City of Scottsdale
Housing Choice Voucher Program

Administrative Plan

2020

Table of Contents

CHAPTER 1- Program Authority and Objectives 12
1.1 Applicable Regulations 12
1.2 SHA Mission 12
1.3 Purpose of the Administrative Plan 12
1.4 Approval of Plan and Use of Administrative Fee Reserves 12
CHAPTER 2 - General Administrative Provisions and Polices 13
2.1 Confidentiality and Privacy Policy 13
2.2 Record Retention Policy 13
CHAPTER 3- General Fair Housing Policies 14
3.1 Nondiscrimination Policy 14
3.3 Owner Nondiscrimination Requirements 15
3.4 Family Outreach and Affirmative Marketing 16
3.5 Owner Outreach 16
3.6 Language Assistance Plan and Limited English Proficiency Policy 17
3.6.1 LEP Options 17
3.7 Reasonable Accommodation Policy 17
3.7.1 Legal Authority 18
3.7.2 Definition of Disability 19
3.7.3 Examples of Reasonable Accommodations 19
3.8 Live in Aide Policy 19
3.9 Physical Impairment Policy 20
3.10 Violence against Women Reauthorization Act Policy (VAWA) 20
3.10.1 VAWA - Notification of Rights 21
3.10.2 VAWA - Confidentiality 21
3.10.3 VAWA - Documentation 21
3.10.4 VAWA Lease Bifurcation 22
3.10.5 Limitation On VAWA Protection 22
CHAPTER 4- Applying to the Program and Waiting List 24

4.1 Opening and Closing the Waiting List 24
4.2 Application Process 24
4.3 Maintaining the Waiting List 25
4.4 Updating the Waiting List 25
4.5 Change in Circumstances 26
4.6 Local Preferences 27
4.7 Waiting List Placement 28
4.8 Assistance Targeted by HUD 28
4.9 Continuously Assisted Families 28
4.10 Relocation of Witnesses and Victims of Crime 28
4.11 Income Targeting Policy 28
4.12 Selection from the Waiting List Notification 29
Chapter 5-Initial and Continuing Eligibility 30
5.1 Qualifications for Admission 30
5.1.1 Income Eligibility 30
5.1.2 Social Security Number Disclosure 30
5.1.3 Citizenship Requirements 31
5.2 Family Definition 31
5.2.1 Head of Household 32
5.2.2 Joint Custody 32
5.2.3 Family Break Up 32
5.2.4 Remaining Family Member 33
5.3 Student Head of Household 33
5.4 Guests/Visitors 33
5.5 Eligibility Process 34
5.5.1 Eligibility Notification 35
5.6 Criminal Background and Credit History Policy 35
5.6.1 Drug Abuse Treatment Information 35

5.7 Duplicative Assistance 35
5.8 Absences from the Unit 36
5.8.1 Absent Family Member 36
5.8.2 Absence of Entire Family 37
5.8.3 Absent Student 37
5.8.4 Absences Due to Placement in Foster Care 37
5.8.5 Caretaker for a Child 37
5.8.6 Absent Head or Spouse Due to Employment 38
5.8.7 Absence Due to Incarceration 38
5.8.8 Individuals Absent (Confined) for Medical Reasons 38
CHAPTER 6: Tenant Rent and Housing Assistance Payment Calculation 39
6.1 Definition of Income 39
6.1.1 Alimony and Child Support 40
6.1.2 Sporadic income 40
6.1.3 Regular Contributions and Gifts 40
6.1.4 Incremental Earnings 41
6.2 Earned Income Disallowance (EID) Policy 41
6.2.1 Disallowance of Earned Income 41
6.3 Business Income 42
6.3.1 Business Expansion 42
6.3.2 Capital Indebtedness 42
6.3.3 Acceptable Investments 42
6.3.4 Co-Owned Businesses 42
6.4 Assets 42
6.4.1 Jointly Owned Assets 43
6.4.2 Disposed Assets 43
6.4.3 Checking and Savings Accounts 44
6.4.4 Investments 44

