area in the SCHA jurisdiction. For each FMR area, the SCHA will establish payment standard amounts for each "unit size". The SCHA may have a higher payment standard within the SCHA's jurisdiction if needed to expand housing opportunities outside areas of minority or poverty concentration, as long as the payment standard is within the 90-110% of FMR range.

The Housing Authority may approve a higher payment standard within the basic range, if required as a reasonable accommodation for a family that includes a person with disabilities, or as assist a "hard to house" family with four or more children.

### **D. Adjustments to Payment Standards**

Payment Standards may be adjusted, within HUD regulatory limitations, to increase Housing Assistance Payments in order to keep families' rents affordable. The SCHA will not raise Payment Standards solely to make "high end" units available to Voucher holders. The SCHA may use some or all of the measures below in making its

determination whether an adjustment should be made to the Payment Standards.

### ***Assisted Families' Rent Burdens***

The SCHA will review its voucher payment standard amounts at least annually to determine whether more than 40 percent of families in a particular unit size are paying more than 30% of their annual adjusted income for rent.

If it is determined that particular unit sizes in the SCHA's jurisdiction have payment standard amounts that are creating rent burdens for families, the SCHA will modify its payment standards for those particular unit sizes.

The SCHA will increase its payment standard within the basic range for those particular unit sizes to help reduce the percentage of annual income that participant families in the SCHA's jurisdiction are paying.

The SCHA will establish a separate voucher payment standard, within the basic range, for designated parts its jurisdiction if it determines that a higher payment standard is needed in these designated areas to provide families with quality housing choices and to give families an opportunity to move outside areas of high poverty and low income.

### ***Quality of Units Selected***

The SCHA will review the quality of units selected by participant families when making the determination of the percent of income families are paying for housing, to ensure that Payment Standard increases are only made when needed to reach the mid-range of the market

### ***SCHA Decision Point***

The SCHA will review the average percent of income that families on the program are paying for rent. If more than 40% of families are paying more than 30% of monthly adjusted income for a particular unit size, the SCHA will determine whether families are renting units larger than their voucher size, and whether families are renting units which exceed HUD's HQS and any additional standards added by the SCHA in this Administrative Plan.

If families are paying more than 30% of their income for rent due to the selection of larger bedroom size units or luxury units, the SCHA may decline to increase the payment standard. However, if these are not the primary factors for families paying higher rents, the SCHA will continue increasing the payment standard.

### ***Rent to Owner Increases***

The SCHA may review a sample of the units to determine how often owners are increasing rents and the average percent of increase by bedroom size.

### ***Time to Locate Housing***

The SCHA may consider the average time period for families to lease up under the Voucher program. If more than 50% of Voucher holders are unable to locate suitable housing within the term of the voucher and the SCHA determines that this is due to rents in the jurisdiction being unaffordable for families even with the presence of a voucher the Payment Standard may be adjusted.

### ***Lowering of the Payment Standard***

Lowering of the FMR may require an adjustment of the Payment Standard. Additionally, statistical analysis may reveal that the Payment Standard should be lowered. In any case, the Payment Standard will not be set below 90 percent of the FMR without authorization from HUD.

### ***Financial Feasibility***

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

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

### ***File Documentation***

The SCHA will retain a file for at least three years to document the analysis and findings to justify whether or not the Payment Standard was changed.

### **E. Exception Payment Standards**

If the dwelling unit is located in an exception area, the SCHA must use the appropriate payment standard amount established by the SCHA for the exception area in accordance with regulation 24 CFR 982.503.

If the SCHA has received HUD approval to establish a payment standard amount that is higher, or lower than the basic range.

If HUD has authorized the SCHA to establish a payment 110% but not greater than 120% for all unit sizes in designated area/SCHA jurisdiction. HUD refers to this as the upper range.

### **Reasonable Accommodation for Accessibility Modifications to Housing Choice Voucher Units (See Section 2 of this Plan)**

It is the policy of the Housing Authority, in the administration of the Housing Choice Voucher Program, to encourage landlords to make modifications to their units to provide reasonable accommodations to persons with disabilities.

The Authority will request HUD approval of Exception rent as reasonable accommodation for persons with disabilities when a landlord makes the appropriate improvements to accommodate persons with disabilities. For a regular tenancy in the Housing Choice Voucher program, on request from a family that includes a person with disabilities, the SCHA, will request HUD approval of an exception rent of up to one hundred and twenty percent (120%) of the fair market rent if the exception rent is needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities in accordance with 24 CFR Part 8.

## **SECTION 15 - RECERTIFICATIONS**

### **A. Annual Activities**

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

- Recertification of Income and Family Composition.
- HQS Inspection.
- Rent to Owner Adjustment.

The SCHA produces a monthly listing of units under contract to ensure that timely reviews of rent to owner, housing quality, and factors related to Total Tenant Payment/Family Share can be made.

### **B. Annual Recertification/Reexamination**

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

#### ***Moves Between Reexaminations***

When families move to another dwelling unit an annual recertification will be scheduled (unless a recertification has occurred in the last 60 days) and the anniversary date will be changed to the month the new lease is executed. Income limits are not used as a test for continued eligibility at recertification.

#### **Reexamination Notice to the Family**

The SCHA will maintain a re-examination tracking system and at least 90-120 days in advance of the scheduled annual reexamination effective date, the head of household will be notified by mail of the requirement to complete and return a reexamination packet by a specified date. The packet can be sent to a third party if requested by the participant.

#### ***Completion of Annual Recertification***

The SCHA will have all recertifications for families completed before the anniversary date. This includes notifying the family of any changes in rent at least 30 days before the scheduled date of the change in family rent.

#### ***Documents Required From the Family***

In the notification letter to the family, the SCHA may include instructions for the family to submit the following:

- Documentation of all assets
- Documentation of any deductions/allowances
- Authorization for Release of Information/Privacy Act Notice/Personal Declaration Form completed by adult family members

#### ***Verification of Information***

The SCHA will follow the verification procedures and guidelines described in this Plan. Verification for reexaminations must be less than 90 days old, unless a



documented update has been obtained for an additional 30 days extension (see Section 9-E). All other outdated verification must be reverified.

***Tenant Rent Increase***

If tenant rent increases, a thirty day notice is mailed to the family prior to the scheduled effective date of the annual recertification.

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

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

***Tenant Rent Decreases***

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

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

**C. Reporting Interim Changes**

Program participants must report all changes in household composition and income to the SCHA between annual reexaminations. This includes additions due to birth, adoption and court-awarded custody. The family must undergo tenant screening and obtain SCHA approval prior to all other additions to the household.

If any new family member is added, family income must include any income of the new family member. The SCHA will conduct a reexamination to determine such additional income and will make the appropriate adjustments in the housing assistance payment and family unit size.

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

**Interim Reexamination Policy**

***Increases in Income***

The SCHA will conduct an interim reexamination when a family has an increase in income.

***Decreases in Income***

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

***Changes in Family Composition***

The SCHA will conduct a reexamination if there is a change in family composition.

### ***Increases in Rent***

The SCHA will not conduct a reexamination when owner raises rent not in conjunction with annual reexamination. Instead, the SCHA will use the family income and composition from the last reexamination.

An owner may increase the unit rent any time an increase is allowed under the terms of the lease. The owner must give SCHA at least 60 days advance written notice of any change in the amount of rent to the owner. The allowed rent increase is the lesser of the following:

The reasonable rent as determined by SCHA (see Section 14); or

The amount requested by the owner

If the owner rejects the Authority's disapproval of rent after the first term of the lease, and the unit remains rent reasonable, the SCHA must point out to the owner their option of offering the tenant a new lease, after a 90 day notice to the tenant. However, the rent may not exceed the reasonable rent for unassisted units.

### ***SCHA Errors***

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

### **D. Other Interim Reporting Issues**

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

An interim reexamination will be scheduled for families with zero income every 30 days.

An interim reexamination will be scheduled appropriately for families whose annual income cannot be projected with any reasonable degree of accuracy.

An interim reexamination will be conducted if the SCHA discovers that the family reported false or incomplete information, failed to report changes or has reported changes in an untimely manner.

### **E. Notification of Results of Recertifications**

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

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

**F. Timely Reporting of Changes in Income (and Assets)**

***Standard for Timely Reporting of Changes***

The SCHA requires that families report all interim changes to the SCHA immediately when they occur. Any information, document or signature needed from the family to verify the change must be provided within a timely manner. A timely manner is for the family to provide documentation within ten business days of occurrence. The report must be made in writing, and be received by the SCHA within the ten business days.

If the client has supplied all information necessary to verify the change before the last working day of the month, but the SCHA does not receive proper verification of the change until the following month; the SCHA will make a retroactive payment.

If the change occurs on the last working day of the month and the participant cannot report until the next working day, the change can be made effective on the first of the month following the change, with the Section 8 Coordinator's approval.

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

***Procedures when the Change is Reported in a Timely Manner***

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

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

Decreases in the Tenant Rent are effective the first of the month after the change has been reported, even if a retroactive adjustment results.

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

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

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

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

**G. Continuance of Assistance for "Mixed" Families**

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

The Noncitizens rule was implemented prior to November 29, 1996, and "Mixed" families who were participants as of June 19, 1995, shall continue receiving full assistance if they meet all of the following criteria:

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

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

## **SECTION 16 - MOVES WITH CONTINUED ASSISTANCE/PORTABILITY**

### **OVERVIEW**

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

#### **A. Allowable Moves**

A family may move to a new unit with continued assistance if:

The assisted lease for the old unit has terminated because the SCHA has terminated the HAP contract for owner breach, or the lease was terminated by mutual agreement of the owner and the family.

The owner has given the family a notice to vacate, or has commenced an action to evict the tenant, or has obtained a court judgment or other process allowing the owner to evict the family (unless assistance to the family will be terminated).

The family has given proper notice of lease termination (and if the family has a right to terminate the lease on notice to owner).

The family or a member of the family is or has been the victim of domestic violence, dating violence, or stalking, and the move is needed to protect the health or safety of the family or family member.

The Housing Authority may not terminate assistance if the family, with or without prior notification to the Housing Authority, already moved out of a unit in violation of the lease, if such move occurred to protect the health or safety of a family member who is or has been the victim of domestic violence, dating violence, or stalking and who reasonably believed he or she was imminently threatened by harm from further violence if he or she remained in the dwelling unit.

#### **B. Restrictions on Moves**

Families are permitted to move no more than once per calendar year. The SCHA will deny permission to move if the family has moved or been issued a Voucher within the last twelve months.

The SCHA will deny permission to move if there is insufficient funding for continued assistance in accordance with 24 CFR 982.354€(1).

SCHA may only deny a request to move due to insufficient funding if all of the following

applies:

(1) The move is to a higher cost unit (for moves within SCHA's jurisdiction) or to a higher cost area (for portability moves). See definitions below.

(2) The receiving Housing Authority is **not** absorbing the voucher (applicable only to portability moves).

(3) The Housing Authority would be unable to avoid termination of current participants during the calendar year in order to remain within its budgetary allocation (including any available HAP reserves) for housing assistance payments.

- *Higher cost unit*: is defined as a unit which requires a higher subsidy amount due to an increase in the gross rent for the new unit. The Housing Authority **will not** deny requests to move due to insufficient funding if the subsidy for the new unit is equal to or less than the current subsidy being paid for the family.
- *Higher cost area*: is defined as an area where SCHA would have to pay a higher subsidy amount due to higher payment standards or more generous subsidy standards of the receiving PHA. SCHA **will not** deny requests to move due to insufficient funding if the area the family has selected is not a higher cost area.

The Housing Authority will/must provide written notification to the local HUD Office within 10 business days of determining it is necessary to deny moves to a higher-cost unit based on insufficient funding.

SCHA may not deny a family request to move under portability if the receiving Housing Authority has confirmed that they will absorb the family into their program.

The Housing Authority **will not** deny the move for families moving within SCHA's jurisdiction (even if the new unit is a higher cost unit) if the family must move from their current unit (e.g. the unit failed HQS, the owner failed to renew the lease, etc.).

If the family is moving under portability, the Housing Authority may deny the move under these circumstances if the family is moving to a higher cost area under portability and the receiving Housing Authority is not absorbing the family into their program.

If the Housing Authority denies a family's request to move, it will not subsequently admit families from its waiting list to its HCV program until families with open requests to move (based on SCHA policy) are processed.

The SCHA may also deny permission to move if:

The family has violated a Family Obligation.

The family owes the SCHA, or current landlord money.

## **Procedure for Moves**

### ***Issuance of Voucher***

Subject to the restrictions on moves, if the family has not been recertified within the last 120 days, the HA will issue the voucher to move after conducting the recertification.

Families who are eligible to move will be issued a Voucher if the tenant has supplied the SCHA with a copy of intent to move notice to the landlord or a signed mutual recession from the landlord and it must specify the location where it wants to live. If verification is pending, a Voucher may be issued to allow the family time to conduct their search for a new unit. The term of the Voucher will be in accordance with the SCHA policy detailed in this Plan. The issue date of the Voucher will be the earliest of either:

- 1) The cancellation date of the family's previous contract; or
- 2) The date the family moved out of their previous unit.

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

### ***Notice Requirements***

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

The family must give the owner 30 days written notice of intent to vacate specified in the lease and must give a copy to the SCHA simultaneously.

If the tenant is under a lease, and must break the lease in order to move, the tenant and landlord must complete the SCHA's Mutual Rescission form signed by the landlord and tenant. The tenant will be solely responsible for any penalties/fees the owner may charge in order to break the lease.

For units under a Certificate HAP contract effective before October 2, 1995, if the family vacates the unit without proper notice in writing to the owner, the family will be responsible for any vacancy loss paid by the SCHA.

### ***Time of Contract Change***

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

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

#### **D. Outgoing Portability**

Within the limitations of the regulations and this policy, a participant family has the right to receive tenant-based voucher assistance to lease a unit outside the SCHA's jurisdiction, anywhere in the United States, in the jurisdiction of a housing authority with a tenant-based program. When a family requests to move outside of the SCHA's jurisdiction, the request must be in writing and specify the area to which the family wants to move.

The tenant must supply the name and mailing address of the receiving housing authority.

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

Once the receiving housing authority is determined, SCHA will contact the receiving housing authority, via email or other confirmed delivery method, prior to approving the family's request to move in order to determine whether the voucher will be absorbed or billed by the receiving housing authority. The receiving housing authority must advise SCHA in writing, via email or other confirmed delivery method, of its decision.

#### ***Restrictions on Portability***

##### ***Applicants***

If neither the head nor spouse had a domicile (legal residence) in the SCHA's jurisdiction at the date of their initial application for assistance, the family will not be permitted to exercise portability upon initial issuance of a voucher, unless the SCHA approves such move. [Note: Verification of legal domicile includes, but is not limited to: a lease, school records, voter registration, etc.].

##### SCHA

When such families reach the top of the waiting list they will be offered the opportunity to a voucher to locate an assisted unit with the SCHA jurisdiction. The family will be withdrawn from the wait list if, after appropriate counseling, the family decides not to exercise this option and is unwilling to reside in the SCHA jurisdiction of the initial twelve (12) months of assistance.

SCHA requires that such families, who initially reside outside of SCHA jurisdiction, complete twelve (12) months residency in an assisted unit with SCHA jurisdiction in order to exercise their option for Portability.

However, SCHA, may not terminate assistance if the family has complied with all other requirements of the Section 8 HCV program and has moved from the Unit in order to protect the health or safety of an individual member of the household who is or has been the victim of Domestic Violence, and who reasonably believes that the tenant or other household member will be imminently threatened by harm from further violence if the individual remains in the present dwelling Unit.

##### ***Participants***



After an applicant has leased-up in the jurisdiction of the initial housing agency, they cannot exercise portability during the first year of assisted occupancy, except in the following circumstances.

When such request is to accommodate a person with disability (verification of the need for accommodation is required)

The receiving and SCHA agrees to allow the move.

The family's move relates to an opportunity for education, job training or employment.

The SCHA will not permit families to exercise portability:

- If the family is in violation of a family obligation.
- If the family owes money to the SCHA or current landlord.
- If the family has moved out of its assisted unit in violation of the lease.

#### **E. Incoming Portability**

##### ***Absorption or Administration***

The SCHA will accept a family with a valid Voucher from another jurisdiction and administer or absorb the Voucher. If administering, the family will be issued a "Portable" Voucher by the SCHA. The term of the voucher will not expire before the expiration date of any initial housing authority voucher. The family must submit a request for approval of tenancy for an eligible unit to SCHA during the term of SCHA'S voucher. The SCHA may grant extensions in accordance with this Administrative Plan. However, if the Family decides not to lease-up in the SCHA's jurisdiction, they must contact the initial housing authority to request an extension.

The SCHA may absorb Vouchers if such absorption does not exceed 100% of households assisted.

When the SCHA does not absorb the incoming Voucher, it will administer the Initial housing authority Voucher and the SCHA's policies will prevail.

For admission to the program a family must be income eligible and meet the SCHA screening criteria in the area where the family initially leases a unit with assistance under the program.

SCHA does not redetermine eligibility for a portable family that was already receiving assistance in the initial housing authority Section 8 tenant-based program.

The SCHA will issue a "Portability Voucher" according to its own Subsidy Standards. If the Family has a change in family composition that would change the Voucher size, the

SCHA will change to the proper size based on its own Subsidy Standards.

### ***Income and Total Tenant Payment of Incoming Portables***

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

If SCHA conducts a recertification of the family it will not cause a delay in the issuance of a voucher.

If this will be the family's first lease under the housing choice voucher program, the initial housing authority must also compare the family's income to the applicable income (typically the very low-income limit) for the community where the family wants to move and determine if the family will be able to lease up in that jurisdiction.

If the family's income is such that a \$0 subsidy amount is determined prior to lease-up in SCHA's jurisdiction, the SCHA will refuse to enter into a contract on behalf of the family at \$0 assistance.

### ***Requests for Approval of Tenancy***

A briefing will be mandatory for all portability families.

When the Family submits a RFTA, it will be processed using the SCHA's policies. If the Family does not submit a Request for Tenancy Approval or does not execute a lease, the Initial housing authority will be notified within 180 days by the SCHA.

If the Family leases up successfully, the SCHA will notify the Initial housing authority within 30 days, and the billing process will commence.

SCHA will notify the initial housing authority if the family fails to submit a request for approval of tenancy for an eligible unit within the term of the voucher.

If SCHA denies assistance to the family, SCHA will notify the Initial housing authority within 30 days and the family will be offered a review or hearing.

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

### ***Regular Program Functions***

SCHA will perform all program functions applicable the tenant-based assistance program, such as:

Annual reexaminations of family income and composition;

Annual inspection of the unit; and

Interim Examinations when requested or deemed necessary by the SCHA

### ***Terminations***

SCHA will notify the Initial housing authority in writing of any termination of assistance within 30 days of the termination. If an Informal Hearing is required and requested by the Family, the SCHA, using the regular hearing procedures included in this Plan will conduct the hearing. A copy of the hearing decision will be furnished to the Initial housing authority.

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

### ***Required Documents***

As the Receiving housing authority, SCHA will require the documents listed on the HUD Portability Billing Form from the Initial housing authority.

### ***Billing Procedures***

As the Receiving housing authority, SCHA will bill the Initial housing authority monthly for Housing Assistance Payments. The billing cycle for other amounts, including Administrative Fees and Special Claims will be monthly unless requested otherwise by the Initial housing authority.

The SCHA will bill SCHA the lesser of 80% of the initial PHA's administrative fee rate (then prorated to the national proration level or 100% of SCHA's administrative fee rate (then prorated to the national proration level) for each "Portability" Voucher leased as of the first day of the month.

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

In accordance with 24 CFR 982.314(e)(1), the SCHA may deny permission to move if the SCHA does not have sufficient funding for an increase in assistance. The SCHA has the authority to deny a family's request to move under the portability procedures to a unit in another jurisdiction that would require the SCHA to pay a higher subsidy cost for the same family's assistance if the SCHA determines it does not have sufficient funding available in the budget to accommodate the move and the receiving Authority will not absorb the family into its program.

## **SECTION 17- CONTRACT TERMINATIONS**

### **A. Contract**

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

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

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

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

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

### **B. Termination by the Family: Moves**

The family may terminate tenancy after the initial term of the lease. Termination **during** the initial term may be allowed if the owner agrees to release the family from the lease or if the lease provides for such termination (usually with notice).

Family termination of the lease with owner must be in accordance with the terms of the lease. In addition, family must provide the SCHA with a copy of notice of termination, as well as notifying the SCHA whether or not the family desires assistance in another location.

### **C. Termination of Tenancy by the Owner: Evictions**

If the owner wishes to terminate the lease, the owner is required under the lease to provide proper notice as stated in the lease.

During the initial term of the lease, the owner may not terminate the tenancy except for the grounds stated in the HUD regulations.

During the initial term of the lease the owner may only evict for:

Serious or repeated violations of the lease, including but not limited to failure to pay rent or other amounts due under the lease, or repeated violation of the terms and conditions of the lease;

Violations of federal, state or local law that imposes obligations on the tenant in connection with the occupancy or use of the premises; or

Criminal activity by the tenant, any member of the household, a guest or another person under the tenant's control that threatens the health, safety or right to peaceful enjoyment of the premises by the other residents, or persons residing in the immediate vicinity of the premises or any drug-related criminal activity on or near the premises in accordance with Pennsylvania's Model Expedited Eviction for Drug Trafficking Act.

**D. Protections for Victims of Abuse/Violence Against Women**

**Exception to Lease Termination Relating to Violence Against Women:** In accordance with the Violence Against Women Act of 2005, criminal activity directly relating to domestic violence, dating violence, or stalking, engaged in by a member of a tenant's household or any guest or other person under the tenant's control, shall not be a cause for termination of the tenancy or occupancy rights, if the tenant or immediate member of the tenant's family is a victim of that domestic violence, dating violence, or stalking.

1. An incident or incidents of actual or threatened domestic violence, dating violence, or stalking will not be construed as serious or repeated violations of the lease or other "good cause" for termination of the assistance, tenancy, or occupancy rights of such a victim.
2. Criminal activity directly relating to abuse, engaged in by a member of a tenant's household or any guest or other person under the tenant's control, shall not be cause for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenant's family is the victim or threatened victim of domestic violence, dating violence, or stalking.
3. Notwithstanding any restrictions on admission, occupancy, or terminations of occupancy or assistance, or any Federal, State or local law to the contrary, a SCHA, owner or manager may "bifurcate" a lease, or otherwise remove a household member from a lease, without regard to whether a household member is a signatory to the lease, in order to evict, remove, terminate occupancy rights, or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others. This action may be taken without evicting, removing, terminating assistance to, or otherwise penalizing the victim of the violence who is also a tenant or lawful occupant. Such eviction, removal, termination of occupancy rights, or termination of assistance shall be effected in accordance with the procedures prescribed by Federal, State, and local law for the termination

of leases or assistance under the housing choice voucher program.

4. Nothing in this section may be construed to limit the authority of a public housing agency, owner, or manager, when notified, to honor court orders addressing rights of access or control of the property, including civil protection orders issued to protect the victim and issued to address the distribution or possession of property among the household members in cases where a family breaks up.
5. Nothing in this section limits any otherwise available authority of an owner or manager to evict or the public housing agency to terminate assistance to a tenant for any violation of a lease not premised on the act or acts of violence in question against the tenant or a member of the tenant's household, provided that the owner, manager, or public housing agency does not subject an individual who is or has been a victim of domestic violence, dating violence, or stalking to a more demanding standard than other tenants in determining whether to evict or terminate.
6. Nothing in this section may be construed to limit the authority of an owner or manager to evict, or the public housing agency to terminate assistance, to any tenant if the owner, manager, or public housing agency can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if the tenant is not evicted or terminated from assistance.
7. Nothing in this section shall be construed to supersede any provision of any Federal, State, or local law that provides greater protection than this section for victims of domestic violence, dating violence, or stalking.
8. HAP contract and Lease Addendum, as revised by HUD to include Violence Against Women clauses, will be utilized for new admissions and annual recertifications.
9. Program participants may certify to the Manager/Owner utilizing form HUD 50066 that they are a victim of domestic violence or provide other information to document the abuse as spelled out in Notice PIH 2006-42.
10. Confidentiality – All information provided to the Owner, Manager, or Authority relating to the incident(s) of domestic violence, including the fact that an individual is a victim of domestic violence, dating violence, or stalking, must be retained in confidence by the SCHAs or owner, and must neither be entered into any shared database nor provided to a related entity, except to the extent that the disclosure is (i) requested or consented by the individual in writing; (ii) required for use in an eviction proceeding or termination of assistance; or, (iii) otherwise required by applicable law. The HUD-approved certification form provides notice to the tenant of the confidentiality of the form

and the limits thereof.

The owner may not terminate tenancy if the SCHA fails to pay the housing assistance payment or pays it late. SCHA failure to make the housing assistance payment is not a violation of the lease between the family and the owner

During the initial term of the lease, the owner may not terminate the tenancy for “other good cause” unless the owner is terminating the tenancy because of something the family did or failed to do.

*Termination for Criminal Activity and Drug and Alcohol Abuse*

The owner may terminate the tenancy any time during the lease term if any member of the family, guest, or other person under the family’s control commits any of the following criminal activity:

Criminal activity that threatens the health, safety, or peaceful enjoyment of the premises by other residents, including property management staff or people residing in the immediate vicinity; or

Violent criminal, or drug related criminal activity on or near the premises.

The tenancy addendum that is part of the HAP contract also includes the following as grounds for owner termination of tenancy:

Abuse of alcohol by any household member that threatens the health, safety or right to peaceful enjoyment of the premises by residents;

Fleeing by any household member to avoid prosecution, or custody or confinement after conviction for a felony or attempt to commit a felony;

Violation by any household member of a condition of probation or parole under federal or state law.

The owner may terminate tenancy for criminal activity by any household member, regardless of whether the household member has been arrested or convicted for such activity.

*Termination for Other Good Cause*

During the initial lease term and any extension of the term, other good cause may include:

disturbing neighbors;

destroying property, or engaging in other activities that result in damage to unit or

premises;

carrying out living or housekeeping habits that cause damage to unit or premises

After initial lease term, other good cause may also include:

Family not accepting an offer a new lease or revision;

Owner desire to use the unit for personal or other use; and

Business or economic reasons, such as the sale of the property, renovation, or the request for a rent higher than the Authority can approve.

During the initial lease term the owner may terminate for other good cause only because of something the family did or failed to do. For example, the owner may terminate tenancy for housekeeping habits resulting in damage to the unit, but not for the owner's personal use of the unit.

#### *Notification Requirements*

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

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

#### *Housing Assistance Payments*

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

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

If the tenant moves within 30 days after the date the owner serves the eviction notice, the SCHA will continue housing assistance payments until 30 days after the notice was served.

If the tenant stays past the 30 days after the eviction notice is served, the housing assistance payments will continue until the earlier of a) when the tenant actually moves, b) when the tenant is forcibly evicted by the appropriate law enforcement agency.



If the action is finalized in court, the owner must provide the SCHA with the documentation, including notice of the lockout date.

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

#### *Determination for Split Households*

When the household is divided and becomes more than one household (e.g. divorce or legal separation), the Authority must determine, who is eligible to participate in the program.

The voucher may be retained by either household if there is mutual consent or a court stipulated determination of which household retains the voucher.

The Executive Director will be required to make the decision as to which one party is able to retain the voucher.

In making this decision, the Executive Director should consider such items as: Desire of the parties involved; which party has the dependent children; to whom the voucher was issued, if not jointly; or who is left in the unit; whether domestic violence is involved.

#### **E. Termination of the Contract by SCHA**

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

The SCHA may also terminate the contract if:

- The SCHA terminates assistance to the family.

- The family is required to move from a unit when the subsidy is too big for the family size (pre-merger Certificate Program) or the unit does not meet the HQS space standards because of an increase in family size or a change in family composition (Certificate and Voucher Programs).

- Funding is no longer available under the ACC.

- The family breaks up, (unless the SCHA, in conformance with its policy, has decided to continue to make housing assistance payments on behalf of those family member that remain in the unit (see Determination of Split Households, above).

- Unit does not meet all HQS requirements

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

***Termination of Pre-merger Certificate HAPS***

Any OFTO tenancy HAP contract entered into prior to the merger date will automatically be considered as a tenancy under the Voucher program. Such tenancies will be subject to the requirements of the voucher program, including calculation of the Housing Assistance Payment. However, as stated earlier in this section, pre-merger HAP calculations will remain applicable until the effective date of the second regular reexamination of family income and composition on or after the merger date.

***Notice of Termination***

When the SCHA terminates the HAP contract under the violation of HQS space standards, the SCHA will provide the owner and family written notice of termination of the contract, and the HAP contract terminates at the end of the calendar month that follows the calendar month in which the SCHA gives such notice to the owner.

If the SCHA terminates the contract, the SCHA must give the owner and family written notice. The notice must specify the reasons for the termination and the effective date of the termination. Once a HAP contract is terminated, no HAP payments may be made, and the SCHA will not earn an administrative fee for the unit.

## **SECTION 18 - DENIAL OR TERMINATION OF ASSISTANCE**

### **A. Grounds for Denial/Termination**

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

#### ***Form of Denial/Termination***

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

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

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

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

#### ***Mandatory Denial and Termination***

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

- If any member of the family fails to sign and submit HUD or SCHA required consent forms for obtaining information.
- If no member of the family is a U.S. citizen or eligible immigrant.
- If the family is under contract and 180 days have elapsed since the SCHA's last housing assistance payment was made.
- If any members of the family have been convicted of manufacturing or producing methamphetamine in violation of any Federal or State law.
- If any member of the family has been evicted in the last 7 years from federally assisted housing for a serious violation of the lease.
- If a family has been evicted from housing assisted under the program for serious violation of the lease.

- If any member of the family fails to sign and submit the SCHA's consent forms for obtaining information.
- When required under the regulations to establish citizenship or eligible immigration status.

***Grounds for Denial or Termination of Assistance***

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

- The family violates any family obligation under the program. (Family obligations are stated on the Housing Voucher (Form HUD 52646), in the lease and in the program regulations at 24 CFR Part 982, for housing choice voucher holders and are outlined under Item C of this Section).
- If the term of the Voucher expires.
- If a family voluntarily agrees to terminate their assistance.
- If a family does not appear for 24-hour fail reinspection, or appear at reinspection for a HQS breach caused by the family.
- If any SCHA has ever terminated assistance under the program for any member of the family.
- If the family has ever been evicted from housing under the Moderate Rehabilitation program.
- If any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program. In addition, the family has misrepresented income, assets, or allowances and deductions which would have caused them to pay more, the SCHA will make every effort to recover any overpayments made as a result of tenant fraud or abuse.
- The family currently owes rent or other amounts to the SCHA, another housing authority or current landlord in connection with public housing or Section 8 assistance under the 1937 Act, and is not fulfilling their repayment agreement.
- The family has not reimbursed the Authority for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.
- The family breaches an agreement with a housing authority to pay amounts owed to an Authority, or amounts paid to an owner by a housing authority. The SCHA at its discretion may offer the family the opportunity to enter into a repayment agreement. The SCHA will prescribe the terms of the agreement.

- The family participating in an FSS program fails to comply, without good cause, with the family's FSS contract of participation.
- If the family fails to fulfill its obligation under the Section 8 welfare-to-work voucher program.
- An immediate family member (see definition under Preferences Section of this Policy) has engaged in or threatened abusive or violent behavior toward SCHA personnel.

"Abusive or violent behavior towards SCHA personnel" includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language, written or oral, that is customarily used to insult or intimidate, may be cause for termination or denial.

"Threatening" refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

Actual physical abuse or violence will always be cause for termination.

- Any member of the family whose drug or alcohol abuse interferes with the health, safety or peaceful enjoyment of other project residents.
- If any member of the family commits drug-related criminal activity, violent criminal activity, or any criminal activity against persons or property that threatens health, safety, and/or welfare of other persons, or that would interfere with the right to peaceful enjoyment of the premises of neighbors and/or other residents of the premises.

**SCHA may not terminate assistance to a participant in the voucher program on the basis of an incident or incidents of actual or threatened domestic violence, dating violence, or stalking against that participant.**

In addition, criminal activity directly relating to domestic violence, dating violence, or stalking shall not be considered cause for termination of assistance for any participant or immediate member of a participant's family who is a victim of the domestic violence, dating violence, or stalking.

However, nothing in this section may be construed to limit the authority of SCHA:

- to terminate voucher assistance to individuals (the perpetrator) who engage in criminal acts of physical violence against family members or others, or when notified;
- to honor court orders addressing rights of access to or control of the property, including civil protection orders issued to protect the victim and issued to address the distribution possession of property among the household members in cases

where a family breaks up;

- to terminate voucher assistance to a tenant for any violation of a lease not premised on the act or acts of violence in question against the tenant or a member of the tenant's household, provided that SCHA does not subject an individual who is or has been a victim of domestic violence, dating violence, or stalking to a more demanding standard than other tenants in determining whether to terminate; or
- to terminate voucher assistance to a tenant if the Authority and/or landlord, owner, or manager can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property or SCHA if that tenant is not evicted or terminated from assistance.

Nothing in this Section shall be construed to supersede any provision of any Federal, State, or local law that provides greater protection than this section for victims of domestic violence, dating violence, or stalking.

## **B. "One Strike" Policy**

### ***Purpose***

All federally assisted housing is intended to provide a place to live and raise families, not a place to commit crime, to use or sell drugs or terrorize neighbors. It is the intention of the Housing Authority to fully endorse and implement a policy designed to:

- Help create and maintain a safe and drug-free community
- Keep our program participants free from threats to their personal and family safety
- Support parental efforts to instill values of personal responsibility and hard work
- Help maintain an environment where children can live safely, learn and grow up to be productive citizens
- Assist families in their vocational/educational goals in the pursuit of self-sufficiency

### ***Administration***

All screening and termination of assistance procedures shall be administered fairly and in such a way as not to violate rights to privacy or discriminate on the basis of race, color, nationality, religion, familial status, disability, sex or other legally protected groups.

To the maximum extent possible, the SCHA will involve other community and governmental entities in the promotion and enforcement of this policy.

This policy will be posted on the SCHA's bulletin board and copies made readily available to applicants and participants upon request.

### ***Screening of Applicants***

In an effort to prevent future drug related and other criminal activity, as well as other patterns of behavior that pose a threat to the health, safety or right to peaceful enjoyment of the premises by other residents, and as required by the Notice 96-27, the SCHA will endeavor to screen applicants as thoroughly and fairly as possible for drug-related criminal activity, violent criminal behavior, and other criminal activity against persons or property.

Such screening will apply to any member of the household who is 18 years of age or older.

### ***HUD Definitions***

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

Drug-related criminal activity means on or near the premises.

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

Other criminal activity includes threatening behavior to the health, safety or right to peaceful enjoyment of the premises by other residents, staff, or persons residing in the immediate vicinity of the premises; or any employee contractor, subcontractor or agent of the Authority who is involved with the housing operations. Such criminal activity also includes the abuse or pattern of abuse of alcohol.

- "Threatening" refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.
- Abusive or violent behavior towards SCHA personnel includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language, written or oral, that is customarily used to insult or intimidate, may be cause for termination or denial.
- Actual physical abuse or violence will always be cause for termination

### ***Standard for Violation***

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

The SCHA will consider the use of a controlled substance or alcohol to be a pattern

if there is more than one incident during the previous 12 months.

“Engaged in or engaging in” violent criminal activity means any act within the past seven (7) years by applicants or participants, household members, or guests which involved criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person of another, which [resulted in] [did or did not result in] the arrest and/or conviction of the applicant or participant, household members, or guests.

The existence of the above-referenced behavior by any household member or guest, regardless of the applicant or participant’s knowledge of the behavior, shall be grounds for denial or termination of assistance.

In evaluating evidence of negative past behavior, the SCHA will give fair consideration to the seriousness of the activity with respect to how it would affect other residents, and/or likelihood of favorable conduct in the future which could be supported by evidence of rehabilitation.

***Drug Related and Violent Criminal Activity***

Ineligibility if Evicted for Drug-Related Activity: Persons evicted from Public Housing, Indian Housing, Section 23 or any Section 8 program because of drug-related criminal activity are ineligible for admission to the Section 8 program for a seven year period beginning on the date of such eviction.

Applicants will be denied assistance if they have been:

Arrested, convicted, and, or, evicted from a unit assisted under the Housing Act of 1937 due to drug related, violent or other criminal activity within the last seven years prior to the date of the certification interview.

Convicted of any form of sexual crime, or crimes against minor children, or have a history of arrests and/or convictions for any form(s) of sexual crime or crimes against minor children, regardless of when the convictions and/or arrests occurred; additionally, per 24 CFR 5.856, the SCHA prohibits admission to federally assisted housing if any member of the household is subject to a lifetime registration requirement under a State sex offender registration program. In the screening of applicants, the SCHA will perform necessary criminal history background checks in the State where the housing is located and in other States where the household members are known to have resided.

Convicted of any degree of murder, or have a history of arrests and/or convictions of any degree of murder, regardless of when the convictions and/or arrests occurred.

Participants will be terminated who have been:

Arrested, convicted, and, or, evicted from a unit assisted under the Housing Act of 1937 due to drug-related or violent criminal activity within the last seven years prior to the date of the notice to terminate assistance, and whose activities have created a disturbance in the building or neighborhood.



Convicted of any form of sexual crime, or crimes against minor children, or have a history of arrests and/or convictions for any form(s) of sexual crime or crimes against minor children, regardless of when the convictions and/or arrests occurred; additionally, per 24 CFR 5.856, the SCHA prohibits admission to federally assisted housing if any member of the household is subject to a lifetime registration requirement under a State sex offender registration program. In the screening of applicants, the SCHA will perform necessary criminal history background checks in the State where the housing is located and in other States where the household members are known to have resided.

Convicted of any degree of murder, or have a history of arrests and/or convictions of any degree of murder, regardless of when the convictions and/or arrests occurred.

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

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

The SCHA will waive the requirement regarding drug-related criminal activity if:

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

The circumstances leading to the eviction no longer exist.

#### ***Termination of Assistance for Participants***

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

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

#### ***Notice of Termination of Assistance***

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

The reason(s) for the proposed termination,

The effective date of the proposed termination,

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

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

The SCHA will simultaneously provide written notice of the contract termination to the owner so that it will coincide with the Termination of Assistance. The notice to the owner will not include any details regarding the reason for termination of assistance.

***Confidentiality of Criminal Records***

The SCHA will ensure that any criminal record received is maintained confidentially, not misused or improperly disseminated (See Section 1 Item C of this Plan).

All criminal reports' access, while needed, will be limited to individuals responsible for screening and determining eligibility for initial and continued assistance.

If the family is determined eligible for initial or continued assistance, the criminal report shall be filed in a separate folder or sealed envelope in a secure location and marked "confidential".

If the family's assistance is denied or terminated, the criminal record information shall be filed in a separate folder or sealed envelope in a secure location and marked "confidential" and must not be released except on an as-needed basis, to defend against an appeal of a SCHA determination, to deny admission to the program, or terminate assistance.

**C. Family Obligations**

Family obligations are stated on the Housing Voucher (Form HUD 52646), in the lease, and in the program regulations at 24 CFR, Part 983, for housing choice voucher holders, and include, but is not limited to the following:

- The family must supply any information that the SCHA 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.
- The family must supply any information requested by the SCHA or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.
- The family must disclose and verify Social Security Numbers and must sign and submit consent forms for obtaining information in accordance with 24 CFR 5.230.
- All information supplied by the family must be true and complete.
- All members of the household must be authorized by the SCHA.
- The family is responsible for an HQS breach caused by the family, and must be present for the reinspection.

- Welfare-to-Work program participants must follow the rules established by the SCHA for the program.
- The family must allow the SCHA to inspect the unit at reasonable times and after reasonable notice.
- The family must be present for a 24-hour fail inspection.
- The family may not commit any serious or repeated violations of the lease.
- The family must notify the owner and, at the same time, notify the SCHA before the family moves out of the unit or terminates the lease upon notice to the owner.
- The family must promptly give the SCHA a copy of any owner eviction notice.
- The family must pay utility bills and supply appliances that the owner is not required to supply under the lease.
- The family must use the assisted unit for residence by the family. The unit must be the family's only residence.

The SCHA must approve the composition of the assisted family residing in the unit.

The family must promptly inform the SCHA of the birth, adoption or court-awarded custody of a child. The family must request SCHA approval to add any other family member as an occupant of the unit.

The family must promptly notify the SCHA if any family member no longer resides in the unit.

If the SCHA has given approval, a foster child or a live-in aide may reside in the unit. If the family does not request approval or SCHA approval is denied, the family may not allow a foster child or live-in aide to reside with the assisted family.

Members of the household may engage in legal profit-making activities in the unit, but only if such activities are incidental to primary use of the unit as a residence by members of the family.

The family must not sublease or let the unit.

The family must not assign the lease or transfer the unit.

The family must supply any information or certification requested by the SCHA to verify that the family is living in the unit, or relating to family absence from the unit, including any SCHA-requested information or certification on the purposes of family absences.

The family must cooperate with the SCHA for this purpose.

The family must promptly notify the SCHA of absence from the unit.

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

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

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

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

### ***Housing Authority Discretion***

In deciding whether to deny or terminate assistance because of action or failure to act by members of the family, the SCHA has discretion to consider all of the circumstances in each case, including the seriousness of the case. The SCHA will use its discretion in reviewing the extent of participation or culpability of individual family members and the length of time since the violation occurred. The SCHA may also review the family's more recent history and record of compliance, and the effects that denial or termination of assistance may have on other family members who were not involved in the action or failure to act.

The SCHA may impose, as a condition of continued assistance for other family members, a requirement that family members who participated in, or were culpable for the action or failure to act, will not reside in the unit. The SCHA may permit the other members of a family to continue in the program.

### **Enforcing Family Obligations**

#### ***Explanations and Terms***

The term "Promptly" when used with the Family Obligations always means "within 10 business days." Denial or termination of assistance is always optional except where this Plan or the regulations state otherwise.

#### ***HQS Breach***

The inspector will determine if an HQS breach is the responsibility of the family. Families may be given extensions to cure HQS breaches by Occupancy Specialist, and or, the Rental Assistance Team Leader.

#### ***Lease Violations***

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

If the owner terminates tenancy through court action for serious or repeated

violation of the lease.

If there are police reports, neighborhood complaints or other third party information, regarding the conduct of the tenant family during the term of the lease that has been verified by the SCHA.

Nonpayment of rent is considered a serious violation of the lease.

***Notification of Eviction***

If the family request assistance to move and they did not promptly notify the SCHA of an eviction within 10 days of receiving the Notice of Lease Termination, the move will be denied.

***Family Member Moves Out***

Families are required to notify in writing the SCHA if any family member leaves the assisted household. When the family notifies the SCHA, they must furnish the following information in writing:

The date the family member moved out.

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

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

***Limitation on Profit-making Activity in Unit***

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

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

If the SCHA determines the business is not legal, it will be considered a program violation.

***Interest in Unit***

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

***Fraud***

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

**D. Procedures for Non-Citizens**

***Denial or Termination due to Ineligible Immigrant Status***

Applicant or participant families in which all members are neither U.S. citizens nor eligible immigrants are not eligible for assistance and must have their assistance terminated. The SCHA must offer the family an opportunity for a hearing.

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

***False or Incomplete Information***

When the SCHA has clear, concrete, or substantial documentation (such as a permanent resident card or information from another agency) that contradicts the declaration of citizenship made by an applicant or participant, an investigation will be conducted and the individual will be given an opportunity to present relevant information.

If the individual is unable to verify their citizenship, the SCHA will give him/her an opportunity to provide a new declaration as an eligible immigrant or an opportunity to elect not to contend their status.

The SCHA will then verify eligible status, deny, terminate, or prorate as applicable.

The SCHA will deny or terminate assistance based on the submission of false information or misrepresentation.

***Procedure for Denial or Termination***

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

After the SCHA has made a determination of ineligibility, the family will be notified of the determination and the reasons and informed of the option for prorated assistance (if applicable).

**E. Zero (\$0) Assistance Tenancies**

***HAP Contracts On or After 10/2/95***

For contracts effective on or after 10/2/95, the SCHA has no liability for unpaid rent or damages, and the family may remain in the unit at \$0 assistance for up to 180 days after the last HAP payment. If the family is still in the unit after 180 days, the assistance will be terminated. If, within the 180 day timeframe, an owner rent increase or a decrease in the Total Tenant Payment causes the family to be eligible for a housing assistance payment, the SCHA will resume assistance payments for the family.

In order for a family to move with assistance to another unit during the 180 days, the rent for the new unit would have to be high enough to necessitate a housing assistance payment.

**F. Option Not to Terminate for Misrepresentation**

If the family has misrepresented any facts that caused the SCHA to overpay assistance, the SCHA may choose not to terminate and may offer to continue

assistance provided that the family executes a Repayment Agreement and makes payments in accordance with the agreement or reimburses the SCHA in full immediately.

**G. Misrepresentation in Collusion with Owner**

If the family intentionally, willingly, and knowingly commits fraud or is involved in any other illegal scheme with the owner, the SCHA will deny or terminate assistance. In making this determination, the SCHA will carefully consider the possibility of overt or implied intimidation of the family by the owner and the family's understanding of the events.