6.4.5 Real Property, Personal Property, Other Capital Investments 44
6.5 Lump Sum Payments 45
6.5.1 Prospective Calculation Methodology 45
6.5.2 Retroactive Calculation Methodology 45
6.5.3 Attorney Fees 45
6.6 Excluded Income 45
6.6.1 Excluded Periodic Payment 47
6.6.2 Income from Training Programs 47
6.7 Deductions from Income 47
6.7.1 Anticipating Expenses 47
6.7.2 Medical and Dental Expenses 47
6.7.3 Disability Assistance Expenses 47
6.7.4 Both Medical and Disability Expenses 48
6.7.5 Child Care 48
6.8 Anticipating Income 50
6.9 Future Changes 50
6.10 Total Tenant Rent and HAP 50
6.10.1 Payment Standards 51
6.10.2 Utility Allowances and Utility Reimbursements 51
6.10.3 Welfare Rent 52
6.11 Minimum Rent and Hardship Exemptions 52
CHAPTER 7: Request for Tenancy Approval and Leasing 54
7.1 Information to Owners 54
7.2 Allowable Housing Types 54
7.3 Request for Tenancy Approval (RFTA) 55
7.3.1 Tenancy Addendum 56
7.3.2 Dwelling Lease 56
7.4 Voucher Term 56

7.4.1 Voucher Extensions 56
7.4.2 Voucher Suspension 57
7.5 Subsidy Standards 57
7.5.1 Subsidy Standards Chart 57
7.5.2 Exceptions to Subsidy Standards 58
7.5.3 Unit Size Selected by Family 59
7.5.4 Under-Housed and Over-Housed Families 59
7.6 Security Deposit 59
7.7 Separate Agreements 59
7.8 Initial Rent Burden 60
7.9 Disapproval of RFTA 60
7.10 Owner Disapproval 60
CHAPTER 8: Housing Standards and Inspections and Rent Reasonableness 63
8.2 Initial Inspections 63
8.3 Biennial UPCS-V Inspections 63
8.4 Special Inspections 64
8.5 Quality Control Inspections 64
8.6 Scheduling Inspections and Family Attendance 64
8.6.1 Missed and Rescheduled Inspections 64
8.7 Emergency Inspections 65
8.8 UPCS-V Certifications 66
8.9 Extensions 66
8.10 Family Responsibilities 67
8.11 Owner Responsibilities 67
8.11.1 Lead Safe Homes Rule 67
8.12 Rent Reasonableness 68
8.12.1 Decreases in the Fair Market Rent 69
8.12.2 Methodology 69

CHAPTER 9: Housing Assistance Payment Contract 71
9.1 HAP Payments 71
9.2 Owner Rent Increases 72
9.3 Unit Ownership Changes 72
9.4 HAP Contract hearins 73
CHAPTER 10: Verifications 75
10.1 Methods of Verification 75
10.1.1 EIV Verification Process 75
10.1.3 Third Party Written Verifications 76
10.1.4 Third Party Oral Verifications 76
10.1.5 Family Self-Certifications 76
10.2 Eligibility Verifications 76
10.3 Legal Identity Verification 77
10.3.1 Marriage Verification 77
10.3.2 Separation or Divorce Verification 78
10.3.3 Adult Member Absence Verification 78
10.3.4 Foster Children and Foster Adults Verification 78
10.4.5 Student Status Verification 78
10.3.6 Student Head of Households 78
10.3.7 Disabled Status Verification 79
10.3.8 US Citizens and Nationals 79
10.4 Verification of Income 80
10.4.1 Wage Verification 80
10.4.2 Tip Income Verification 80
10.4.3 Bonus Income Verification 80
10.4.4 Business and Self Employment Income Verification 80
10.4.5 Social Security and SSI Benefits Verification 81
10.4.6 Alimony and Child Support Verification 81

10.4.7 Zero Income Verification 81
10.4.8 Student Financial Assistance 81
10.5 Verification of Assets 82
10.5.1 Assets Disposed of for Less Than Fair Market Value Verification 82
10.5.2 Income from Rental Verification 83
10.5.3 Retirement Account Verifications 83
10.6 Verification of Expenses 83
10.6.1 Medical Expenses 83
10.6.2 Disability Assistance Expenses 84
10.6.3 Child Care Expense Verification 84
CHAPTER 11: ONGOING PROGRAM OPERATIONS 86
11.1 Annual Re-Certifications 86
11.1.1 Streamlined Income Determinations 86
11.2 Interim Reexaminations 87
11.2.1 Changes to Household Composition 87
11.2.2 Interim Changes Affecting Income or Expenses 88
11.2.3 SHA-Initiated Interim Re-certifications 88
11.2.4 Interim Re-certification Effective Dates 88
11.3 Family Moves 89
11.3.1 Denial of Moves 90
11.3.2 Move Process 91
11.3.3 Duplicate Housing Assistance Payments with a Move 91
11.4 Portability 91
11.4.1 Outgoing Portability 91
11.4.2 Incoming Portables 92
CHAPTER 12: Denial of Assistance to Applicants and Termination of Assistance to Participants 93
12.1 Evidence and Considerations 93
12.2 Denial of Assistance 94