**H. Missed Appointments and Deadlines**

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

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

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

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

Eligibility for Admissions

Verification Procedures

Voucher Issuance and Briefings

Housing Quality Standards and Inspections

Recertifications

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

Medical emergency

Family emergency

***Procedure when Appointments are Missed or Information not Provided***

For most purposes in this Plan, the family will be given two opportunities to attend an

appointment or provide information before being issued a notice of termination or denial for breach of a family obligation.

***Procedures when Inspections are Missed***

The family will be given two opportunities to be present for a scheduled annual inspection, before being issued a notice of termination or denial for breach of a family obligation.

The family must be present for the scheduled reinspection of their unit due to a HQS fail they caused. Failure to be present will result in the termination of the assistance.



## **SECTION 19 - OWNER OR FAMILY DEBTS TO THE SCHA**

### **A. Payment Agreement for Families**

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

The SCHA will prescribe the terms of the payment agreement, including determining whether to enter into a payment agreement with the family based on the circumstances surrounding the debt to the SCHA.

The SCHA has and will continue to be sensitive to the needs of the residents, many of whom are on fixed or low income to ensure that an adequate and workable rent payment plan can be administered when emergencies arise or if they have not reported income received and or extra charges in a timely manner. Rent payment plans will be administered uniformly and consistently for all residents.

There are some circumstances in which the SCHA will not enter into a payment agreement. They are:

If the family already has a Payment Agreement in place.

If the SCHA determines that the family committed program fraud.

If the SCHA determines that the debt amount is larger than can be paid back by the family in a reasonable amount of time.

In these circumstances, will use the methods mentioned in this chapter to collect the amount owed.

The maximum length of time the SCHA will enter into a payment agreement with a family is 18 months.

### ***Payment Schedule for Monies Owed to the SCHA***

If the HA enters into a Repayment Agreement, the Repayment Agreement will be set up as follows:

Initial Payment	Debt Amount	Max Term
<b>20%-50% due*</b>	<b>\$500 or less</b>	<b>3-6 months</b>

**20%-40% due\*** \$501-\$1,000 **6-10 months**

**20%-33% due\*** \$1,001-\$2,500 **12 months**

For amounts exceeding \$2500, the department will review, on a case-by-case basis, whether a Repayment Agreement is appropriate and what payment terms should be offered. The Authority may give the family an option to pay in full the amount owed in excess of \$2,500, plus the initial deposit, and enter into a Repayment Agreement for the balance.

\* Due at the execution of the Repayment Agreement

#### **B. Debts Owed for Claims**

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

The SCHA will require the family to pay the amount in full.

The SCHA may enter into a Payment Agreement.

#### ***Late Payments***

A payment will be considered to be in arrears if the payment has not been received by the close of the business day on which the payment was due. If the due date is on a weekend or holiday, the due date will be at the close of the next business day.

If the family's payment agreement is in arrears, and the family has not contacted or made arrangements with the SCHA, the SCHA will:

Require the family to pay the balance in full

Pursue civil collection of the balance due

Terminate the housing assistance

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

If the family requests a move to another unit and is in arrears on a payment agreement for the payment of an owner claim the family will be required to pay the balance in full, or be terminated from the program.

#### **C. Violation of Family Obligation or Fraud**

Whether a family will be allowed to enter into a Repayment Agreement with SCHA depends on whether the Authority considered the family in violation of a family obligation and whether the SCHA considered the violation fraud or whether the family owes the Authority money for some other reason.

Fraud is when a person knowingly omits information or gives false information, which is vital to the eligibility process, in order to obtain housing assistance.

If the Authority determined that the family committed willful and intentional fraud, the SCHA may require the family to repay the entire amount in full or be issued an eviction notice, since willful intent to fraud will be considered a violation of the family obligation.

In that case the Authority has no responsibility to enter into a Repayment Agreement. If the family assistance is terminated and repayment has not been made, the money will still be considered to be owed and the SCHA may still take action to collect the amounts owed.

If the family did not supply information needed at certification or recertification, their assistance may be terminated as a violation of their family obligation.

In determining whether the family violated the family obligation, the Authority will determine whether the family supplied the information willingly. If the family supplies the information willingly, the SCHA, in making its considerations as to whether or not there is a violation of family obligation, will look favorably upon the willingness of the tenant to provide the information regarding the prior violation.

If the Authority feels there was no willful intent of fraud or the family supplied the information regarding their prior violation willingly, the SCHA may enter in a Repayment Agreement with the tenant in their current dwelling unit.

If they refuse to sign a Repayment Agreement for changes they were required to report and did not, it will be considered fraud. In this case, the Authority would terminate the assistance for fraud, as long as the amount was verified. The SCHA may also consider local prosecution and, if the amount is excessive, forwarding the case to the HUD Regional Inspector General for Investigation. The tenant will be given an opportunity for an informal hearing prior to the termination of assistance.

The following is an example that would be applicable in determining willful intent of fraud, as described above:

The tenant got a job between annual recertification, but did not report it to the Authority. The tenant reports the job willingly at the annual recertification or, when the SCHA questions them about the job, they willingly give the Authority the correct information. The SCHA may enter into a Repayment Agreement.

vs.

The tenant got a job between annual recertification, but did not report it to the Authority. At their annual recertification, they did not report it or when the SCHA questioned them, they did not give them correct information. The Authority may terminate assistance for fraud. In addition, the SCHA may take measures to collect the amount owed.

#### Cases Other Than Family Obligation Violation or Fraud:

In cases other than willful intent to fraud and/or violation of a family obligation, where money is owed, the tenant may be allowed to enter into a Repayment Agreement to pay the Authority back over a period of time if the total amount owed is less than \$2,500. If it is more than \$2,500, the SCHA will give the family an option to pay in full the amount owed in excess of \$2,500, plus the initial deposit, and enter into a Repayment Agreement for the balance.

There is a total dollar amount limit of \$2,500 in order for the Authority to agree to enter into a Repayment Agreement. If the total owed is under \$2,500 (and the amount owed is not for fraud as defined above) the SCHA will set up monthly payments on the Repayment Agreement according to the total amount to be repaid. If the family enters into a Repayment Agreement and does not pay, the termination of assistance procedures identified in Section 17 goes into effect.

#### **D. Debts Due to Misrepresentations/Non-Reporting of Information**

##### ***Family Error/Late Reporting***

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

##### ***Program Fraud***

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

If a family owes an amount which equals or exceeds \$5,000 as a result of program fraud, the case will be referred to the Inspector General. Where appropriate, the SCHA will refer the case for criminal prosecution.

##### ***Payment Procedures for Program Fraud***

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

- The duration of the agreement will not exceed the duration of the violation.
- The maximum time period for a Payment Agreement will be 18 months.
- The family will be required to pre-pay 20% -50% of the amount owed prior to or upon execution of the Payment Agreement.

#### **E. Debts Due to Minimum Rent Temporary Hardship**

If the family owes the SCHA money for rent arrears incurred during the minimum rent period, the SCHA will calculate the total amount owed and divide it by 12 months to arrive at a reasonable payback amount that the family will be required to pay to the SCHA monthly in addition to the family's regular monthly rent payment to the owner. The family will be required to pay the increased amount until the arrears are paid in full to the SCHA.

The SCHA will not enter into a repayment agreement that will take more than 18 months to pay off.

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

#### **F. Guidelines for Payment Agreements**

Payment Agreements will be executed between the SCHA and the participant family.

Payments may only be made by money order or cashier's check.

The agreement will be in default when a payment is delinquent by the day after the date set forth in the Payment Agreement.

The family's assistance will be terminated unless the SCHA receives the balance of the Repayment Agreement in full within 30 days of the termination notice.

A Payment Agreement will be considered to be in default when it is in arrears for 2 months.

**Additional Monies Owed:** If the family already has a Payment Agreement in place and incurs an additional debt to the SCHA:

The SCHA will not enter into more than one Payment Agreement with the family.

#### **G. Owner Debts to the SCHA**

If the SCHA determines that the owner has retained Housing Assistance or Claim Payments the owner is not entitled to, the SCHA may reclaim the amounts from future Housing Assistance or Claim Payments owed the owner for any units under contract.

The owner may also choose to refund the amount directly to the SCHA within 30 days of the date requested by the SCHA.

If future Housing Assistance or Claim Payments are insufficient to reclaim the amounts owed, the SCHA will:

Require the owner to pay the amount in full within 30 days.

Pursue collections through the local court system.

Restrict the owner from future participation.

## **SECTION 20 - COMPLAINTS AND APPEALS**

### **A. General Policy**

The Authority responds promptly to complaints by families or owners and investigates such. Complaints regarding the physical condition of the home may be reported by phone to the Section 8 Coordinator. Anonymous complaints are checked whenever possible.

The Authority may require that complaints other than HQS violations be put in writing.

### **B. Informal Review Procedures for Applicants**

A "review" is for applicants. This includes voucher holders who do not have an effective lease and Contract.

Families must be notified of their right to an informal review in most circumstances in which the Authority made a decision affecting their eligibility or assistance.

The Authority will give the applicant a prompt written notice of the determination which will describe:

- The reasons for the decision;

- The procedures for requesting a review if the applicant does not agree with the determination;
- and

- The time frame for requesting a review.

The Authority must provide applicants with the opportunity for an informal review of decisions denying:

- Listing on the Authority's waiting list;

- Issuance of a rental voucher; or

- Participation in the program

Informal reviews are not required for established policies and procedures such as:

- Determination of bedroom size for the voucher;

- Rejection of a unit that does not meet Housing Quality Standards;

- Disapproval of the owner's form of lease;

- Refusal to extend a voucher

Request for a review must be made within 5 working days of the date of the written notification of denial of assistance.

The Informal Review shall be conducted by the Executive Director who is neither the person who made or approved of the decision under review or a subordinate of such person.

Applicants will be given the option of presenting oral or written objections to the decision in question and have a right to legal counsel, at their own expense. The Executive Director will regulate the

conduct of the hearing. Both the Authority and the family have the opportunity to present evidence and/or witnesses.

The location and conduct of the informal review will be reasonably accessible to the needs of disabled complainants.

Documents for use by applicants and residents with vision or hearing impairments will be made available to them. Also documents used by all applicants and participants will be written simply in plain language that can be easily understood.

A notice of the Review Findings shall be provided in writing to the applicant and shall include a brief explanation of the reasons for the final decision.

All requests for a review, supporting documentation, and a copy of the final decision will be retained in the applicant's file.

The Authority is not bound by hearing decisions:

- Concerning matters in which SCHA is not required to provide an opportunity for a hearing

- Contrary to HUD regulations or requirements;

- Contrary to Federal, State or local laws; or

- That exceeds the authority of the person conducting the hearing.

The Authority shall send a letter to the participant within 10 business days if it determines the SCHA is NOT bound by the Hearing Officer's determination. The letter shall include the Authority's reason for the decision

### **C. Informal Hearing Procedures for Participants**

Appeals by participants of the Authority's Section 8 Program shall be handled as outlined in the HUD regulation for Informal Hearings.

Participants are families who have an effective lease or Housing Assistance Contract and are currently participating in the voucher program.

Families must be notified of their right to an informal hearing in most circumstances in which the Authority makes a decision affecting their eligibility or assistance.

The Authority will give the applicant a prompt written notice of determination which will describe:

- The reason for the decision;

- The procedures for requesting a hearing if the applicant does not agree with the determination; and

- The time frame for requesting a hearing.

The Authority must provide program participants with the opportunity for an informal hearing for decisions related to:

- Changes in calculation of the Total Tenant Payment or Tenant Rent;

Denial or termination of assistance.;

Determination that a family is over housed and is denied an exception to the Occupancy Standards;

Determination of bedroom size on the voucher

Termination of subsidy for Family Self-Sufficiency by Program participants who are terminated from that program.

Informal hearings are not required when the Authority:

Fails a unit for Housing Quality Standards violations;

Refuses to extend a rental voucher;

Imposes sanctions against an owner who is not in compliance with program requirements;

Takes other actions following Authority discretionary administrative procedures or HUD policies and procedures .

All requests for Informal Hearings must be made within 5 days from the date of the notification letter.

The Informal Hearing shall be conducted by the Executive Director or designee appointed by the Authority who is neither the person who made the decision under review or a subordinate of such person.

Participants will be given the option of presenting oral or written objections to the decision in question and have a right to legal counsel, at their own expense. The Executive Director regulates the conduct of the hearing. Both the Authority and the family have the opportunity to present evidence and/or witnesses .

The location and conduct of the informal hearing will be reasonably accessible to the needs of persons with disabilities.

The Executive Director will make a determination on how the rule or regulation was correctly or incorrectly applied to the information submitted at the hearing. A notice of the Hearing Findings shall be provided in writing to the participants with a copy to the Authority within 14 days and shall include a brief explanation of the reasons for the final decision.

All requests for a review, supporting documentation, and a copy of the final decision will be retained in the participant's file.

For decisions regarding termination of assistance, the Authority will conduct the hearing prior to terminating assistance.

The Authority may implement the following changes prior to the hearing;

Changes in Total Tenant Payment or Tenant Rent;

Denial of a new rental voucher for a family that wants to move;

Unit size determination for a family that wants to move.



The Authority is not bound by hearing decisions:

- a. Concerning matters in which the Authority is not required to provide an opportunity for a hearing;
- b. Contrary to HUD regulations or requirements, Federal, State or local laws;

That exceed the authority of the person conducting the hearing.

## **SECTION 21 - SPECIAL HOUSING TYPES**

### **A. Single Room Occupancy**

The SCHA will use a separate lease and housing assistance payment contract for each assisted person residing in a SRO.

#### ***SRO Rent and Housing Assistance Payment***

##### Premerger Regular Certificate Program

The payment standard for SRO housing is 75 percent of the zero bedroom FMR.

##### Voucher Program

The SCHA SRO payment standard is 75 percent of the zero bedroom payment standard/schedule. For a person residing in an exception area the payment standard is 75 percent of the HUD-approved zero bedroom exception payment standard amount. While an assisted person resides in SRO housing, the SRO payment standard must be used to calculate the housing assistance payment.

##### Utility Allowance

The utility allowance for an assisted person residing in SRO housing is 75 percent of the zero bedroom utility allowance.

#### ***Housing Quality Standards***

The SCHA will ensure that all SRO units approved for the program are in compliance with all of the Housing Quality Standards for SROs as regulated in 24 CFR 982.605.

### **B. Congregate Housing**

An elderly person or a person with disabilities may reside in a congregate housing unit.

The SCHA may approve a family member or live-in aide to reside with the elderly person or person with disabilities.

The SCHA will approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

#### ***Congregate Housing Lease and HAP Contract***

For congregate housing there will be a separate lease and HAP contract for each assisted family.

Unless there is a live-in aide, the payment standard for a family that resides in a congregate housing unit is the zero-bedroom payment standard on the SCHA payment standard schedule. However, if there are two or more rooms in the unit (not including kitchen or sanitary facilities), the payment standard for a family that resides in a congregate housing unit is the one bedroom payment standard amount.

If there is a live-in aide, the live-in aide will be counted in determining the family unit size.

### ***Housing Quality Standards***

The SCHA will ensure that all congregate housing units approved for the program are in compliance with all of the Housing Quality Standards for congregate housing as regulated in 24 CFR 982.609.

#### **C. Group Homes**

A group home must be licensed, certified, or otherwise approved in writing by the State, or the State's licensing department.

An elderly person or a person with disabilities may reside in a State-approved group home. If approved by the SCHA, a live-in aide may reside with a person with disabilities.

The SCHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. Except for a live-in aide, all residents of a group home must be elderly persons or persons with disabilities.

The SCHA will not approve assistance for a person to live in a group home if file documentation indicates that the person is in need of continual medical or nursing care.

No more than twelve persons may reside in a group home. This limit covers all persons who reside in the unit, including assisted and unassisted residents and any live-in aide.

#### ***Group Home Lease and HAP Contract***

There will be a separate HAP contract and lease for each assisted person living in a group home. For a group home the term "pro-rata portion" means that which is derived by dividing the number of persons in the assisted household by the total number of residents (assisted and unassisted) residing in the group home. The number of persons in the assisted household equals one assisted person plus any SCHA-approved live-in Aide.

#### ***Group Home Rent and HAP Contract***

The rent to owner for an assisted person may not exceed the pro-rata portion of the reasonable rent for the group home.

The reasonable rent for a group home is determined in accordance with 982.503. In determining reasonable rent the SCHA will consider whether sanitary facilities, and facilities for food preparation and service, are common facilities or private.

#### ***Maximum Subsidy***

Unless there is a live-in aide, the family unit size is zero bedroom. If there is a live-in aide, the live-in aide will be counted in determining the family unit size.

The payment standard for a person who resides in a group home is the lower of the payment standard for the family unit size; or the pro-rata portion of the payment standard amount on the SCHA payment standard schedule for the group home size.

#### ***Utility Allowance***

The utility allowance for each assisted person residing in a group home is the pro-rata portion of

the utility allowance for the group home unit size.

### ***Housing Quality Standards***

The SCHA will ensure that all group home units approved for the program are in compliance with all of the Housing Quality Standards for group homes as regulated in 24 CFR 982.614.

#### **D. Shared Housing**

##### ***Occupancy***

An assisted family may reside in shared housing. In shared housing, an assisted family may share a unit with another resident or residents of a unit. The unit may be a house or an apartment.

The SCHA may approve a live-in aide to reside with a family in order to care for a person with a disability. The SCHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

Other persons who are assisted or not assisted under the tenant-based program may reside in a shared housing unit. The owner of a shared housing unit may reside in the unit.

A resident owner may enter into a HAP contract with the SCHA. However, housing assistance may not be paid on behalf of an owner. The SCHA will not approve assistance for a person or family that is related by blood or marriage to a resident owner.

There will be a separate housing assistance payment contract and lease for each assisted family residing in a shared housing unit.

##### ***Rent and HAP Contract***

For shared housing, the term "pro-rata portion" means the ratio derived by dividing the number of bedrooms in the private space available for occupancy by a family by the total number of bedrooms in the unit. For example, for a family entitled to occupy three bedrooms in a five bedroom unit, the ratio would be 3/5.

The rent to owner for the family may not exceed the pro-rata portion of the reasonable rent for the shared housing dwelling unit. The reasonable rent must be in accordance with the guidelines set in the "Owner Rents, Rent Reasonableness, and Payment Standards" chapter.

##### ***Maximum Subsidy***

For a family that resides in a shared housing unit the payment standard is the lower of the payment standard amount on the SCHA payment standard schedule for the family unit size or the pro-rata portion of the payment standard amount on the SCHA payment standard for the shared housing unit size.

If the SCHA approves a live-in aide, the live-in aide will be counted in determining the family unit size.

##### ***Utility Allowance***

The utility allowance for an assisted family living in shared housing is the pro-rata portion of

the utility allowance for the shared housing unit.

### ***Housing Quality Standards***

The SCHA will ensure that all shared housing units approved for the program are in compliance with all of the Housing Quality Standards for shared housing as regulated in 24 CFR 982.618.

#### **E. Cooperative Housing**

The SCHA will approve a family living in cooperative housing if it is determined that assistance under the program will help maintain affordability of the cooperative unit for low-income families. The SCHA will not approve assistance for a family in cooperative housing until the SCHA has also determined that the cooperative has adopted requirements to maintain continued affordability for low-income families after transfer of a cooperative member's interest in a cooperative unit (such as a sale of the resident's share in a cooperative corporation).

The reasonable rent in cooperative housing is determined in accordance with "Owner Rents, Rent Reasonableness, and Payment Standards" Section. For cooperative housing, the rent to owner is the monthly carrying charge under the occupancy agreement/lease between the member and the cooperative.

The carrying charge consists of the amount assessed to the member by the cooperative for occupancy of the housing. It includes the member's share of the cooperatives debt service, operating expenses, and necessary payments to cooperative reserve funds. However, the carrying charge does not include down payments or other payments to purchase the cooperative unit, or to amortize a loan to the family for this purpose. Gross rent is the carrying charge plus any utility.

For a cooperative, rent adjustments are applied to the carrying charge as determined in "Owner Rents, Rent Reasonableness, and Payment Standards" chapter.

The lease and other appropriate documents will stipulate that the monthly carrying charge is subject to Section 8 limitations on rent to owner. The housing assistance payment will be determined in accordance with the guidelines in "Owner Rents, Rent Reasonableness, and Payment Standards" chapter.

The SCHA may approve a live-in aide to reside with the family to care for a person with disabilities. The SCHA will approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. If the SCHA approves a live-in aide, the live-in aide will be counted when determining the family unit size.

### ***Housing Quality Standards***

The SCHA will ensure that all cooperative housing units approved for the program are in compliance with all of the Housing Quality Standards outlined in the "Housing Quality Standards and Inspections" chapter, and regulated by 24 CFR 982.401.

#### **F. Manufactured Homes**

The SCHA will permit a family to lease a manufactured home and space with assistance under the program. The SCHA will provide assistance for a family that owns the manufactured home and leases only the space.

The SCHA may approve a live-in aide to reside with a family to care for a person with disabilities. The SCHA will approve a live-in aide if needed as a reasonable accommodation so that the program is accessible to and usable by persons with disabilities. If the SCHA approves a live-in aide, the live-in aide must be counted when determining the family unit size.

### ***Housing Quality Standards***

A manufactured home must meet all the HQS requirements outlined in the "Housing Quality Standards and Inspections" chapter and regulated by 24 CFR 982.401. In addition the manufactured home also must meet the following requirements:

A manufactured home must be placed on the site in a stable manner, and must be free from hazards such as sliding or wind damage.

A manufactured home must be securely anchored by a tie-down device that distributes and transfers the loads imposed by the unit to appropriate ground anchors to resist wind overturning and sliding.

### ***Manufactured Home Space Rental***

Rent to owner for a manufactured home space will include payment for maintenance services that the owner must provide to the tenant under the lease for the space.

Rent to owner does not include the cost of utilities and trash collection for the manufactured home. However, the owner may charge the family a separate fee for the cost of utilities or trash collection provided by the owner.

### ***Reasonable Rent***

During the assisted tenancy, the rent to owner for the manufactured home space may not exceed a reasonable rent as determined by the SCHA.

The SCHA will not approve a lease for a manufactured home space until the SCHA has determined that the initial rent to owner for the space is a reasonable rent. At least annually during the assisted tenancy, the SCHA will redetermine that the rent is reasonable.

The SCHA will determine whether the rent to owner for a manufactured home space is a reasonable rent in comparison to rents for other comparable manufactured home spaces. The SCHA will consider the size and location of the space and any services and maintenance provided by the owner in accordance with the lease.

By accepting each monthly housing assistance payment from the SCHA, the owner of the manufactured home space certifies that the rent to owner for the space is not more than rent charged by the owner for unassisted rental of comparable spaces in the same manufactured home park or elsewhere. If requested by the SCHA, the owner must provide the SCHA information on rents for other manufactured home space.

### ***Housing Assistance Payments for Manufactured Home Space***

The FMR for a manufactured home space will be determined by HUD.

### HAP for the Regular Tenancy Program

For the Regular Tenancy Program the initial rent to owner for leasing a manufactured home space may not exceed the published FMR for a manufactured home space.

During the term of a certificate tenancy, entered prior to the merger date, the amount of the monthly housing assistance payment equals the lesser of:

The manufactured home space cost minus the:

The Total Tenant Payment; OR

The rent to owner for the manufactured home space.

"Manufactured home space cost" means the sum of: the amortization cost, the utility allowance, and the rent to owner for the manufactured home space.

The amortization cost may include debt service to amortize costs (other than furniture costs) included in the purchase price of the manufactured home. The debt service includes the payment for principal and interest on the loan. The debt service amount will be reduced by 15 percent to exclude debt service to amortize the cost of furniture, unless the SCHA determines that furniture was not included in the purchase price.

Any debt service due to refinancing the manufactured home after purchase of the home is not included in the amortization costs.

The SCHA will not approve as part of the monthly amortization payment, set-up charges to be included in the debt service incurred by a family that relocates its home.

The SCHA will not include as part of the monthly amortization payment, set-up charges incurred before the family became an assisted family, if monthly payments are still being made to amortize such charges.

### ***HAP for the Voucher Tenancy***

There is a separate FMR for a family renting a manufactured home space. The payment standard is used to calculate the monthly housing assistance payment for a family. The FMR for rental of a manufactured home space is generally 30 percent of the published FMR for a two-bedroom unit.

### ***Subsidy Calculation for the Voucher Program***

During the term of a Voucher tenancy, the amount of the monthly housing assistance payment for a family will equal the lesser of:

The payment standard minus the total tenant payment; or

The rent paid for rental of the real property on which the manufactured home owned by the family is located (the space rent) minus the total tenant payment.

The space rent is the sum of the following as determined by the SCHA:

- Rent to owner for the manufactured home space;

- Owner maintenance and management charges for the space;
- The utility allowance for tenant paid utilities.

***Utility Allowance Schedule for Manufactured Home Space Rental***

The SCHA will establish utility allowances for manufactured home space rental. For the first twelve months of the initial lease term only, the allowances will include a reasonable amount for utility hook-up charges payable by the family, if the family actually incurs the expenses because of a move.

Allowances for utility hook-up charges do not apply to a family that leases a manufactured home space in place.

Utility allowances for manufactured home space will not be applied to cover the costs of digging a well or installation of a septic system.

**G. Home Ownership**

The SCHA will operate a Section 8 Home Ownership Program. Please refer to the Chapter of this Administrative Plan for the Section 8 Home Ownership Program Guidelines.

**H. Project Based Assistance**

The SCHA will provide Project-Based Assistance (PBA) Section 8 Vouchers in accordance with the provisions set forth in CFR Part 983 and the guidance notice issued by HUD on January 16, 2001, the plan set forth herein and any future notices issued by HUD.



## SECTION 22 – HOMEOWNERSHIP PLAN

### A. General Information

The Housing Authority hereby amends its Administrative Plan for the Section 8 program to provide alternatives to the basic Housing Choice Voucher program to include the "homeownership option" authorized under section 8(y) of the United States Housing Act of 1937 ("1937 Act"), as amended by section 555 of the Quality Housing and Work Responsibility Act of 1998 ("Housing Choice Voucher Reform Act"). Section 8(y) authorizes Section 8 tenant-based assistance for an eligible family that occupies a home purchased and owned by members of the family.

The homeownership option is used to assist a family residing in a home purchased and owned by one or more members of the family. A family assisted under the homeownership option may be a newly admitted or existing participant in the program. The Housing Authority will approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and useable by persons with disabilities in accordance with Section 1 of this Administrative Plan concerning occupancy by a live-in aide.

The Housing Authority establishes a minimum homeowner downpayment requirement of at least 3 percent of the purchase price for participation in its Section 8 homeownership program, and requires that at least one percent of the purchase price come from the family's personal resources;

The Housing Authority requires that financing for purchase of a home under its Section 8 homeownership program:

- Be provided, insured, or guaranteed by the state or Federal government;

- Comply with secondary mortgage market underwriting requirements; or

- Comply with generally accepted private sector underwriting standards.

### B. Definitions

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

**Cooperative member:** A family of which one or more members owns membership shares in a cooperative.

**Family:** A person or group of persons, as determined by the Housing Authority, approved to reside in a unit with assistance under the program.

**First-time homeowner:** A family of which no member owned any present ownership interest in a residence of any family member during the three years before commencement of homeownership assistance for the family. The term "first-time homeowner" includes a single parent or displaced homemaker who, while married, owned a home with his or her spouse, or resided in a home owned by his or her spouse.

**Home:** A dwelling unit for which the Housing Authority pays homeownership assistance.

**Homeowner:** A family of which one or more members owns title to the home.

**Homeownership assistance:** Monthly homeownership assistance payments by the Housing Authority. Homeownership assistance payment may be paid to the family, or to a mortgage lender on behalf of the family at the discretion of the Housing Authority.

**Homeownership expenses:** A family's allowable monthly expenses for the home, as determined by the Housing Authority in accordance with HUD requirements as described in this Addendum to the Administrative Plan.

**Homeownership option:** Assistance for a homeowner or cooperative member as a special housing type.

**Interest in the home:** In the case of assistance for a homeowner, "interest in the home" includes title to the home, any lease or other right to occupy the home, or any other present interest in the home.

In the case of assistance for a cooperative member, "interest in the home" includes ownership of membership shares in the cooperative, any lease or other right to occupy the home, or any other present interest in the home.

**Membership shares:** shares in a cooperative. By owning such cooperative shares, the share-owner has the right to reside in a particular unit in the cooperative, and the right to participate in management of the housing.

**Present ownership interest:** "Present ownership option" in a residence includes title, in whole or in part, to a residence, or ownership, in whole or in part, of membership shares in a cooperative. "Present ownership interest" in a residence does not include the right to purchase title to the residence under a lease-purchase agreement.

**Special housing types:** SRO housing, congregate housing, group home, shared housing, manufactured home (including manufactured home space rental), cooperative housing (rental assistance for cooperative member) and homeownership option (homeownership assistance for cooperative member or first-time homeowner).

**Statement of homeowner obligations:** The family's agreement to comply with program obligations.

### C. Initial requirements

Before commencing homeownership assistance for a family, the Housing Authority will determine that all of the following initial requirements have been satisfied:

- The family is qualified to receive homeownership assistance;
- The unit is eligible; and
- The family has satisfactorily completed the Housing Authority's program of required pre-assistance homeownership counseling.

**Environmental Requirements:** In accordance with the environmental requirements found at 24 CFR 58.6, the purchaser is required to obtain and maintain flood insurance for units in special flood hazard areas. The Housing Authority will not provide assistance for acquiring units in the

coastal barriers resource system, and will notify the purchaser of units in airport runway clear zones and airfield clear zones.

**D. Eligibility Requirements for Families**

**Determination whether family is qualified:** The Housing Authority will not provide homeownership assistance for a family unless the family satisfies all of the following initial requirements at commencement of homeownership assistance for the family:

- a. The family has been admitted to the Section 8 Housing Choice Voucher program, in accordance with Section 4 of this Administrative Plan.
- b. The family satisfies any first-time homeowner requirements.
- c. The family satisfies the minimum income requirement.
- d. The family satisfies the employment requirements.
- e. The family has not defaulted on a mortgage securing debt to purchase a home under the homeownership option.
- f. Except for cooperative members who have acquired cooperative membership shares prior to commencement of homeownership assistance, no family member has a present ownership interest in a residence at the commencement of homeownership assistance for the purchase of any home.
- g. Except for cooperative members who have acquired cooperative membership shares prior to the commencement of homeownership assistance, the family has entered a contract of sale. The family also satisfies any other initial requirements established by the Housing Authority.

**First-time homeowner requirements:** At commencement of homeownership assistance for the family, the family must be any of the following:

1. A first-time homeowner (as defined above);
2. A cooperative member (as defined above); or
3. A family of which a family member is a person with disabilities, and use of the homeownership option is needed as a reasonable accommodation so that the program is readily accessible to and usable by such person.

**Minimum income requirements:**

1. At commencement of homeownership assistance for the family, the family must demonstrate that the annual income (gross income), as determined by the Housing Authority in accordance with 24 CFR Sec. 5.609, of the adult family members who will own the home at commencement of homeownership assistance is not less than the Federal minimum hourly wage multiplied by 2,000 hours.
2. Except in the case of an elderly family or a disabled family, the Housing Authority shall not count any welfare assistance received by the family in determining annual

income.

The disregard of welfare assistance income under this section only affects the determination of minimum annual income used to determine if a family initially qualifies for commencement of homeownership assistance in accordance with this section, but does not affect:

- a. The determination of income-eligibility for admission to the voucher program;
- b. Calculation of the amount of the family's total tenant payment (gross family contribution); or
- c. Calculation of the amount of homeownership assistance payments on behalf of the family.

In the case of an elderly family or a disabled family, the Housing Authority shall count welfare assistance in determining annual income.

**Employment requirements:** The family must demonstrate that one or more adult members of the family who will own the home at commencement of homeownership assistance:

1. Is currently employed on a full-time basis (the term "full-time employment" means not less than an average of 30 hours per week); and
2. Has been continuously so employed during the year before commencement of homeownership assistance for the family.

The Housing Authority shall have discretion to determine whether and to what extent interruptions are considered to break continuity of employment during the year. The Housing Authority may count successive employment during the year.

The Housing Authority may count self-employment in a business.

The employment requirement does not apply to an elderly family or a disabled family. Furthermore, if a family, other than an elderly family or a disabled family, includes a person with disabilities, the Housing Authority shall grant an exemption from the employment requirement if the Housing Authority determines that an exemption is needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

**Prohibition against Mortgage Defaults:** The Housing Authority shall not commence homeownership assistance for a family if any family member has previously received assistance under the homeownership option, and has defaulted on a mortgage securing debt incurred to purchase the home.

#### **E. Eligible Units**

**Initial requirements applicable to the unit:** The SCHA must determine that the unit satisfies all of the following requirements:

1. The unit is eligible.
2. The unit was either under construction or already existing at the time the Housing Authority determined that the family was eligible for homeownership assistance to

purchase the unit.

3. The unit is either a one unit property or a single dwelling unit in a cooperative or condominium.
4. The unit has been inspected by a Housing Authority inspector and by an independent inspector designated by the family.
5. The unit satisfies the HQS.

**Disapproval of Seller:** The Housing Authority will not commence homeownership assistance for occupancy of a home if the Housing Authority has been informed (by HUD or otherwise) that the seller of the home is debarred, suspended, or subject to a limited denial of participation in any HUD program.

**F. Additional SCHA Requirements for Family Search and Purchase**

1. The Housing Authority has established a maximum time of 120 days for a family to locate a home, and to purchase the home.
2. The Housing Authority requires periodic family reports every 30 days on the family's progress in finding and purchasing a home.
3. If the family is unable to purchase a home within the maximum time established by the Housing Authority, the Housing Authority may issue the family a voucher to lease a unit or place the family's name on the waiting list for a voucher.

**G. Homeownership counseling**

Before commencement of homeownership assistance for a family, the family must attend and satisfactorily complete the pre-assistance homeownership and housing counseling program required by the Housing Authority (pre-assistance counseling).

General topics for the required pre-assistance counseling program include:

1. Home maintenance (including care of the grounds);
2. Budgeting and money management;
3. Credit counseling;
4. How to negotiate the purchase price of a home;
5. How to obtain homeownership financing and loan preapprovals, including a description of types of financing that may be available, and the pros and cons of different types of financing;
6. How to find a home, including information about homeownership opportunities, schools, and transportation in the Housing Authority's jurisdiction;
7. Advantages of purchasing a home in an area that does not have a high concentration of low-income families and how to locate homes in such areas;
8. Information on fair housing, including fair housing lending and local fair housing

enforcement agencies; and

9. Information about the Real Estate Settlement Procedures Act (RESPA), state and Federal truth-in-lending laws, and how to identify and avoid loans with oppressive terms and conditions.

#### **H. Home Inspections and Contract Of Sale**

**HQS inspection by Housing Authority:** The Housing Authority will not commence homeownership assistance for a family until the Housing Authority has inspected the unit and has determined that the unit passes HQS.

**Independent inspection:** The unit must also be inspected by an independent professional inspector selected by and paid by the family.

The independent inspection must cover major building systems and components, including foundation and structure, housing interior and exterior, and the roofing, plumbing, electrical, and heating systems. The independent inspector must be qualified to report on property conditions, including major building systems and components.

The Housing Authority will not select the independent inspector. The independent inspector may not be a Housing Authority employee or contractor, or other person under control of the Housing Authority.

The independent inspector must provide a copy of the inspection report both to the family and to the Housing Authority. The Housing Authority will not commence homeownership assistance for the family until the Housing Authority has reviewed the inspection report of the independent inspector. Even if the unit otherwise complies with the HQS (and may qualify for assistance under the Housing Authority's tenant-based rental voucher program), the Housing Authority shall have discretion to disapprove the unit for assistance under the homeownership option because of information in the inspection report.

**Contract of sale:** Before commencement of homeownership assistance, a member or members of the family must enter into a contract of sale with the seller of the unit to be acquired by the family. The family must provide the Housing Authority with a copy of the contract of sale.

The contract of sale must:

1. Specify the price and other terms of sale by the seller to the purchaser.
2. Provide that the purchaser will arrange for a pre-purchase inspection of the dwelling unit by an independent inspector selected by the purchaser.
3. Provide that the purchaser is not obligated to purchase the unit unless the inspection is satisfactory to the purchaser.
4. Provide that the purchaser is not obligated to pay for any necessary repairs.
5. Contain a certification from the seller that the seller has not been debarred, suspended, or subject to a limited denial of participation under any HUD program.

#### **I. Financing Purchase of Home and Affordability of Purchase**

The Housing Authority has established the following requirements for the financing and affordability of the purchase of a home:

- prohibition of seller financing, or
- case-by-case approval of seller financing
- prohibition of balloon payment mortgages, or
- establishment of a minimum homeowner equity requirement from personal resources.

If the purchase of the home is financed with FHA mortgage insurance, such financing is subject to FHA mortgage insurance requirements.

The HA may establish requirements or other restrictions concerning debt secured by the home.

The Housing Authority may review lender qualifications and the loan terms before authorizing homeownership assistance.

The Housing Authority may disapprove proposed financing, refinancing or other debt if the Housing Authority determines that the debt is unaffordable, or if the Housing Authority determines that the lender or the loan terms do not meet Housing Authority qualifications. In making this determination, the Housing Authority may take into account other family expenses, such as child care, unreimbursed medical expenses, homeownership expenses, and other family expenses as determined by the Housing Authority.

#### **J. Continued Assistance Requirements and Family Obligations**

**Occupancy of home:** Homeownership assistance will only be paid while the family is residing in the home. If the family moves out of the home, the Housing Authority will not continue homeownership assistance after the month when the family moves out.

The family or lender is not required to refund to the Housing Authority the homeownership assistance for the month when the family moves out.

**Family obligations:** The family must comply with the following obligations:

1. Ongoing counseling. To the extent required by the Housing Authority, the family must attend and complete ongoing homeownership and housing counseling.
2. Compliance with mortgage. The family must comply with the terms of any mortgage securing debt incurred to purchase the home (or any refinancing of such debt).
3. Prohibition against conveyance or transfer of home.
  - a. So long as the family is receiving homeownership assistance, use and occupancy of the home is subject to the conditions set forth in the Policy.
  - b. The family may grant a mortgage on the home for debt incurred to finance purchase of the home or any refinancing of such debt.
  - c. Upon death of a family member who holds, in whole or in part, title to the home or ownership of cooperative membership shares for the home,

homeownership assistance may continue pending settlement of the decedent's estate, notwithstanding transfer of title by operation of law to the decedent's executor or legal representative, so long as the home is solely occupied by remaining family members in accordance with this Policy.

**Supplying required information:** The family must supply required information to the Housing Authority in accordance with this Policy and the Administrative Plan.

In addition to other required information, the family must supply any information as required by the Housing Authority or HUD concerning:

1. Any mortgage or other debt incurred to purchase the home, and any refinancing of such debt (including information needed to determine whether the family has defaulted on the debt, and the nature of any such default), and information on any satisfaction or payment of the mortgage debt;
2. Any sale or other transfer of any interest in the home; or
3. The family's homeownership expenses.

**Notice of move-out:** The family must notify the Housing Authority before the family moves out of the home.

**Notice of mortgage default :** The family must notify the Housing Authority if the family defaults on a mortgage securing any debt incurred to purchase the home.

**Prohibition on Ownership Interest in Second Residence:** During the time the family receives homeownership assistance under this subpart, no family member may have any ownership interest in any other residential property.

**Additional SCHA Requirements:** The Housing Authority may require the family to attend post-purchase homeownership counseling or may require periodic unit inspections while the family is receiving homeownership assistance for continuation of homeownership assistance.

**Other family obligations:** The family must comply with the obligations of a participant family as described in the Administrative Plan. However, the following provisions do not apply to assistance under the homeownership option: Sec. 982.551(c), (d), (e), (f), (g) and (j).

**Statement of homeowner obligations:** Before commencement of homeownership assistance, the family must execute a statement of family obligations in the form prescribed by HUD. In the statement, the family agrees to comply with all family obligations under this Homeownership Policy and those required by HUD.

**K. Maximum Term of Homeownership Assistance**

Except in the case of a family that qualifies as an elderly or disabled family, the family members shall not receive homeownership assistance for more than:

1. Fifteen years, if the initial mortgage incurred to finance purchase of the home has a term of 20 years or longer; or
2. Ten years, in all other cases.



**Applicability of maximum term:** The maximum term described above applies to any member of the family who:

1. Has an ownership interest in the unit during the time that homeownership payments are made; or
2. Is the spouse of any member of the household who has an ownership interest in the unit during the time homeownership payments are made.

**Exception for elderly and disabled families:** The maximum term of assistance does not apply to elderly and disabled families.

In the case of an elderly family, the exception only applies if the family qualifies as an elderly family at the start of homeownership assistance. In the case of a disabled family, the exception applies if at any time during receipt of homeownership assistance the family qualifies as a disabled family.

If, during the course of homeownership assistance, the family ceases to qualify as a disabled or elderly family, the maximum term becomes applicable from the date homeownership assistance commenced. However, such a family will be provided at least 6 months of homeownership assistance after the maximum term becomes applicable (provided the family is otherwise eligible to receive homeownership assistance in accordance with this part).

**Assistance for different homes or Housing Choice Voucher Authorities:** If the family has received such assistance for different homes, or from different Housing Choice Voucher Authorities, the total of such assistance terms is subject to the maximum term described in this section.

**L. Amount and Distribution of Monthly Homeownership Assistance Payment**

While the family is residing in the home, the Housing Authority shall pay a monthly homeownership assistance payment on behalf of the family that is equal to the lower of:

1. The payment standard minus the total tenant payment; or
2. The family's monthly homeownership expenses minus the total tenant payment.

Payment standard for family.

1. The payment standard for a family is the lower of:
  - a. The payment standard for the family unit size; or
  - b. The payment standard for the size of the home.
2. If the home is located in an exception payment standard area, the Housing Authority will use the appropriate payment standard for the exception payment standard area.
3. The payment standard for a family is the greater of:
  - a. The payment standard (as determined in accordance with paragraphs 1 and 2 of this section) at the commencement of homeownership assistance for occupancy of the home; or

- b. The payment standard (as determined in accordance with paragraphs 1 and 2 of this section) at the most recent regular reexamination of family income and composition since the commencement of homeownership assistance for occupancy of the home.
4. The Housing Authority will use the same payment standard schedule, payment standard amounts, and subsidy standards pursuant to Sections. 982.402 and 982.503 for the homeownership option as for the rental voucher program.

**Determination of homeownership expenses:** Homeownership expenses for a homeowner (other than a cooperative member) include amounts allowed to cover:

1. Principal and interest on initial mortgage debt, any refinancing of such debt, and any mortgage insurance premium incurred to finance purchase of the home;
2. Real estate taxes and public assessments on the home;
3. Home insurance;
4. Allowance for maintenance expenses;
5. Allowance for costs of major repairs and replacements;
6. The Housing Authority's established utility allowance for the home; and
7. Principal and interest on mortgage debt incurred to finance costs for major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to make the home accessible for such person, if the Housing Authority determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person.

Homeownership expenses for a cooperative member may only include amounts to cover:

1. The cooperative charge under the cooperative occupancy agreement including payment for real estate taxes and public assessments on the home;
2. Principal and interest on initial debt incurred to finance purchase of cooperative membership shares and any refinancing of such debt;
3. Home insurance;
4. Allowance for maintenance expenses;
5. Allowance for costs of major repairs and replacements;
6. The Housing Authority's established utility allowance for the home; and
7. Principal and interest on debt incurred to finance major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to make

the home accessible for such person, if the Housing Authority determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person.

If the home is a cooperative or condominium unit, homeownership expenses may also include cooperative or condominium operating charges or maintenance fees assessed by the condominium or cooperative homeowner association.

**Payment to lender:** The Housing Authority will make the payment directly to a lender on behalf of the family. If the assistance payment exceeds the amount due to the lender, the Housing Authority will pay the excess directly to the family.

**Automatic termination of homeownership assistance:** Homeownership assistance for a family terminates automatically 180 calendar days after the last housing assistance payment on behalf of the family. However, Housing Authority, at its discretion may grant relief from this requirement in those cases where automatic termination would result in extreme hardship for the family.

#### **M. Portability**

A family may qualify to move outside the initial SCHA jurisdiction with continued homeownership assistance under the voucher program in accordance with this section.

**Portability of homeownership assistance: Applicability of Housing Choice Voucher program portability procedures:** In general, the portability procedures described in Section 10 c of the Housing Authority's Administrative Plan apply to this Homeownership Policy and the administrative responsibilities of the initial and receiving Housing Authority are not altered except that some administrative functions (e.g, issuance of a voucher or execution of a tenancy addendum) do not apply to this Homeownership Policy.

A family under the homeownership option retains the portability rights of the Section 8 voucher, but will only continue to receive homeownership assistance if the receiving Housing Authority runs a homeownership program and is accepting additional homeownership families.

**Family and Housing Authority responsibilities:** The family must attend the briefing and counseling sessions required by the receiving Housing Authority. The receiving Housing Authority will determine whether the financing for, and the physical condition of the unit, are acceptable. The receiving Housing Authority is required to promptly notify SCHA if the family has purchased an eligible unit under the program, or if the family is unable to purchase a home within the maximum time established by the Housing Authority.

#### **N. Move with Continued Tenant-Based Assistance**

**Move to new unit:** A family receiving homeownership assistance may move to a new unit with continued tenant-based assistance in accordance with this section. The family may move either with voucher rental assistance (in accordance with rental assistance program requirements) or with voucher homeownership assistance (in accordance with this Homeownership Policy and program requirements).

SCHA not commence continued tenant-based assistance for occupancy of the new unit so long as any family member owns any title or other interest in the prior home.

In accordance with the Housing Authority's Administrative Plan, a family is prohibited from making more than one move during any one year period.

**Requirements for continuation of homeownership assistance:** The Housing Authority will determine that all initial requirements listed in this Policy have been satisfied if a family that has received homeownership assistance wants to move to a new unit with continued homeownership assistance. However, the Housing Authority may require that the family complete additional counseling (before or after moving to a new unit with continued assistance under the homeownership option).

**When SCHA may deny permission to move with continued assistance:** The Housing Authority may deny permission to move to a new unit with continued voucher assistance as follows:

1. Lack of funding to provide continued assistance. The Housing Authority may deny permission to move with continued rental or homeownership assistance if the Housing Authority determines that it does not have sufficient funding to provide continued assistance.
2. At any time, the Housing Authority may deny permission to move with continued rental or homeownership assistance if there has been a termination or denial of assistance in accordance with the following section.

**O. Denial or Termination of Assistance for Family**

The Housing Authority shall terminate homeownership assistance for the family, and shall deny voucher rental assistance for the family, in accordance with this section.

1. Denial or termination of assistance under basic voucher program. At any time, the SCHA may deny or terminate homeownership assistance in accordance with Section 18 of the Authority's Administrative Plan (Denial or Termination of Assistance) or Section 4 F (Other Criteria for Admission).
2. The Housing Authority may deny or terminate assistance for failure to comply with family obligations.
3. The Housing Authority will terminate voucher homeownership assistance for any member of family receiving homeownership assistance that is dispossessed from the home pursuant to a judgment or order of foreclosure on any mortgage (whether FHA-insured or non-FHA) securing debt incurred to purchase the home, or any refinancing of such debt. The Housing Authority, in its discretion, may permit the family to move to a new unit with continued voucher rental assistance. However, the Housing Authority will deny such permission, if:
  - a. The family defaulted on an FHA-insured mortgage; and
  - b. The family fails to demonstrate that:
    - (1) The family has conveyed title to the home, as required by HUD, to HUD or HUD's designee; and
    - (2) The family has moved from the home within the period established or approved by HUD.

**P. Recapture of Homeownership Assistance**

The Housing Authority shall recapture a percentage of the homeownership assistance provided to the family upon the family's sale or refinancing of the home.

**Securing the SCHA's right of recapture:** Upon purchase of the home, a family receiving homeownership assistance shall execute documentation as required by HUD, and consistent with State and local law, that secures the Housing Authority's right to recapture the homeownership assistance in accordance with this section. The lien securing the recapture of homeownership subsidy may be subordinated to a refinanced mortgage.

**Recapture amount for sales:** In the case of the sale of the home, the recapture shall be in an amount equaling the lesser of:

1. The amount of homeownership assistance provided to the family, adjusted as described in this section; or
2. The difference between the sales price and purchase price of the home, minus:
  - a. The costs of any capital expenditures;
  - b. The costs incurred by the family in the sale of the home (such as sales commission and closing costs);
  - c. The amount of the difference between the sales price and purchase price that is being used, upon sale, towards the purchase of a new home under this Section 8 Homeownership Policy; and
  - d. Any amounts that have been previously recaptured, in accordance with this section.

**Recapture amount for refinancing:** In the case of a refinancing of the home, the recapture shall be in an amount equaling the lesser of:

1. The amount of homeownership assistance provided to the family, adjusted as described in this section; or
2. The difference between the current mortgage debt and the new mortgage debt; minus:
  - a. The costs of any capital expenditures;
  - b. The costs incurred by the family in the refinancing of the home (such as closing costs); and
  - c. Any amounts that have been previously recaptured as a result of refinancing.

**Use of sales price in determining recapture amount:** The recapture amount shall be determined using the actual sales price of the home, unless the sale is to an identity-of-interest entity. In the case of identity-of-interest transactions, the Housing Authority shall establish a sales price based on fair market value.

**Automatic reduction of recapture amount:** The amount of homeownership assistance subject to

recapture will automatically be reduced over a 10 year period, beginning one year from the purchase date, in annual increments of 10 percent. At the end of the 10 year period, the amount of homeownership assistance subject to recapture will be zero.

## **SECTION 23 PROJECT BASED Voucher ASSISTANCE**

### **GENERAL REQUIREMENTS**

#### **OVERVIEW [24 CFR 983.5]**

The project-based voucher (PBV) program allows the Schuylkill County Housing Authority, which already administers a tenant-based voucher program under an annual contributions contract (ACC) with HUD, to operate a PBV program using up to 20 percent of its voucher program budget authority and attach the funding to specific units rather than using it for tenant-based assistance [24 CFR 983.6]. SCHA will only operate a PBV program consistent with its Annual Plan, and the goal of deconcentrating poverty and expanding housing and economic opportunities [42 U.S.C. 1437f(o)(13)].

PBV assistance may be attached to existing housing or newly constructed or rehabilitated housing [24 CFR 983.52]. If PBV units are already selected for project-based assistance either under an "Agreement to enter into HAP Contract" (AHAP) or a HAP contract, the SCHA is not required to reduce the number of these units under HAP contract if the amount of budget authority is subsequently reduced. It is noted that while the number of units does not need to be reduced, HAP contracts cannot be renewed if more than 20 percent of the base allocation is utilized for PBV. The SCHA, however, is responsible for determining the amount of budget authority that is available for project-based vouchers and ensuring that the amount of assistance that is attached to units is within the amounts available under the ACC [24 CFR 983.6].

#### **TENANT-BASED VS. PROJECT-BASED VOUCHER ASSISTANCE [24 CFR 983.2]**

Except as otherwise noted in this chapter, or unless specifically prohibited by PBV program regulations, the SCHA policies for the tenant-based voucher program contained in this administrative plan also apply to the PBV program and its participants.

#### **RELOCATION REQUIREMENTS [24 CFR 983.7]**

Any persons displaced as a result of implementation of the PBV program will be provided relocation assistance in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA)[42

U.S.C. 4201-4655] and implementing regulations at 49 CFR part 24.

The cost of required relocation assistance may be paid with funds provided by the owner, local public funds, or funds available from other sources. The SCHA will not use voucher program funds to cover relocation costs, except that the SCHA may use their administrative fee reserve to pay for relocation expenses after all other program administrative expenses are satisfied, and provided that payment of the relocation benefits is consistent with state and local law. Use of the administrative fee for these purposes also will be consistent with other legal and regulatory requirements, including the requirement in 24 CFR 982.155 and other official HUD issuances.

The acquisition of real property for a PBV project is subject to the URA and 49 CFR part

24, subpart B. It is the responsibility of the SCHA to ensure the owner and any representatives of the owner, such as a property manager, comply with these requirements.

#### **EQUAL OPPORTUNITY REQUIREMENTS [24 CFR 983.8]**

The SCHA, owners and property managers must comply with all equal opportunity requirements under federal law and regulations in its implementation of the PBV program. This includes the requirements and authorities cited at 24 CFR 5.105(a).

In addition, the SCHA will comply with the SCHA Plan certification on civil rights and affirmatively furthering fair housing, submitted in accordance with 24 CFR 903.7(o).

#### **PBV OWNER PROPOSALS**

##### **OWNER PROPOSAL SELECTION PROCEDURES [24 CFR 983.51]**

SCHA will select PBV proposals in accordance with the selection procedures in this SCHA Administrative Plan. The SCHA will select PBV proposals by either of the following two methods.

- SCHA request for PBV Proposals. SCHA may solicit proposals by using a Request For Proposals (RFP) to select proposals on a competitive basis in response to the SCHA request. SCHA may not limit proposals to a single site or impose restrictions that explicitly or practically preclude owner submission of proposals for PBV housing on different sites.
- SCHA selection of a proposal previously selected based on a competition. This may include selection of a proposal for housing assisted under a federal, state, or local government housing assistance program that was subject to a competition in accordance with the requirements of the applicable program, community development program, or supportive services program that requires competitive selection of proposals (e.g., HOME, and units for which competitively awarded LIHTCs have been provided), where the proposal has been selected in accordance with such program's competitive selection requirements within three years of the PBV proposal selection date, and the earlier competitive selection proposal did not involve any consideration that the project would receive PBV assistance.

##### **Solicitation and Selection of PBV Proposals [24 CFR 983.51(b) and (c)]**

SCHA procedures for selecting PBV proposals are designed and operated to provide broad public notice of the opportunity to offer PBV proposals for consideration by the SCHA.

The SCHA will advertise its request for proposals (RFP) at least once in the local newspaper (s) of general circulation. The notice will specify the number of units the SCHA estimates that it will be able to assist under the funding the SCHA is making available. Proposals will be due in the SCHA office by close of business no less than three weeks from the date of publication.

In order for the proposal to be considered, the owner or owner's designee (hereinafter referred to as "owner") must submit the proposal to the SCHA by the published deadline date and time, and the proposal must respond to all requirements as outlined in the RFP. Incomplete proposals will not be reviewed. All proposals will be time and date stamped upon submission.



In addition to the criteria identified above under eligible units, the following threshold criteria must be met for an application to be considered for selection for the PBA program.

- The proposed project must not permanently displace any current tenants. Tenants may be temporarily relocated if necessary during rehabilitation of the unit at the expense of the owner.
- Rental levels must not exceed 110 percent of the Fair Market Rent or any approved exception payment standard and must be reasonable in relation to rents charged in the private market for unassisted comparable units.
- If a unit has been allocated a low income housing tax credit (IRS Code 42) but is not located in a qualified census tract, as defined in the law, the rent levels may be set at any level that is comparable with unassisted market rate units.

Following are the review criteria with associated point values that will be used by SCHA in the evaluation process of proposals received under the PBA program. There is no minimum passing score, nor a specific maximum score. Projects will be ranked by score and the highest ranked projects will undergo further review by SCHA. The selected projects must comply with all requirements set forth in this plan and all application HUD regulations.

Sample Evaluation Criteria	Points
The proposed housing serves a target population in order of priority: large families, disabled, elderly.....	20
The proposal preserves and rehabilitates historic properties or develops new affordable housing through new construction.....	20
The proposal submitted demonstrates a thorough, in-depth, well-planned project meeting all federal requirements and other eligibility criteria.....	20
The applicant's qualifications are appropriate for the project under consideration and firm financial commitments are adequately documented.....	20
Rental subsidy is necessary for the viability of the project, management of the project is consistent with Housing Choice Voucher requirements and the degree to which supportive services will be provided to the project.....	20

**TOTAL MAXIMUM POINTS .....100**

Prior to selecting the units for project based assistance, SCHA will make a determination that the application is responsive and in compliance with all selection criteria and is otherwise in compliance with HUD program regulations and requirements.

**SCHA Selection of Proposals Subject to a Previous Competition under a Federal, State, or Local Housing Assistance Program**

The SCHA will accept proposals for PBV assistance from owners that were competitively selected under another federal, state or local housing assistance program, including projects that were competitively awarded Low-Income Housing Tax Credits on an ongoing basis. SCHA will ensure that the Previous Competitive Selection which is the basis for selection for PBV assistance is made without regard to the possibility of PBV assistance.

The SCHA may periodically advertise that it is accepting proposals, specifying the number of vouchers available for this purpose in a newspaper of general circulation.

Proposals will be reviewed on a first-come first-served basis. The SCHA will evaluate each proposal on its merits using the following factors:

- Extent to which the project furthers the SCHA goal of deconcentrating poverty and expanding housing and economic opportunities; and
- Extent to which the proposal complements other local activities such as the HOME program, CDBG activities, other development activities in a HUD- designated Enterprise Zone, Economic Community, or Renewal Community, Choice Neighborhood; and
- The rating factors outlined in the previous section.

**SCHA-owned Units [24 CFR 983.51(e) and 983.59]**

If the SCHA submits a proposal for project-based housing that is owned or controlled by the SCHA, SCHA will:

- Seek HUD approval to have an independent entity review the proposal and determine if the SCHA's proposal should be selected. If HUD does not approve of the independent entity, the SCHA will seek HUD's review of the SCHA's proposal.
- Use an independent entity which meets HUD approval to perform HQS inspections.
- Use an independent entity which meets HUD approval to determine rents and rent reasonableness.
- Will obtain HUD approval for the services of these entities prior to selecting the proposal for SCHA-owned housing.

The SCHA will only compensate the independent entity, which is responsible for obtaining the

services of an appraiser, from SCHA ongoing administrative fee income (including amounts credited to the administrative fee reserve). The SCHA will not use other program receipts to compensate the independent entity and appraiser for their services. The SCHA, independent entity, and appraiser may not charge the family any fee for the appraisal or the services provided by the independent entity.

#### **SCHA Notice of Owner Selection [24 CFR 983.51(d)]**

Within 14 calendar days of the SCHA making a selection, the SCHA will notify the selected owner in writing of the owner's selection for the PBV program. The SCHA will also notify in writing all owners that submitted proposals that were not selected and advise such owners of the name of the selected owner.

In addition, the SCHA will publish its notice for selection of PBV proposals in the same newspapers and trade journals the SCHA used to solicit the proposals. The announcement will include the name of the owner and address of units selected for the PBV program.

The SCHA will make available to any interested party its rating and ranking sheets and documents that identify the SCHA basis for selecting the proposal. These documents will be available for review by the public and other interested parties for one month after publication of the notice of owner selection. The SCHA will not make available sensitive owner information that is privileged, such as financial statements and similar information about the owner.

The SCHA will make these documents available for review at the SCHA during normal business hours. The cost for reproduction of allowable documents will be 25¢ per page.

#### **HOUSING TYPE [24 CFR 983.52]**

The SCHA will attach PBV assistance for units in existing housing or for newly constructed or rehabilitated housing developed under and in accordance with an agreement to enter into a housing assistance payments contract that was executed prior to the start of construction. A housing unit is considered an existing unit for purposes of the PBV program if, at the time of notice of SCHA selection, the units exist and substantially comply with HQS. "Substantially" is defined as any unit that has an accumulation of items that would cost less than \$1,000 and take less than one month's time to comply fully with HQS requirements. The SCHA also will consider public housing units to be existing housing and eligible to apply for PBV assistance where the SCHA has applied for the disposition of public housing units and anticipates obtaining replacement vouchers. Units for which new construction or rehabilitation was started in accordance with PBV program requirements do not qualify as existing housing. The SCHA choice of housing type will be reflected when it solicits proposals.

#### **PROHIBITION OF ASSISTANCE FOR CERTAIN UNITS Ineligible Housing Types [24 CFR 983.53]**

The SCHA will not attach or pay PBV assistance to shared housing units; units on the grounds of a penal reformatory, medical, mental, or similar public or private institution; nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care (except that assistance may be provided in assisted living facilities); units that are owned or controlled by an educational institution or its affiliate and are designated for occupancy by students; manufactured homes or pads; and transitional housing. In addition, the SCHA will not attach or pay PBV assistance for a unit occupied by an owner and the SCHA will not select or enter into an AHAP or enter into a HAP contract for a unit occupied by a

family ineligible for participation in the PBV program.

***High-rise Elevator Projects for Families with Children [24 CFR 983.53(b)]***

SCHA will not attach or pay PBV assistance to units in high-rise elevator projects for families with children.

**Subsidized Housing [24 CFR 983.54]**

The SCHA will not attach or pay PBV assistance to units in any of the following types of subsidized housing:

- A public housing unit;
- A unit subsidized with any other form of Section 8 assistance;
- A unit subsidized with any governmental rent subsidy;
- A unit subsidized with any governmental subsidy that covers all or any part of the operating costs of the housing;
- A unit subsidized with Section 236 rental assistance payments (except that the SCHA could attach assistance to a unit subsidized with Section 236 interest reduction payments);
- Section 202 project for non-elderly with disabilities;
- Section 811 project-based supportive housing for persons with disabilities;
- Section 202 supportive housing for the elderly;
- A Section 101 rent supplement project;
- A unit subsidized with any form of tenant-based rental assistance;
- A unit with any other duplicative federal, state, or local housing subsidy, as determined by HUD or the SCHA in accordance with HUD requirements.

**Other Ineligible Housing Types**

Due to the need for more one, two, and three bedroom units, the SCHA will not attach or pay PBV assistance for group homes or single room occupancy (SRO) units.

**SUBSIDY LAYERING REQUIREMENTS [24 CFR 983.55]**

The SCHA will provide PBV assistance only in accordance with HUD subsidy layering regulations

[24 CFR 4.13] and other requirements. The subsidy layering review is intended to prevent excessive public assistance by combining (layering) housing assistance payment subsidy under the PBV program with other governmental housing assistance from federal, state, or local agencies, including assistance such as tax concessions or tax credits.

A subsidy layering review is not required for existing housing.

The SCHA will submit the necessary documentation to HUD for a subsidy layering review for new construction and rehabilitation projects. The SCHA will not enter into an AHAP contract until HUD (or an independent entity approved by HUD) has conducted any required subsidy layering review and determined that the PBV assistance is in accordance with HUD subsidy layering requirements.

The HAP contract will contain the owner's certification that the project has not received and will not receive (before or during the term of the HAP contract) any public assistance for acquisition, development, or operation of the housing other than assistance disclosed in the subsidy layering review in accordance with HUD requirements.

If before or during the HAP contract, the owner receives additional HUD or other governmental assistance for the project that results in an increase in project financing in an amount that is equal to or greater than 10 percent of the original development budget, the Owner must report such changes to the SCHA and the SCHA must notify the HCA, or HUD (or an independent entity approved by HUD), that a further subsidy layering review is required.

#### **CAP ON NUMBER OF PBV UNITS IN EACH PROJECT**

##### **25 Percent per Project Cap [24 CFR 983.56(a) as amended by HERA]**

In general, the SCHA will not select a proposal to provide PBV assistance for units in a project or enter into an AHAP or a HAP contract to provide PBV assistance for units in a project, if the total number of dwelling units in the project that will receive PBV assistance during the term of the PBV HAP contract is more than 25 percent of the number of dwelling units (assisted or unassisted) in the project.

##### **Exceptions to 25 Percent per Project Cap [24 CFR 983.56(b) as amended by HERA]**

Exceptions are allowed and PBV units are not counted against the 25 percent per project cap if:

- The units are in a single-family building, defined by HUD as any building with one to four units;
- The units are *excepted units* in a multifamily building because they are specifically made available for elderly or disabled families or families receiving supportive services (also known as *qualifying families*).

#### **Supportive Services**

The types of supportive services offered to families for a project to qualify for the exception are those intended to promote self-sufficiency, including:

- Outreach
- Case management, counseling

- Health care, psychiatric and mental health care, substance abuse treatment
- Life skills, parenting skills
- Child care, transportation, housing search assistance, budgeting
- Employment assistance, job training/placement
- Education, vocational opportunities

Supportive services do not have to be provided at the project site. When supportive services are provided, whether or site or not, the following conditions apply:

- The statement of family responsibility in the lease must contain the family's obligation to participate in the designated service program. Failure of the family to comply is good cause to terminate the family from the program.
- Participation in medical or disability-related services other than drug and alcohol treatment in the case of current abusers is not required as a condition of living in an excepted unit.
- The SCHA will ensure that only families receiving supportive services and complying with the service requirements are assisted.

To qualify, a family must have at least one member receiving at least one qualifying supportive service. The SCHA will not require participation in medical or disability-related services other than drug and alcohol treatment in the case of current abusers as a condition of living in an excepted unit, although such services may be offered.

If a family at the time of initial tenancy is receiving, and while the resident of an excepted unit has received, FSS supportive services or any other supportive services as defined above, and successfully completes the FSS contract of participation or the supportive services requirement, the unit continues to count as an excepted unit for as long as the family resides in the unit.

The SCHA will monitor the excepted family's continued receipt of supportive services and take appropriate action regarding those families that fail without good cause to complete their supportive services requirement. Monitoring will be accomplished by requiring the owner to provide quarterly reports on the family's participation and confirming this information by certification by the tenant at the annual re-examination. All "Excepted Families" must complete an annual PBV Certification of Supportive Services.

The SCHA will provide PBV assistance for the following types of excepted units – units limited to use by "qualifying families":

- Units in a multifamily building specifically made available for elderly or disabled families; and
- Units for families receiving supportive services.

Elderly, disabled, and families receiving supportive services are all "qualifying families."

**Promoting Partially-Assisted Projects [24 CFR 983.56(c) as amended by HERA]**

The SCHA is not setting a cap on the number of PBV units assisted per project beyond the 25 percent cap for non-excepted units.

### **SITE SELECTION STANDARDS**

#### **Compliance with PBV Goals, Civil Rights Requirements, and HQS Site Standards [24 CFR 983.57(b)]**

The SCHA will not select a proposal for existing, newly constructed, or rehabilitated PBV housing on a site or enter into an AHAP contract or HAP contract for units on the site, unless the SCHA has determined that PBV assistance for housing at the selected site is consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities. The standard for deconcentrating poverty and expanding housing and economic opportunities will be consistent with the Agency Plan under 24 CFR 903 and this Administrative Plan.

In addition, prior to selecting a proposal, the SCHA will determine that the site is suitable from the standpoint of facilitating and furthering full compliance with the applicable Civil Rights Laws, regulations, and Executive Orders (See Chapter 2), and that the site meets the HQS site and neighborhood standards at 24 CFR 982.401(l).

It is the SCHA's goal to select sites for PBV housing that provide for deconcentrating poverty and expanding housing and economic opportunities. In complying with this goal the SCHA will limit approval of sites for PBV housing in census tracts that have family poverty concentrations of 20 percent or less.

The SCHA will grant exceptions to the 20 percent standard where the SCHA determines that the PBV assistance will complement other local redevelopment activities designed to deconcentrate poverty and expand housing and economic opportunities in census tracts with poverty concentrations greater than 20 percent, such as sites census tracts where:

- The proposed PBV development will be located in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community;
- The concentration of assisted units will be or has decreased as a result of public housing demolition and HOPE VI redevelopment;
- The proposed PBV development will be located is undergoing significant revitalization as a result of state, local, or federal dollars invested in the area;
- New market rate units are being developed where such market rate units will positively impact the poverty rate in the area;
- There has been an overall decline in the poverty rate within the past five years; or
- There are meaningful opportunities for educational and economic advancement.

#### **Existing and Rehabilitated Housing Site and Neighborhood Standards [24 CFR 983.57(d)]**

The SCHA will not enter into an AHAP for units that will be rehabilitated, nor execute a HAP contract for existing units until it has determined that the site complies with the HUD required site and neighborhood standards. The site must:

- Be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
- Have adequate utilities and streets available to service the site;
- Promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- Be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units; and
- Be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

#### **New Construction Site and Neighborhood Standards [24 CFR 983.57(e)]**

In order to be selected for PBV assistance, a site for newly constructed housing must meet the following HUD-required site and neighborhood standards:

- The site must be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
- The site must have adequate utilities and streets available to service the site;
- The site must not be located in an area of minority concentration unless the SCHA determines that sufficient, comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside areas of minority concentration or that the project is necessary to meet overriding housing needs that cannot be met in that housing market area;
- The site must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area;
- The site must promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- The neighborhood must not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate;



- The housing must be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units; and
- Except for housing designed for elderly persons, the housing must be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

### **ENVIRONMENTAL REVIEW [24 CFR 983.58]**

The SCHA's activities under the PBV program are subject to HUD environmental regulations in 24 CFR parts 50 and 58. The *responsible entity* Schuylkill County is responsible for performing the federal environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). The SCHA will not enter into an AHAP contract nor enter into a HAP contract until it has complied with the environmental review requirements.

In the case of existing housing, Schuylkill County, is responsible for the environmental review under 24 CFR part 58, must determine whether or not PBV assistance is categorically excluded from review under the National Environmental Policy Act and whether or not the assistance is subject to review under the laws and authorities listed in 24 CFR 58.5.

The SCHA will not enter into an agreement to enter into a HAP contract or a HAP contract with an owner, and the SCHA, the owner, and its contractors may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct real property or commit or expend program or local funds for PBV activities under this part, until the environmental review is completed.

The SCHA will supply all available, relevant information necessary for the responsible entity to perform any required environmental review for any site. The SCHA requires the owner to carry out mitigating measures required by Schuylkill County (or HUD, if applicable) as a result of the environmental review.

## **DWELLING UNITS**

### **HOUSING QUALITY STANDARDS [24 CFR 983.101]**

The housing quality standards (HQS) for the tenant-based program, including those for special housing types, generally apply to the PBV program. HQS requirements for shared housing, cooperative housing, manufactured home space rental, and the homeownership option do not apply because these housing types are not assisted under the PBV program.

The physical condition standards at 24 CFR 5.703 do not apply to the PBV program.

### **Lead-based Paint [24 CFR 983.101(c)]**

The lead-based paint requirements for the tenant-based voucher program do not apply to the PBV program. Instead, the Lead-based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at 24 CFR part 35, subparts A, B, H, and R, apply to the PBV program.

## **HOUSING ACCESSIBILITY FOR PERSONS WITH DISABILITIES**

Housing will comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR part 8. The SCHA will ensure that the percentage of accessible dwelling units complies with the requirements of Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as implemented by HUD's regulations at 24 CFR 8, subpart C.

Housing first occupied after March 13, 1991, will comply with design and construction requirements of the Fair Housing Amendments Act of 1988 and implementing regulations at 24 CFR 100.205, as applicable. (24 CFR 983.102)

## **INSPECTING UNITS**

### **Pre-selection Inspection [24 CFR 983.103(a)]**

The SCHA will examine the proposed site before the proposal selection date. If the units to be assisted already exist, the SCHA will inspect all the units before the proposal selection date, and will determine whether the units substantially comply with HQS. To qualify as existing housing, units must substantially comply with HQS on the proposal selection date. The SCHA, however, will not execute the HAP contract until the units fully comply with HQS.

### **Pre-HAP Contract Inspections [24 CFR 983.103(b)]**

The SCHA will inspect each contract unit before execution of the HAP contract. The SCHA will not enter into a HAP contract covering a unit until the unit fully complies with HQS.

### **Turnover Inspections [24 CFR 983.103(c)]**

Before providing assistance to a new family in a contract unit, the SCHA will inspect the unit. The SCHA will not provide assistance on behalf of the family until the unit fully complies with HQS.

### **Annual Inspections [24 CFR 983.103(d)]**

At least annually during the term of the HAP contract, the SCHA will inspect a random sample, consisting of at least 20 percent of the contract units in each building to determine if the contract units and the premises are maintained in accordance with HQS. The sample will be selected at random. A database of the units will be maintained which can be exported to Excel. This software program has a Random Number Generation Tool that will allow 20 percent of the total units to be selected at random. Turnover inspections are not counted toward meeting this annual inspection requirement.

If more than 20 percent of the annual sample of inspected contract units in a building fails the initial inspection, the SCHA will reinspect 100 percent of the contract units in the building.

### **Other Inspections [24 CFR 983.103(e)]**

The SCHA will inspect contract units whenever needed to determine that the contract units comply with HQS and that the owner is providing maintenance, utilities, and other services in accordance with the HAP contract. The SCHA will take into account complaints and any other information coming to its attention in scheduling inspections.

The SCHA will conduct follow-up inspections needed to determine if the owner (or, if applicable, the family) has corrected an HQS violation, and will conduct inspections to determine the basis for exercise of contractual and other remedies for owner or family violation of HQS.

In conducting SCHA supervisory quality control HQS inspections, the SCHA will include a

representative sample of both tenant-based and project-based units.

### **Inspecting SCHA-owned Units [24 CFR 983.103(f)]**

In the case of SCHA-owned units, the inspections will be performed by an independent agency designated by the SCHA and approved by HUD. The independent entity will furnish a copy of each inspection report to the SCHA and to the HUD Pittsburgh field office.

The SCHA will take all necessary actions in response to inspection reports from the independent agency, including exercise of contractual remedies for violation of the HAP contract by the SCHA-owner.

## **REHABILITATED AND NEWLY CONSTRUCTED UNITS**

### **AGREEMENT TO ENTER INTO HAP CONTRACT**

In order to offer PBV assistance in rehabilitated or newly constructed units, the SCHA will enter into an agreement to enter into an AHAP contract with the owner of the property. The Agreement will be in the form required by HUD [24 CFR 983.152(a)].

In the AHAP, the owner agrees to develop the PBV contract units to comply with HQS, and the SCHA agrees that, upon timely completion of such development in accordance with the terms of the Agreement, the SCHA will enter into a HAP contract with the owner for the contract units [24 CFR 983.152(b)].

### **Content of the Agreement [24 CFR 983.152(c)]**

At a minimum, the AHAP will describe the following features of the housing to be developed and assisted under the PBV program:

- Site and the location of the contract units;
- Number of contract units by area (size) and number of bedrooms and bathrooms;
- Services, maintenance, or equipment to be supplied by the owner without charges in addition to the rent;
- Utilities available to the contract units, including a specification of utility services to be paid by the owner and utility services to be paid by the tenant;
- An indication of whether or not the design and construction requirements of the Fair Housing Act and section 504 of the Rehabilitation Act of 1973 apply to units under the Agreement. If applicable, any required work item resulting from these requirements will be included in the description of work to be performed under the Agreement;
- Estimated initial rents to owner for the contract units;
- Description of the work to be performed under the Agreement. For rehabilitated units, the description will include the rehabilitation work write up and, where determined necessary by the SCHA, specifications and plans. For new construction units, the description will include the working drawings and specifications.
- Any additional requirements for quality, architecture, or design over and above HQS.

### **Execution of the AHAP [24 CFR 983.153]**

The AHAP will be executed "promptly" after SCHA notice of proposal selection to the selected owner. The SCHA, however, will not enter into the AHAP with the owner until the subsidy layering review is completed. Likewise, the SCHA will not enter into the AHAP until the environmental review is completed and the SCHA has received

environmental approval. Promptly, in this case, requires the selected owner to have completed the necessary reviews for the project and be ready to enter into an AHAP within one year from the date of notification that the project is awarded PBV assistance. The SCHA has the option to grant an extension to this one year limit provided the owner can demonstrate that progress is being made and that the project will go to AHAP within the extended time frame.

#### **CONDUCT OF DEVELOPMENT WORK Labor Standards [24 CFR 983.154(b)]**

If an AHAP covers the development of nine or more contract units (whether or not completed in stages), the owner and the owner's contractors and subcontractors must pay Davis-Bacon wages to laborers and mechanics employed in the development of housing. The HUD-prescribed form of the Agreement will include the labor standards clauses required by HUD, such as those involving Davis-Bacon wage rates.

The owner, contractors, and subcontractors must also comply with the Contract Work Hours and Safety Standards Act, Department of Labor regulations in 29 CFR part 5, and other applicable federal labor relations laws and regulations. The SCHA will monitor compliance with labor standards.

#### **Equal Opportunity [24 CFR 983.154(c)]**

The owner must comply with Section 3 of the Housing and Urban Development Act of 1968 and the implementing regulations at 24 CFR part 135. The owner must also comply with federal equal employment opportunity requirements.

#### **Owner Disclosure [24 CFR 983.154(d) and (e)]**

The AHAP and HAP contracts must include a certification by the owner that the owner and other project principals are not on the U.S. General Services Administration list of parties excluded from federal procurement and non-procurement programs.

The owner must also disclose any possible conflict of interest that would be a violation of the AHAP and HAP contracts or HUD regulations.

#### **COMPLETION OF HOUSING**

The AHAP will specify the deadlines for completion of the housing, and the owner must develop and complete the housing in accordance with these deadlines. The AHAP will also specify the deadline for submission by the owner of the required evidence of completion.

#### **Evidence of Completion [24 CFR 983.155(b)]**

At a minimum, the owner must submit the following evidence of completion to the SCHA in the form and manner required by the SCHA:

- Owner certification that the work has been completed in accordance with HQS and all requirements of the AHAP;
- Owner certification that the owner has complied with labor standards and equal opportunity requirements in development of the housing; and
- Certificate of Occupancy (for new construction) or other appropriate building approval (for

rehabilitation projects) from Schuylkill County.

### **SCHA Acceptance of Completed Units [24 CFR 983.156]**

Upon notice from the owner that the housing is completed, the SCHA will inspect the housing to determine if it has been completed in accordance with the AHAP, including compliance with HQS and any additional requirements imposed under the AHAP. The SCHA also will determine if the owner has submitted all required evidence of completion.

If the work has not been completed in accordance with the AHAP, the SCHA will not enter into the HAP contract.

If the SCHA determines the work has been completed in accordance with the AHAP and that the owner has submitted all required evidence of completion, the SCHA will submit the HAP contract for execution by the owner and must then execute the HAP contract.

### **HOUSING ASSISTANCE PAYMENTS CONTRACT (HAP)**

The SCHA will enter into a HAP contract with an owner for units that are receiving PBV assistance. The purpose of the HAP contract is to provide housing assistance payments for eligible families. Housing assistance is paid for contract units leased and occupied by eligible families during the HAP contract term. The HAP contract will be in the form required by HUD [24 CFR 983.202].

### **HAP CONTRACT REQUIREMENTS Contract Information [24 CFR 983.203]**

The HAP contract will specify the following information:

- The total number of contract units by number of bedrooms;
- The project's name, street address, city or county, state and zip code, block and lot number (if known), and any other information necessary to clearly identify the site and the building;
- The number of contract units in each building, the location of each contract unit, the area of each contract unit, and the number of bedrooms and bathrooms in each contract unit;
- Services, maintenance, and equipment to be supplied by the owner and included in the rent to owner;
- Utilities available to the contract units, including a specification of utility services to be paid by the owner (included in rent) and utility services to be paid by the tenant;
- Features provided to comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR part 8;
- The HAP contract term;
- The number of units in any building that will exceed the 25 percent per building cap, which will be set-aside for occupancy by qualifying families; and
- The initial rent to owner for the first 12 months of the HAP contract term.

### **Execution of the HAP Contract [24 CFR 983.204]**

The SCHA will not enter into a HAP contract until each contract unit has been inspected and the SCHA has determined that the unit complies with Housing Quality Standards (HQS). For existing housing, the HAP contract will be executed "promptly" after the SCHA selects the owner proposal and inspects the housing units. "Promptly," in this case, means that the owner must be ready and willing to sign the HAP contract within two months from the date the SCHA has

completed HQS inspections, found the units in compliance, and has notified the owner of its selection decision. In the case of public housing units in the disposition process, the SCHA will not enter into a HAP contract until HUD has approved the disposition application, issued replacement vouchers, and approved the application for PBV assistance.

For newly constructed or rehabilitated housing, the HAP contract will be executed after the SCHA has inspected the completed units, determined that the units have been completed in accordance with the AHAP, and the owner furnishes all required evidence of completion.

For rehabilitated or newly constructed housing, the HAP contract will be executed within two months of the SCHA determining that the units have been completed in accordance with the AHAP, all units meet HQS, and the owner has submitted all required evidence of completion.

#### **Term of HAP Contract [24 CFR 983.205]**

The SCHA will enter into a HAP contract with an owner for an initial term of no less than one year and no more than 15 years.

The term of all PBV HAP contracts will be negotiated with the owner on a case-by-case basis within HUD parameters.

SCHA may agree to enter into an extension of the HAP contract at the time of the initial HAP contract execution or any time before the expiration of the contract if the SCHA determines an extension is appropriate to continue providing affordable housing for low- income families. The maximum aggregate term for an extension of the HAP contract is 15 years. All extensions must be on the form and subject to the conditions prescribed by HUD at the time of the extension.

When determining whether or not to extend an expiring PBV contract, the SCHA will consider several factors including, but not limited to:

- The cost of extending the contract and the amount of available budget authority;
- The condition of the contract units;
- The owner's record of compliance with obligations under the HAP contract and lease(s);
- Whether the location of the units continues to support the goals of deconcentrating poverty and expanding housing opportunities; and
- Whether the funding could be used more appropriately for tenant-based assistance.

#### **Termination by SCHA [24 CFR 983.205(c)]**

The HAP contract will provide that the term of the SCHA's contractual commitment is subject to the availability of sufficient appropriated funding as determined by HUD or by the SCHA in accordance with HUD instructions. For these purposes, sufficient funding means the availability

of appropriations, and of funding under the ACC from such appropriations, to make full payment of housing assistance payments payable to the owner for any contract year in accordance with the terms of the HAP contract.

If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, the SCHA may terminate the HAP contract by notice to the owner. The termination will be implemented in accordance with HUD instructions.

#### **Termination by Owner [24 CFR 983.205(d)]**

If in accordance with program requirements the amount of rent to an owner for any contract unit is reduced below the amount of the rent to owner at the beginning of the HAP contract term, the owner may terminate the HAP contract by giving notice to the SCHA. In this case, families living in the contract units must be offered tenant-based assistance.

Section 2835 (a) (1) (E) of the Housing and Economic Recovery Act of 2008, (HERA) amends Section 8 (o) (13) (I) of the U. S. Housing Act of 1937 to make permissive a HAP Contract provision that the maximum rent on a unit shall not be less than the initial rent. With the publication of HUD's final guidance on this issue, the SCHA shall limit rent reductions to the initial HAP rents.

#### **Remedies for HQS Violations [24 CFR 983.207(b)]**

The SCHA will not make any HAP payment to the owner for a contract unit during any period in which the unit does not comply with HQS. If the SCHA determines that a contract does not comply with HQS, the SCHA will abate and terminate PBV HAP contracts for non-compliance with HQS in accordance with the policies used in the tenant-based voucher program. These policies are contained in Section 17.4 "Termination of the Contract by SCHA".

#### **AMENDMENTS TO THE HAP CONTRACT Substitution of Contract Units [24 CFR 983.206(a)]**

The SCHA will amend the HAP contract to substitute a different unit, if the unit has the same number of bedrooms in the same building, is HQS compliant, and meets all PBV requirements for a previously covered contract unit. Before any such substitution can take place, the SCHA will inspect the proposed unit and determine the reasonable rent for the unit.

#### **Addition of Contract Units [24 CFR 983.206(b)]**

At the SCHA's discretion and subject to the restrictions on the number of dwelling units that can receive PBV assistance per building and on the overall size of the SCHA's PBV program, a HAP contract may be amended during the three-year period following the execution date of the HAP contract to add additional PBV units in the same building.

This type of amendment is subject to all PBV program requirements except that a new PBV proposal is not required.

The SCHA will consider adding contract units to the HAP contract when the SCHA determines that additional housing is needed to serve eligible low-income families. Circumstances may include, but are not limited to:

- The local housing inventory is reduced due to a disaster (either due to loss of housing units, or an influx of displaced families); and
- Voucher holders are having difficulty finding units that meet program requirements.

**HAP CONTRACT YEAR, ANNIVERSARY AND EXPIRATION DATES [24 CFR 983.206(c) and 983.302(e)]**

The HAP contract year is the period of 12 calendar months preceding each annual anniversary of the HAP contract during the HAP contract term. The initial contract year is calculated from the first day of the first calendar month of the HAP contract term.

The annual anniversary of the HAP contract is the first day of the first calendar month after the end of the preceding contract year.

There is a single annual anniversary and expiration date for all units under a particular HAP contract, even in cases where contract units are placed under the HAP contract in stages (on different dates) or units are added by amendment. The anniversary and expiration dates for all units coincide with the dates for the contract units that were originally placed under contract.

**OWNER RESPONSIBILITIES UNDER THE HAP [24 CFR 983.209]**

When the owner executes the HAP contract, the owner certifies that at such execution and at all times during the term of the HAP contract:

- All contract units are in good condition and the owner is maintaining the premises and contract units in accordance with HQS;
- The owner is providing all services, maintenance, equipment and utilities as agreed to under the HAP contract and the leases;
- Each contract unit for which the owner is receiving HAP, is leased to an eligible family referred by the SCHA, and the lease is in accordance with the HAP contract and HUD requirements;
- To the best of the owner's knowledge the family resides in the contract unit for which the owner is receiving HAP, and the unit is the family's only residence;
- The owner (including a principal or other interested party) is not the spouse, parent, child, grandparent, grandchild, sister, or brother of any member of a family residing in a contract unit;
- The amount of the HAP the owner is receiving is correct under the HAP contract;
- The rent for contract units does not exceed rents charged by the owner for comparable unassisted units;
- Except for HAP and tenant rent, the owner has not received and will not receive any other payment or consideration for rental of the contract unit; and
- The family does not own or have any interest in the contract unit.

**ADDITIONAL HAP REQUIREMENTS**

**Housing Quality and Design Requirements [24 CFR 983.101(e) and 983.207(a)]**

The owner is required to maintain and operate the contract units and premises in accordance with HQS, including performance of ordinary and extraordinary maintenance. The owner must provide all the services, maintenance, equipment, and utilities specified in the HAP contract with the SCHA and in the lease with each assisted family. In addition, maintenance, replacement and redecoration



must be in accordance with the standard practice for the building as established by the owner.

The SCHA may elect to establish additional requirements for quality, architecture, or design of PBV housing. Any such additional requirements must be specified in the RFP, AHAP contract and the HAP contract. These requirements must be in addition to, not in place of, compliance with HQS.

The SCHA will identify the need for any special features on a case-by-case basis depending on the intended occupancy of the PBV project. The SCHA will specify any special design standards or additional requirements in the invitation for PBV proposals, the AHAP contract, and the HAP contract.

### **Vacancy Payments [24 CFR 983.352(b)]**

Vacancy Payments will be paid to the owner in accordance with the terms of the HAP contract and as outlined in this Section of this Administrative Plan.

## **SELECTION OF PBV PROGRAM PARTICIPANTS**

Many of the provisions of the tenant-based voucher regulations [24 CFR 982] also apply to the PBV program. This includes requirements related to determining eligibility and selecting applicants from the waiting list. Even with these similarities, there are requirements that are unique to the PBV program. This part describes the requirements and policies related to eligibility and admission to the PBV program.

### **ELIGIBILITY FOR PBV ASSISTANCE [24 CFR 983.251(a) and (b)]**

The SCHA will select families for the PBV program from those who are participants in the SCHA's tenant-based voucher program and from those who have applied for admission to the voucher program. For voucher participants, eligibility was determined at original admission to the voucher program and does not need to be redetermined at the commencement of PBV assistance. For all others, eligibility for admission will be determined at the commencement of PBV assistance.

Applicants for PBV assistance must meet the same eligibility requirements as applicants for the tenant-based voucher program. Applicants must qualify as a family as defined by HUD and the SCHA, have income at or below HUD-specified income limits, and qualify on the basis of citizenship or the eligible immigration status of family members [24 CFR 982.201(a) and 24 CFR 983.2(a)]. In addition, an applicant family must provide social security information for family members [24 CFR 5.216 and 5.218] and consent to the SCHA's collection and use of family information regarding income, expenses, and family composition [24 CFR 5.230]. An applicant family also must meet HUD requirements related to current or past criminal activity. In addition families who will reside in "Excepted" units must meet the appropriate criteria as a "qualified" family.

The SCHA will determine an applicant family's eligibility for the PBV program in accordance with the policies in Section 5 of this Administrative Plan.

### **In-Place Families [24 CFR 983.251(b)]**

An eligible family residing in a proposed PBV contract unit on the date the proposal is selected by the SCHA is considered an "in-place family." These families are afforded protection from displacement under the PBV rule. If a unit to be placed under contract (either an existing unit or a unit requiring rehabilitation) is occupied by an eligible family on the date the proposal is selected,

the in-place family will be placed on the SCHA's waiting list. Once the family's continued eligibility is determined (the SCHA may deny assistance to an in-place family for the grounds specified in 24 CFR 982.552 and 982.553), the family will be given an absolute selection preference and the SCHA must refer these families to the project owner for an appropriately-sized PBV unit in the project. Admission of eligible in-place families is not subject to income targeting requirements.

This regulatory protection from displacement does not apply to families that are not eligible to participate in the program on the proposal selection date.

### **Tenant Referrals to PBV Units**

When a vacancy exists at a PBV site, the SCHA will notify the next families on the applicable waiting list. The SCHA's letter to the applicants also will state that if the applicant is interested in residing in the vacant PBV unit, that the applicant will not lose her or his place on the SCHA's HCV waiting list until that person has been leased in the PBV unit.

All applicants indicating interest in the PBV unit will be referred to the owner in the order in which they appear on the appropriate wait list. If the tenant selection criteria of the owner include screening for credit and criminal background, these procedures may be performed prior to completion of the full eligibility process. If, on the basis of the credit and/or criminal background screening process, the owner will not offer tenancy to the applicant, the SCHA will not complete the voucher eligibility process and the applicant will be removed from the selected site-based project-based wait list and sent a notice to this effect.

In the event that the PBV wait lists are exhausted, the SCHA shall query tenant-based assisted households known to be seeking new units (i.e. newly-issued voucher holder, current participants who have given notice or otherwise indicated interest in seeking a new unit) to determine if there is interest in a HCV family moving to a PBV unit. However, voucher holders porting into the SCHA jurisdiction may not be offered a PBV unit because HCVP provisions on portability under 24 CFR Part 982 do not apply to the project-based program under 24 CFR Part 983. PBV applicants shall always have priority over HCV tenants for available PBV units. Interested HCV tenants shall be considered for PBV units on a first ready, first served basis. Any additional HCV tenant families interested in PBV units will be informed that the unit(s) have been leased and no further action will be taken on their behalf.

PBV Wait List applicants shall have priority over all HCV assisted tenants for PBV units.

### **ORGANIZATION OF THE WAITING LIST [24 CFR 983.251(c)]**

The SCHA will use its PBV Program waiting lists to select tenants for PBV units.

### **SELECTION FROM THE WAITING LIST [24 CFR 983.251(c)]**

Applicants who will occupy units with PBV assistance will be selected from the SCHA's PBV waiting list or from the property's site-based PBV Wait List. The SCHA will place families referred by the PBV owner on its PBV waiting list when the waiting list is open until such time as a site-based wait list is established.

Wait list referrals to the PBV owner will remain active for consideration for a PBV vacancy for a period of 120 days from the date of selection from the wait list. Referred tenants will be screened by the owner and readied for occupancy. First ready, is first referred back to the SCHA for eligibility determination and leasing. Readiness is defined to mean having met all of the owner's screening criteria and accepted for tenancy.

In the event that multiple families are made ready for a PBV unit, as a tie breaker for who is assigned the unit, the family who has the highest rank from the referral list of all “ready” families will be processed by the SCHA for eligibility determination and offered the available unit.

An owner may continue to work on suitability screening for up to three families from the latest referral list in anticipation of any additional vacancies that may arise during the 120-day referral period. The SCHA will also continue the eligibility process for any family made ready by the owner.

If no unit is scheduled to be vacated by an existing tenant or there are no impending vacancies prior to the expiration of the 120-day period, all unassigned referrals will be returned to the project’s PBV wait list.

If the SCHA referrals do not provide the owner with a suitable tenant for the unit and the wait list is exhausted, the owner may refer a Section 8 eligible individual or family to the SCHA’s site-based PBV waiting list if it is open. The referred family must meet the SCHA’s Section 8 eligibility criteria.

### **Income Targeting [24 CFR 983.251(c)(6)]**

At least 75 percent of the families admitted to the SCHA’s tenant-based and project-based voucher programs during the SCHA fiscal year from the waiting list will be extremely-low income families. The income targeting requirement applies to the total of admissions to both programs.

### **Units with Accessibility Features [24 CFR 983.251(c)(7)]**

When selecting families to occupy PBV units that have special accessibility features for persons with disabilities, the SCHA must first refer families who require such features to the owner.

### **Preferences [24 CFR 983.251(d)]**

The SCHA will use the same selection preferences that are used for the tenant-based voucher program. The SCHA provides an absolute selection preference for eligible in- place families as described in this Section.

All preferences that apply to the Housing Choice Voucher Program (Section 6 of this Administrative Plan) also apply to the PBV program or for particular PBV projects or units. When vacancies exist in PBV units of a specific size (i.e., number of bedrooms) or in excepted units, the SCHA will select only qualified families of the correct family composition size according to the SCHA’s subsidy standards for those units in the correct order from the waiting list.

## **OFFER OF PBV ASSISTANCE**

### **Refusal of Offer [24 CFR 983.251(e)(3)]**

The SCHA will not take, any of the following actions against a family who has applied for, received, or refused an offer of PBV assistance:

- Refuse to list the applicant on the waiting list for tenant-based voucher assistance;

- Deny any admission preference for which the applicant qualifies;
- Change the applicant's place on the waiting list based on preference, date, and time of application, or other factors affecting selection under the SCHA's selection policy;
- Remove the applicant from the tenant-based voucher waiting list.

### **Disapproval by Landlord [24 CFR 983.251(e)(2)]**

If a PBV owner rejects a family for admission to the owner's units, such rejection may not affect the family's position on the tenant-based voucher waiting list.

### **Acceptance of Offer [24 CFR 983.252]**

#### ***Family Briefing***

When a family accepts an offer for PBV assistance, the SCHA will give the family an oral briefing. The briefing will include information on how the program works and the responsibilities of the family and owner. In addition to the oral briefing, the SCHA will provide a briefing packet that explains how the SCHA determines the total tenant payment for a family, the family obligations under the program, and applicable fair housing information.

#### ***Persons with Disabilities***

If an applicant family's head or spouse is disabled, the SCHA will assure effective communication, in accordance with 24 CFR 8.6, in conducting the oral briefing and in providing the written information packet. This may include making alternative formats available (see Chapter 2). In addition, the SCHA will have a mechanism for referring a family that includes a member with mobility impairment to an appropriate accessible PBV unit.

#### ***Persons with Limited English Proficiency***

The SCHA will take reasonable steps to assure meaningful access by persons with limited English proficiency in accordance with Title VI of the Civil Rights Act of 1964 and Executive Order 13166 (see Section 1 of this Administrative Plan).

## **OWNER SELECTION OF TENANTS**

The owner is responsible for developing written tenant selection procedures that are consistent with the purpose of improving housing opportunities for very low-income families and reasonably related to program eligibility and an applicant's ability to fulfill their obligations under the lease. An owner must promptly notify in writing any rejected applicant of the grounds for any rejection [24 CFR 983.253(b)].

### **Leasing [24 CFR 983.253(a)]**

During the term of the HAP contract, the owner must lease contract units to eligible families that are selected and referred by the SCHA from the SCHA's waiting list. The contract unit leased to the family must be the appropriate size unit for the size of the family, based on the SCHA's

subsidy standards.

### **Filling Vacancies [24 CFR 983.254(a)]**

The owner must promptly notify the SCHA of any vacancy or expected vacancy in a contract unit. After receiving such notice, the SCHA will make every reasonable effort to refer promptly a sufficient number of families for the owner to fill such vacancies. The SCHA and the owner will make reasonable efforts to minimize the likelihood and length of any vacancy.

The owner must notify the SCHA in writing (mail, fax, or e-mail) within seven calendar days of learning about any vacancy or expected vacancy.

The SCHA will make every reasonable effort to refer families to the owner within 14 calendar days of receiving such notice from the owner.

Vacancy Payments will be paid to the owner in accordance with terms of the HAP contract and as outlined in this section and in Section 16-IX.B. of this Administrative Plan.

### **Reduction in HAP Contract Units Due to Vacancies [24 CFR 983.254(b)]**

If any contract units have been vacant for 120 or more days since owner notice of the vacancy, the SCHA will give notice to the owner amending the HAP contract to reduce the number of contract units by subtracting the number of contract units (according to the bedroom size) that have been vacant for this period.

The SCHA will provide the notice to the owner within 14 calendar days of the 120<sup>th</sup> day of the vacancy. Unless the owner can give adequate reason for the SCHA not to reduce the number of contract units within 14 calendar days of the date of the SCHA's notice, the amendment to the HAP contract will be effective the 1<sup>st</sup> day of the month following the date of the SCHA's notice.

## **TENANT SCREENING [24 CFR 983.255]**

### **SCHA Responsibility**

The SCHA is not responsible or liable to the owner or any other person for the family's behavior or suitability for tenancy. The SCHA will not conduct screening to determine a PBV applicant family's suitability for tenancy unless the applicant is to move into a SCHA-owned or managed unit. The SCHA may deny applicants based on such screening.

The SCHA will inform owners of their responsibility to screen prospective tenants. Upon request, owners may request and the SCHA will provide specific information about the family being considered for tenancy. The SCHA will provide the following information:

- The family's current address as provided by the Applicant; and
- The name and address, if known, of the owner/landlord of the family's current and prior places of residence.

The SCHA will respond only to specific questions asked by owners and only when the SCHA has documentation to confirm the accuracy of the information being provided. The SCHA will provide applicant families a description of its policy on providing information to owners and give

the same types of information to all owners. Refer to “Screening for Suitability as a Tenant” in Chapter 3 or “9-I.A. Tenant Screening” in Chapter 9 for the information that may be released.

### **Owner Responsibility**

The owner is responsible for screening and selection of the family to occupy the owner’s unit. When screening families, the owner may consider a family’s background with respect to the following factors:

- Payment of rent and utility bills;
- Caring for a unit and premises;
- Respecting the rights of other residents to the peaceful enjoyment of their housing;
- Drug-related criminal activity or other criminal activity that is a threat to the health, safety, or property of others; and
- Compliance with other essential conditions of tenancy.

The owner must notify SCHA in writing within 14 calendar days when rejecting an applicant and give the grounds for such rejection.

## **OCCUPANCY**

### **OVERVIEW**

After an applicant has been selected from the waiting list, determined eligible by the SCHA, referred to an owner and determined suitable by the owner, the family will sign the lease and occupancy of the unit will begin.

### **LEASE [24 CFR 983.256]**

The tenant must have legal capacity to enter a lease under state and local law. *Legal capacity* means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner.

### **Form of Lease [24 CFR 983.256(b)]**

The tenant and the owner must enter into a written lease agreement that is signed by both parties. If an owner uses a standard lease form for rental units to unassisted tenants in the locality or premises, the same lease must be used for assisted tenants, except that the lease must include a HUD-required tenancy addendum. The tenancy addendum must include, word-for-word, all provisions required by HUD.

If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease, such as a SCHA model lease.

The SCHA will not review the owner’s lease for compliance with state or local law.

### **Lease Requirements [24 CFR 983.256(c)]**

The lease for a PBV unit must specify all of the following information:

- The names of the owner and the tenant;
- The unit rented (address, apartment number, if any, and any other information needed to identify the leased contract unit);
- The term of the lease (initial term and any provision for renewal);
- The amount of the tenant rent to owner, which is subject to change during the term of the lease in accordance with HUD requirements;
- A specification of the services, maintenance, equipment, and utilities that will be provided by the owner; and
- The amount of any charges for food, furniture, or supportive services.

#### **Tenancy Addendum [24 CFR 983.256(d)]**

The tenancy addendum in the lease must state:

- The program tenancy requirements;
- The composition of the household as approved by the SCHA (the names of family members and any SCHA-approved live-in aide);
- All provisions in the HUD-required tenancy addendum must be included in the lease.
- The terms of the tenancy addendum prevail over other provisions of the lease.

#### **Initial Term and Lease Renewal [24 CFR 983.256(f) and 983.257(b)]**

The initial lease term must be for at least one year. Upon expiration of the lease, an owner may renew the lease, refuse to renew the lease for “good cause,” or refuse to renew the lease without good cause. If the owner refuses to renew the lease without good cause, the SCHA will provide the family with a tenant-based voucher and remove the unit from the PBV HAP contract.

#### **Changes in the Lease [24 CFR 983.256(e)]**

If the tenant and owner agree to any change in the lease, the change must be in writing, and the owner must immediately give the SCHA a copy of all changes.

The owner must notify the SCHA in advance of any proposed change in the lease regarding the allocation of tenant and owner responsibilities for utilities. Such changes may only

be made if approved by the SCHA and in accordance with the terms of the lease relating to its amendment. The SCHA will redetermine reasonable rent, in accordance with program requirements, based on any change in the allocation of the responsibility for utilities between the owner and the tenant. The redetermined reasonable rent will be used in calculation of the rent to owner from the effective date of the change.

### **Owner Termination of Tenancy [24 CFR 983.257]**

With two exceptions, the owner of a PBV unit may terminate tenancy for the same reasons an owner may in the tenant-based voucher program (see Section 12-III.B. and 24 CFR 982.310). In the PBV program, terminating tenancy for “good cause” does not include doing so for a business or economic reason, or a desire to use the unit for personal or family use or other non-residential purpose.

### ***Non-Compliance with Supportive Services Requirement [24 CFR 983.257(c)]***

If a family is living in a project-based unit that is excepted from the 25 percent per building cap on project-basing because of participation in a supportive services program (e.g., Family Self-Sufficiency), and the family fails to complete its supportive services requirement without good cause, such failure is grounds for lease termination by the owner.

### ***Tenant Absence from the Unit [24 CFR 983.256(g) and 982.312(a)]***

The owner may specify in the lease a maximum period of tenant absence from the unit that is shorter than the maximum period permitted by SCHA policy. According to program requirements, the family’s assistance must be terminated if they are absent from the unit for more than 180 consecutive days.

### **Security Deposits [24 CFR 983.258]**

The owner may collect a security deposit from the tenant. The security deposit must not exceed the following:

Unfurnished Unit: Two months contract rent (this includes any amount labeled as last month’s rent)

Furnished Unit: Three months contract rent (this includes any amount labeled as last month’s rent)

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

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

If the security deposit does not cover the amount owed by the tenant under the lease, the owner may seek to collect the balance from the tenant. The SCHA has no liability or responsibility for payment of any amount owed by the family to the owner.



## **MOVES**

### **Overcrowded, Under-Occupied, and Accessible Units [24 CFR 983.259]**

If the SCHA determines that a family is occupying a unit that is too small or too big, based on the SCHA's subsidy standards, or a unit with accessibility features that the family does not require, and the unit is needed by a family that does require the features, the SCHA will notify the family and the owner within 14 calendar days of the SCHA's determination of the family's need to move. The SCHA will offer the family the following types of continued assistance in the following order, based on the availability of assistance:

- PBV assistance in the same building or project;
- PBV assistance in another project; and
- Tenant-based voucher assistance.

If the SCHA offers the family a tenant-based voucher, the SCHA will terminate the housing assistance payments for a wrong-sized or accessible unit at expiration of the term of the family's voucher (including any extension granted by the SCHA).

When the SCHA offers a family another form of assistance that is not a tenant-based voucher, the family will be given 30 calendar days from the date of the offer to accept the offer and move out of the PBV unit. If the family does not move out within this 30-day time frame, the SCHA will terminate the housing assistance payments at the expiration of this 30-day period.

The SCHA may make exceptions to this 30-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

### **Family Right to Move [24 CFR 983.260]**

The family may terminate the lease at any time after the first year of occupancy. The family must give advance written notice to the owner in accordance with the lease and provide a copy of such notice to the SCHA. If the family wishes to move with continued tenant-based assistance, the family must contact the SCHA to request the rental assistance prior to providing notice to terminate the lease.

If the family terminates the lease in accordance with these requirements, the SCHA will offer the family the opportunity for continued tenant-based assistance, in the form of a Housing Choice Voucher. If a voucher is not immediately available upon termination of the family's lease in the PBV unit, the SCHA will give the family priority to receive the next available voucher. The Housing Assistance Manager shall maintain a list of interested PBV participants who want to move with continued tenant-based HCV assistance. Placement and ranking on the list will be on a first come, first served basis. The SCHA shall give preference on this list to Violence Against Women's Act (VAWA)-eligible households.

If the family terminates the assisted lease before the end of the first year, the family relinquishes the Housing Choice Voucher assistance.

### **Family Break-Up**

In the event of a family break-up by divorce or legal separation, the family shall decide who remains in the assisted unit and report the change in household composition in writing to the

SCHA. No further subsidy shall be provided to the departing spouse. The assistance generally remains with the family members who remain in the assisted unit.

If family members are forced to leave the unit because of actual or threatened physical violence against family members by a spouse or other members of the household, the SCHA may terminate the HAP contract for the original assisted unit and transfer the assistance to the family members forced to leave. The actual or threatened physical violence must be documented by a qualified third party, such as a representative of the law enforcement, the judicial system, or a victim service provider. This third party must verify the circumstances and the need for family members to leave the assisted unit. (Notice policies related to terminating assistance for participants who may be victims of domestic violence, dating violence, or stalking are contained in this Administrative Plan).

The family must notify the SCHA, in writing, within 14 days of an action causing a family break-up and request a determination of the assignment of the assistance. The SCHA may schedule a meeting with the family members to discuss the assignment.

In the event that the SCHA must determine which of the family members will continue to receive the Section 8 PBV assistance or retain placement on the waiting list(s) for PBV assistance, the SCHA determination will be made based on the following priorities:

In the absence of a judicial decision, or an agreement among the original family members, the SCHA will determine which family retains their placement on the waiting list or will continue to receive assistance taking into consideration the following factors: (1) the interest of any minor children, including custody arrangements, (2) the interest of any ill, elderly, or disabled family members, (3) any possible risks to family members as a result of domestic violence or criminal activity, and (4) the recommendations of social service professionals.

For excepted units, the qualifying family member will be entitled to the continuation of the rental assistance. The qualifying member is defined as the household member who does not interrupt their supportive services obligations. Any excepted unit in which the elderly or disabled household member is no longer in residence, the remaining household members will not be entitled to remain in the excepted unit.

#### **EXCEPTIONS TO THE OCCUPANCY CAP [24 CFR 983.261 as amended by HERA]**

The SCHA will not pay housing assistance under a PBV HAP contract for more than 25 percent of the number of dwelling units in a project unless the units are [24 CFR

983.56]:

- In a single-family building;
- Specifically made available for elderly or disabled families; or
- Specifically made available for families receiving supportive services as defined by the SCHA. At least one member must be receiving at least one qualifying supportive service.

If a family at the time of initial tenancy is receiving and while the resident of an excepted unit has

received Family Self-Sufficiency (FSS) supportive services or any other service as defined as defined by the SCHA and successfully completes the FSS contract of participation or the supportive services requirement, the unit continues to count as an excepted unit for as long as the family resides in the unit.

A family (or remaining members of a family) residing in an excepted unit that no longer meets the criteria for a “qualifying family” in connection with the 25 percent per project cap exception (e.g., the family does not successfully complete supportive services requirements, or due to a change in family composition the family is no longer elderly or disabled), must vacate the unit, and the SCHA will cease paying housing assistance payments on behalf of the non-qualifying family.

If the family is moving to a non-excepted PBV unit, the family will have 60 days in which to complete the move. If the family will move with a Housing Choice Voucher, as is likely to be the case with a non-elderly or non-disabled surviving spouse, then the term of the voucher will apply. The SCHA may grant extensions if the family can demonstrate good cause as outlined in this Administrative Plan.

If the family fails to vacate the unit within the established time, the unit must be removed from the HAP contract. It is possible for the HAP contract to be amended to substitute a different unit in the building in accordance with program requirements; or the owner terminates the lease and evicts the family. The SCHA will terminate housing assistance payments for a family residing in an excepted unit that is not in compliance with its family obligations to comply with supportive services requirements.

## **DETERMINING RENT TO OWNER**

### **OVERVIEW**

The amount of the initial rent to an owner of units receiving PBV assistance is established at the beginning of the HAP contract term. Although for rehabilitated or newly constructed housing, the agreement to enter into HAP Contract (Agreement) states the estimated amount of the initial rent to owner, the actual amount of the initial rent to owner is established at the beginning of the HAP contract term.

During the term of the HAP contract, the rent to owner is redetermined at the owner’s request in accordance with program requirements, and at such time that there is a five percent or greater decrease in the published FMR.

### **RENT LIMITS [24 CFR 983.301]**

Except for certain tax credit units (discussed below), the rent to owner must not exceed the lowest of the following amounts:

- An amount determined by the SCHA, not to exceed 110 percent of the applicable fair market rent (or any HUD approved exception payment standard) for the unit bedroom size minus any utility allowance;
- The reasonable rent; or
- The rent requested by the owner.

### **Certain Tax Credit Units [24 CFR 983.301(c)]**

For certain tax credit units wherein the tax credit rent may exceed the applicable Payment Standard, the rent limits are determined differently than for other PBV units. In general, the rent to owner must not exceed the lowest of the tax credit rent minus any utility allowance; the reasonable rent; or the rent requested by the owner.

The SCHA will follow the rules and regulations promulgated by HUD and in effect at the time the HAP contract is executed.

### **Definitions**

A **qualified census tract** is any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50 percent of households have an income of less than 60 percent of Area Median Gross Income (AMGI), or where the poverty rate is at least 25 percent and where the census tract is designated as a qualified census tract by HUD.

**Tax credit rent** is the rent charged for comparable units of the same unit size (i.e., number of bedrooms) in the building that also receive the low-income housing tax credit but do not have any additional rental assistance (e.g., tenant-based voucher assistance).

### **Use of FMRs, Exception Payment Standards, and Utility Allowances [24 CFR 983.301(f)]**

When determining the initial rent to owner, the SCHA will use the most recently published FMR in effect and the utility allowance schedule in effect at execution of the HAP contract.

When redetermining the rent to owner, the SCHA will use the most recently published FMR and the utility allowance schedule in effect at the time of redetermination. The SCHA will not use an earlier FMR for initial rent determination or for redeterminations.

Any HUD-approved exception payment standard amount under the tenant-based voucher program also applies to the project-based voucher program. The same utility allowance schedule applies to both the tenant-based and project-based voucher programs.

For eligible units where the owner is participating in the Low Income Housing Tax Credit Program (LIHTC) and utilizing a utility allowance that has been created according to the program requirements, PBV assisted units may utilize the utility allowance applicable to that property.

### **Redetermination of Rent [24 CFR 983.302]**

The SCHA will redetermine the rent to owner upon the owner's request or when there is a 5 percent or greater decrease in the published FMR.

### ***Rent Increase***

If an owner wishes to request an increase in the rent to owner from the SCHA, it must be requested 60 days prior to the annual anniversary of the HAP contract and include the requested amount of rent being proposed (see Section 16-V.D.). The SCHA will only make rent increases in accordance with the rent limits described previously. There are no provisions in the PBV program for special adjustments (e.g., adjustments that reflect increases in the actual and necessary expenses of owning and maintaining the units which have resulted from substantial general increases in real property taxes, utility rates, or similar costs).

The SCHA will not approve any increase of rent to owner until and unless the owner has

complied with requirements of the HAP contract, including compliance with HQS. The owner will not receive any retroactive increase of rent for any period of noncompliance.

### ***Rent Decrease***

If there is a decrease in the rent to owner, as established in accordance with program requirements such as a change in the FMR or exception payment standard, or reasonable rent amount, the rent to owner will be decreased regardless of whether the owner requested a rent adjustment.

Section 2835 (a) (1) (E) of the Housing and Economic Recovery Act of 2008, (HERA) amends Section 8 (o) (13) (I) of the U. S. Housing Act of 1937 to make permissive a HAP Contract provision that the maximum rent on a unit shall not be less than the initial rent. With the publication of HUD's final guidance on this issue, the SCHA shall limit rent reductions to the initial HAP rents.

### ***Notice of Rent Change***

The rent to owner is redetermined by written notice by the SCHA to the owner specifying the amount of the redetermined rent. The SCHA notice of rent adjustment constitutes an amendment of the rent to owner specified in the HAP contract. The adjusted amount of rent to owner applies for the period of 12 calendar months from the annual anniversary of the HAP contract.

The SCHA will provide the owner with at least 30 days written notice of any change in the amount of rent to owner.

### **SCHA-owned Units [24 CFR 983.301(g)]**

For SCHA-owned PBV units, the initial rent to owner and the annual redetermination of rent at the anniversary of the HAP contract are determined by the independent entity approved by HUD. The SCHA will use the rent to owner established by the independent entity.

### **REASONABLE RENT [24 CFR 983.303]**

At the time the initial rent is established and all times during the term of the HAP contract, the rent to owner for a contract unit will not exceed the reasonable rent for the unit as determined by the SCHA.

### **When Rent Reasonable Determinations are Required**

The SCHA will redetermine the reasonable rent for a unit receiving PBV assistance whenever any of the following occur:

- There is a 5 percent or greater decrease in the published FMR in effect 60 days before the contract anniversary (for the unit sizes specified in the HAP contract) as compared with the FMR that was in effect one year before the contract anniversary date;
- The SCHA approves a change in the allocation of responsibility for utilities between the owner and the tenant;
- The HAP contract is amended to add or substitute a different contract unit in the same building; or

- There is any other change that may substantially affect the reasonable rent.

## **How to Determine Reasonable Rent**

The reasonable rent of a unit receiving PBV assistance will be determined by comparison to rent for other comparable unassisted units. When making this determination, the SCHA will consider factors that affect market rent. Such factors include the location, quality, size, type and age of the unit, as well as the amenities, housing services maintenance, and utilities to be provided by the owner.

### ***Comparability Analysis***

For each unit, the comparability analysis must use at least three comparable units in the private unassisted market. This may include units in the premises or project that are receiving project-based assistance. The analysis will show how the reasonable rent was determined, including major differences between the contract units and comparable unassisted units, and will be retained by the SCHA. The comparability analysis may be performed by SCHA staff or by another qualified person or entity. Those who conduct these analyses or are involved in determining the housing assistance payment based on the analyses will not have any direct or indirect interest in the property.

### **SCHA-owned Units**

For SCHA-owned units, the amount of the reasonable rent will be determined by an independent agency approved by HUD in accordance with PBV program requirements. The independent entity will provide a copy of the determination of reasonable rent for SCHA-owned units to the SCHA and to the HUD field office where the project is located.

### **Owner Certification of Reasonable Rent**

By accepting each monthly housing assistance payment, the owner certifies that the rent to owner is not more than rent charged by the owner for other comparable unassisted units in the premises. At any time, the SCHA may require the owner to submit information on rents charged by the owner for other units in the premises or elsewhere.

### **EFFECT OF OTHER SUBSIDY AND RENT CONTROL**

In addition to the rent limits discussed above, other restrictions may limit the amount of rent to owner in a PBV unit. In addition, certain types of subsidized housing are not even eligible to receive PBV assistance.

#### **Other Subsidy [24 CFR 983.304]**

At its discretion, the SCHA may reduce the initial rent to owner because of other governmental subsidies, including tax credit or tax exemption, grants, or other subsidized financing.

For units receiving assistance under the HOME program, rents will not exceed rent limits as required by that program.

For units in any of the following types of federally subsidized projects, the rent to owner will not exceed the subsidized rent (basic rent) or tax credit rent as determined in accordance with requirements for the applicable federal program:

- An insured or non-insured Section 236 project;
- A formerly insured or non-insured Section 236 project that continues to receive Interest Reduction Payment following a decoupling action;
- A Section 221(d)(3) below market interest rate (BMIR) project;
- A Section 515 project of the Rural Housing Service;
- Any other type of federally subsidized project specified by HUD.

### **Combining Subsidy**

Rent to owner will not exceed any limitation required to comply with HUD subsidy layering requirements.

### **Rent Control [24 CFR 983.305]**

In addition to the rent limits set by PBV program regulations, the amount of rent to owner also may be subject to rent control or other limits under local, state, or federal law. [Note: Schuylkill County does not have rent control.]

## **PAYMENTS TO OWNER**

### **HOUSING ASSISTANCE PAYMENTS [24 CFR 983.351]**

During the term of the HAP contract, the SCHA will make housing assistance payments to the owner in accordance with the terms of the HAP contract. During the term of the HAP contract, payments will be made for each month that a contract unit complies with HQS and is leased to and occupied by an eligible family. The housing assistance payment will be paid to the owner on or about the first day of the month for which payment is due, unless the owner and the SCHA agree on a later date.

Except for vacancy payments, the SCHA will not make any housing assistance payment to the owner for any month after the month when the family moves out of the unit (even if household goods or property are left in the unit).

The amount of the housing assistance payment by the SCHA is the rent to owner minus the tenant rent (total tenant payment minus the utility allowance).

In order to receive housing assistance payments, the owner must comply with all provisions of the HAP contract. Unless the owner complies with all provisions of the HAP contract, the owner does not have a right to receive housing assistance payments and under the following conditions:

- Vacancy payments to the owner will be paid for up to two calendar months (based on a 30-day month) in an amount equal to the SCHA's HAP for the family that last occupied that unit.
- The owner is not eligible to receive any vacancy payments beyond the second calendar month after the unit becomes vacant.
- The owner is not eligible to receive any vacancy payments if the unit does not meet Housing Quality Standards as a result of the owner's negligence and/or if the owner is receiving payments in lieu of rent/HAP from any other source (e.g., insurance company). If the owner is receiving payments in lieu of rent/HAP from any other source that does not include any of the sixty-day period permitted for vacancy payments and all other conditions for vacancy payments have been met, the owner shall be entitled to vacancy payments for the portion of the sixty-day period not covered by the third party payments.
- The owner will receive vacancy payments only if the vacancy is not the owner's fault and the owner has taken every feasible action to minimize the likelihood and length of the vacancy.

#### **VACANCY PAYMENTS [24 CFR 983.352]**

If an assisted family moves out of the unit, the owner may keep the housing assistance payment for the calendar month when the family moves out. Vacancy payments also will be paid to the owner in accordance with the terms of the HAP contract and under the following conditions:

- Vacancy payments to the owner will be paid for up to two calendar months (based on a 30-day month) in an amount equal to the SCHA's HAP for the family that last occupied that unit.
- The owner is not eligible to receive any vacancy payments beyond the second calendar month after the unit becomes vacant.
- The owner is not eligible to receive any vacancy payments if the unit does not meet Housing Quality Standards and/or if the owner is receiving payments in lieu of rent/HAP from any other source (e.g., insurance company).
- The owner will receive vacancy payments only if the vacancy is not the owner's fault and the owner has taken every feasible action to minimize the likelihood and length of the vacancy.



### **TENANT RENT TO OWNER [24 CFR 983.353]**

The tenant rent is the portion of the rent to owner paid by the family. The amount of tenant rent is determined by the SCHA in accordance with HUD requirements. Any

changes in the amount of tenant rent will be effective on the date stated in the SCHA notice to the family and owner.

The family is responsible for paying the tenant rent (total tenant payment minus the utility allowance). The amount of the tenant rent determined by the SCHA is the maximum amount the owner may charge the family for rental of a contract unit. The tenant rent covers all housing services, maintenance, equipment, and utilities to be provided by the owner. The owner may not demand or accept any rent payment from the tenant in excess of the tenant rent as determined by the SCHA. The owner must immediately return any excess payment to the tenant.

### **Tenant and SCHA Responsibilities**

The family is not responsible for the portion of rent to owner that is covered by the housing assistance payment and the owner may not terminate the tenancy of an assisted family for nonpayment by the SCHA.

Likewise, the SCHA is responsible only for making the housing assistance payment to the owner in accordance with the HAP contract. The SCHA is not responsible for paying tenant rent, or any other claim by the owner, including damage to the unit. The SCHA will not use housing assistance payments or other program funds (including administrative fee reserves) to pay any part of the tenant rent or other claim by the owner.

### **Utility Reimbursements**

If the amount of the utility allowance exceeds the total tenant payment, the SCHA will pay the amount of such excess to the tenant as a reimbursement for tenant-paid utilities, and the tenant rent to the owner must be zero.

### **OTHER FEES AND CHARGES [24 CFR 983.354] Meals and Supportive Services**

With the exception of PBV assistance in assisted living developments, the owner may not require the tenant to pay charges for meals or supportive services. Non-payment of such charges is not grounds for termination of tenancy.

In assisted living developments receiving PBV assistance, the owner may charge for meals or supportive services. These charges will not be included in the rent to owner, nor will the value of meals and supportive services be included in the calculation of the reasonable rent. Non-payment of such charges, however, is grounds for termination of the lease by the owner in an assisted living development.

**Other Charges by Owner**

The owner may not charge extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants in the premises.

## **GLOSSARY**

### **A. ACRONYMS USED IN SUBSIDIZED HOUSING**

<b>AAF</b>	Annual Adjustment Factor. A factor published by HUD in the Federal Register which is used to compute annual rent adjustment.
<b>ACC</b>	Annual Contributions Contract
<b>BR</b>	Bedroom
<b>CDBG</b>	Community Development Block Grant
<b>CFR</b>	Code of Federal Regulations. Commonly referred to as "the regulations". The CFR is the compilation of Federal rules which are first published in the Federal Register and define and implement a statute.
<b>CPI</b>	Consumer Price Index. CPI is published monthly by the Department of Labor as an inflation indicator.
<b>ELI</b>	Extremely Low-Income
<b>FDIC</b>	Federal Deposit Insurance Corporation
<b>FHA</b>	Federal Housing Administration
<b>FICA</b>	Federal Insurance Contributions Act - Social Security taxes
<b>FmHA</b>	Formerly known as: Farmers Home Administration – Now Rural Development Services (RDS)
<b>FMR</b>	Fair Market Rent
<b>FY</b>	Fiscal Year
<b>FYE</b>	Fiscal Year End
<b>GAO</b>	Government Accounting Office
<b>GFC</b>	Gross Family Contribution. Note: Has been replaced by the term Total Tenant Payment (TTP).
<b>GR</b>	Gross Rent
<b>HAP</b>	Housing Assistance Payment
<b>HAP Plan</b>	Housing Assistance Plan
<b>HCDA</b>	Housing and Community Development Act

<b>SCHA</b>	Schuylkill County Housing Authority
<b>HQS</b>	Housing Quality Standards
<b>HUD</b>	The Department of Housing and Urban Development or its designee.
<b>HURRA</b>	Housing and Urban/Rural Recovery Act of 1983; resulted in most of the 1984 HUD regulation changes to definition of income, allowances, rent calculations
<b>IG</b>	Inspector General
<b>IGR</b>	Independent Group Residence
<b>IPA</b>	Independent Public Accountant
<b>IRA</b>	Individual Retirement Account
<b>MSA</b>	Metropolitan Statistical Area established by the U.S. Census Bureau
<b>PHA</b>	Public Housing Agency
<b>PMSA</b>	A Primary Metropolitan Statistical Area established by the U.S. Census Bureau
<b>PS</b>	Payment Standard
<b>QC</b>	Quality Control
<b>RDS</b>	Rural Development Services
<b>RFTA</b>	Request for Tenancy Approval
<b>RFP</b>	Request for Proposals
<b>RRP</b>	Rental Rehabilitation Program
<b>SRO</b>	Single Room Occupancy
<b>SSMA</b>	Standard Statistical Metropolitan Area. Has been replaced by MSA, Metropolitan Statistical Area.
<b>TR</b>	Tenant Rent
<b>TTP</b>	Total Tenant Payment
<b>UE</b>	Utility Estimate

**UAP**

Utility Assistance Payment

## **B. GLOSSARY OF TERMS IN SUBSIDIZED HOUSING**

These definitions are provided for the reader's convenience. They do not supersede the definitions found in HUD's program regulations for the same terms. In the case of conflict with HUD's definitions, HUD's definitions will prevail.

### ***Absorption***

In portability, the point at which a receiving HA stops billing the initial HA for assistance on behalf of a portable family. The receiving HA uses funds available under the receiving HA consolidated ACC.

### ***ACC***

Annual Contributions Contract. A written contract between HUD and an HA. Under the contract, HUD agrees to provide funding for operation of the program, and the HA agrees to comply with HUD requirements for the program.

### ***ACC reserve account (formerly "project reserve")***

Account established by HUD from amounts by which the maximum payment to the HA under the consolidated ACC (during an HA fiscal year) exceeds the amount actually approved and paid. This account is used as the source of additional payments for the program.

### ***Administrative fee***

Fee paid by HUD to the HA for administration of the Section 8 program.

### ***Administrative fee reserve (formerly "operating reserve")***

Account established by the HA from excess administrative fee income. The administrative fee reserve will be used for housing purposes.

### ***Administrative plan***

The administrative plan describes HA policies for administration of the tenant-based programs.

### ***Admission***

The point when the family becomes a participant in the program. The date of admission is the effective date of the first HAP contract for a family (first day of initial lease term) in a tenant-based program.

### ***Applicant***

A family that has applied for admission to the program, but is not yet a participant.

### ***Brief period***

Thirty calendar days or less.

### ***Contiguous MSA***

In portability, an MSA that shares a common boundary with the MSA in which the jurisdiction of the initial HA is located.

**Continuously assisted**

An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the housing choice voucher program. A family is not considered “continuously assisted” if it has not participated in a program under the 1937 Housing Act for a period of 180 calendar days or longer.

**Conviction**

Found guilty by a court of law.

**Days**

Consecutive calendar days, unless specified as working days. Where specified as working days, weekends and official Federal holidays are not counted.

**Drug related criminal activity**

Term means: (1) Drug-trafficking; or (2) Illegal use, or possession for personal use, of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

**Drug-trafficking**

The illegal manufacture, sale or distribution, or the possession with intent to manufacture, sell or distribute, of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

**Eviction**

A termination or initiation of a proceeding to terminate a tenancy by a court of law.

**Extension of time**

*(for HQS inspection repairs)* Allows additional time, usually not more than 30 calendar days, to complete the required repairs, during which time the HAP payment may:

1. continue to be paid in full;
2. be withheld and retroactively repaid in full; or
3. be withheld and reduced appropriately when payments resume or HAP contract is terminated.

**Family**

All the members of a household under one roof and consisting of approved household members as listed on the HAP contract or as subsequently approved by both the owner and the PHA. PHA recognizes that a variety of relationships exist, which are not necessarily relationships of ancestry or marriage. A family may consist of a single individual.

A family is either a single person or a group of persons and includes:

- A household with or without children. A child who is temporarily away from home due to placement in foster care should be considered a member of the family.
- An elderly family, which is defined as a family whose head, co-head, spouse, or sole member is at least 62 years of age; or two or more persons, each of whom are at least 62, living together; or one or more persons who are at least 62 living with one or more live-in aides.

- A disabled family, which means a family whose head, co-head, spouse, or sole member, is a person with disabilities; or two or more persons with disabilities; or one or more persons with disabilities with one or more live-in aides.
- A displaced family, which is a family in which each member or the sole member is a person displaced by governmental action, or whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized by federal disaster relief laws.
- A remaining member of a tenant family is a family member of an assisted tenant family who remains in the unit when other members of the family have left the unit.
- A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

***FAMILY OF VETERAN OR SERVICE PERSON.***

A family is a "family of veteran or service person" when:

- The veteran or service person (a) is either the head of household or is related to the head of the household; or (b) is deceased and was related to the head of the household, and was a family member at the time of death.
- The veteran or service person, unless deceased, is living with the family or is only temporarily absent unless s/he was (a) formerly the head of the household and is permanently absent because of hospitalization, separation, or desertion, or is divorced; provided, the family contains one or more persons for whose support s/he is legally responsible and the spouse has not remarried; or (b) not the head of the household but is permanently hospitalized; provided, that s/he was a family member at the time of hospitalization and there remain in the family at least two related persons.

***FULL-TIME STUDENT.***

A person who is attending school or vocational training on a full-time basis (carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended).

***Gross Rent***

The sum of the actual rent to owner and the HA allowance for tenant-paid utilities

***HAP contract***

The contract between the SCHA and the owner that allows the SCHA to make housing assistance payments directly to the owner on a program participant's behalf.

***HAP payment***

The subsidy paid to the owner, by the SCHA, on behalf of a program participant.



***HAP payment - Suspend***

The HAP payment is not being made; e.g., payment is terminated or withheld, regardless of the reason.

***HAP payment - Terminate***

Stops housing assistance payments to the owner until the required repairs are completed.

Once the HAP payment is terminated, no retroactive payment, either partial or full, may be made to the owner.

***HAP payment - Withhold***

Stops the HAP payment to the owner during an extension of time, after which a retroactive payment, either partial or full, may be provided.

*The distinction between withholding the HAP payment and terminating the HAP payment is that withholding is done during an extension period, which allows a retroactive payment to be made.*

***Housing agency***

Any agency that administers federal or state housing assistance programs. Abbreviated as HA. A local housing authority is an HA. The SCHA is an HA.

***Housing Quality Standards (HQS)***

HQS refers to HUD's HQS as amended applying local standards and codes. Units will meet HQS at all times. Once a unit is under a HAP contract, a primary contractual obligation of the owner and the SCHA is to ensure that the unit continues to meet all HQS.

***Household***

Family members and others who live under the same roof.

***Initial HA***

In portability, the term refers to both:

1. An HA that originally selected a family that subsequently decides to move out of the jurisdiction of the selecting HA.
2. An HA that absorbed a family that subsequently decides to move out of the jurisdiction of the absorbing HA.

***Initial lease term***

The initial term of the assisted lease. The initial lease term will be for at least one year.

***Initial rent to owner***

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

***Jurisdiction***

The area in which the HA has authority under State and local law to administer the program.

The jurisdiction of the SCHA is Schuylkill County excluding City of Pottsville, Pennsylvania.

***Lease***

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

***Lease addendum***

In the lease between the tenant and the owner, the lease language required by HUD.

***Minimum Rent***

The minimum amount of rent that a Housing Agency must charge a resident to comply with the 1998 Act. The SCHA's minimum rent is **\$50.00**.

***Owner***

Any person or entity with the legal right to lease a unit to a participant.

***Participant***

A family that has been admitted to the SCHA program, and is currently assisted in the program. A family becomes a participant on the effective date of the first HAP contract executed by the SCHA for the family (first day of initial lease term).

***Payment standard***

In the HCV program, an amount used by the HA to calculate the housing assistance payment for a family. Each payment standard amount is based on the fair market rent. The HA adopts a payment standard for each bedroom size and for each fair market rent area in the HA jurisdiction. The payment standard for a family is the maximum monthly subsidy payment.

***Person with disabilities***

1. In the Housing Choice Voucher program: for the purposes of reasonable accommodation and program accessibility for persons with disabilities, the term "person with disabilities" means "individual with handicaps" as defined in 24 CFR 8.3.
2. For purposes of determining eligibility based upon disability status, "person with disabilities" is defined for the Section 8 programs in Section 3(b)(3)(e) of the United States Housing Act of 1937.

***Portability***

The term *portability* refers to a Section 8 family's right to move from the jurisdiction of one HA into the jurisdiction of another HA while continuing to receive Section 8 rental assistance. A family's housing needs change over time with changes in family size, job locations, and other reasons. Portability was designed to allow families to move in response to changing circumstances, without the loss of their rental assistance. Under the Section 8 Housing Choice Voucher program, assisted families may choose a unit

anywhere in the United States where there is a HA administering the Section 8 Housing Choice Voucher program.

**Public housing**

Federally-assisted public housing.

**Quality in Housing and Work Responsibility Act** (as amended)

Signed by the President in 1998, the act is a comprehensive overhaul of public and assisted housing. Also referred to as “the 1998 Act” or “QHWRA”.

**Reasonable rent**

A rent to owner that is not more than either:

1. Rent charged for comparable units in the private unassisted market; or
2. Rent charged by the owner for a comparable assisted or unassisted unit in the building or premises.

**Receiving HA**

In portability, a HA that receives a family selected for participation in the tenant-based program of another HA. The receiving HA issues a voucher, and provides program assistance to the family. If the receiving HA has no available vouchers then the initial HA pays the subsidy for the family.

**Repairs completed**

The repairs have been completed to the satisfaction of the SCHA, and in compliance with HQS.

**Recovering addict**

A person that: 1) has completed a supervised drug rehabilitation program and is not currently engaged in the illegal use of a controlled substance; or has otherwise successfully been rehabilitated and not currently illegally using drugs; or, 2) is involved in a supervised rehabilitation program and not currently illegally using drugs; and is involved in a self-help group, such as Narcotics Anonymous, and not currently illegally using drugs.

**Repeated**

An occurrence of an event two or more times within a twelve-month period, beginning with the date of the first occurrence.

**Subsidy**

Share of federal funds paid by the SCHA for housing assistance.

**Suspension**

Stopping the clock on the term of a family's voucher, for such period as determined by the HA, from the time when the family submits a request for HA approval to lease a unit, until the time when the HA approves or denies the request.

**Tenant**

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

***Threatening, abusive or violent behavior***

Threatening behavior refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence. Abusive or violent behavior includes verbal as well as physical violence or abuse. Verbal abuse includes use of expletives that are generally considered insulting, racial epithets, or other language that is customarily used to insult or intimidate.

***Violent criminal activity***

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

***Voucher (rental voucher)***

A document issued by a HA to a family selected for admission to the voucher program. The voucher describes the HCV program, and the procedures for HA approval of a unit selected by the family. The voucher also states the obligations of the family under the program.

## C. GLOSSARY OF TERMS USED IN THE NONCITIZENS RULE

**CHILD.** A member of the family other than the family head or spouse who is under 18 years of age.

**CITIZEN.** A citizen or national of the United States.

**EVIDENCE OF CITIZENSHIP OR ELIGIBLE STATUS.** The documents which must be submitted to evidence citizenship or eligible immigration status.

**HEAD OF HOUSEHOLD.** The adult member of the family who is the head of the household for purpose of determining income eligibility and rent.

**HUD.** Department of Housing and Urban Development.

**INS.** The U.S. Immigration and Naturalization Service.

**MIXED FAMILY.** A family whose members include those with citizenship or eligible immigration status and those without citizenship or eligible immigration status.

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

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

**PHA.** A housing authority who operates Public Housing.

**RESPONSIBLE ENTITY.** The person or entity responsible for administering the restrictions on providing assistance to noncitizens with ineligible immigration status (the PHA).

**SECTION 214.** Section 214 restricts HUD from making financial assistance available for noncitizens unless they meet one of the categories of eligible immigration status specified in Section 214 of the Housing and Community Development Act of 1980, as amended (42 U.S.C. 1436a).

**SPOUSE.** Spouse refers to the marriage partner, either a husband or wife, who is someone you need to divorce in order to dissolve the relationship. It includes the partner in a common-law marriage. It does not cover boyfriends, girlfriends, significant others, or "co-heads." "Co-head" is a term recognized by some HUD programs, but not by public and Indian housing programs.