12.3 Notice of Denial 95
12.4 Denial of Assistance for Noncitizens 96
12.5 Grounds for Termination 96
12.6 Termination Notification 100
12.7 Removal of a Family Member from the Application 101
12.8 Reasonable Accommodation Related to Denials or Terminations 101
12.9 Repayment Agreements 102
Repayment Agreement Options 102
Creating and Reporting Tenant Repayment Agreements 102
Rules Governing Payments and Changes to Existing Agreements 102
CHAPTER 13: Informal Reviews and Informal Hearings 104
13.1 Informal Review Policy 104
13.2 Informal Hearing Policy 105
13.3 Conducting Informal Hearings 106
13.3.1 Hearing Decision 106
13.3.2 Invalid Decisions 106
13.3.3 Rights of the Applicant/Family and SHA 107
13.3.4 Review/Hearing Process 107
13.3.5 Decisions Not Binding to SHA 109
13.3.6 Hearing Provisions for Restrictions on Assistance to Non-Citizens 109
13.4 USCIS Determination of Ineligibility 109
CHAPTER 14: Program Integrity 111
14.1 Detecting Errors and Program Abuse 111
14.2 Consideration of Remedies 111
14.3 Notice and Effective Dates 112
14.4 Family Prohibited Actions 112
14.5 SHA Prohibited Activities 113
14.6 Owner Prohibited Activities 113

14.6.1 Owner Remedies and Penalties 114
14.6.2 Corrections to Subsidy Payments 114
CHAPTER 15: Project Based Vouchers 116
15.1 Overview 116
15.2 Proposal Selection 116
15.2.1 SHA Request for Proposals Method for Rehabilitated and Newly Constructed Units 116
15.2.2 SHA Requests for Proposals for Existing Housing Units 117
15.2.3 SHA Selection of Proposals Subject to a Previous Competition under a Federal, State, or Local Housing Assistance Program 117
15.3 Notice of Owner Selection 118
15.4 Agreement to Enter into HAP Contract 118
15.5 Site Selection Standards 118
15.5.1 SHA Owned Units 119
15.5.2 Eligible Units/Cap on PBV Units 119
15.6 Uniform Relocation Act 119
15.7 Housing Assistance Payments (HAP) Contracts 119
15.7.1 Term of the HAP Contract 120
15.7.2 Extending the HAP Contact 120
15.7.3 Amendments to the HAP Contract 120
15.8 Unit Inspections 120
15.8.1 Lead-based Paint 121
15.9 Initial Rent and Rent Increases 121
15.9.1 Initial Rent 121
15.9.2 Rent Increases 121
15.10 Tenant Selection 121
15.11 Unit Moves/Transfers 122
Overcrowded, Under-Occupied, and Accessible Units 122
15.11.1 Moves Requested by the Tenant 123

15.11.2 Moves from Excepted Units 123
15.12 Vacancy Payments 124
15. Reduction in HAP Contract Due to Vacancies 124
CHAPTER 16: CARES Act Statutory and Regulatory Waivers Adopted 125

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CHAPTER 1- Program Authority and Objectives

Link: United States Housing Act of 1937

City of Scottsdale Housing Agency (SHA) manages the Housing Choice Voucher (HCV) Program and other housing programs in the geographic area covering the city of Scottsdale, Arizona. Through its assisted housing programs, eligible families are provided the opportunity to obtain decent, safe and sanitary housing.

Administration of SHA's Housing Programs and the functions and responsibilities of SHA staff are in compliance with SHA's policies and procedures, the Department of Housing and Urban Development's (HUD) regulations, and all applicable Federal, State and local fair housing laws.

1.1 Applicable Regulations

- 24 CFR Part 5: General Program Requirements
- 24 CFR Part 8: Nondiscrimination
- 24 CFR Part 35: Lead Safe Housing
- 24 CFR Part 903: Public Housing Agency Plans
- 24 CFR Part 982: Section 8 Tenant Based Assistance
- 24 CFR Park 983: Project Based Vouchers
- 24 CFR Part 985: Section 8 Management Assessment Program
- 24 CFR Part 100: Discriminatory Conduct Under the Fair Housing Act

1.2 SHA Mission

The City of Scottsdale Housing Agency mission is to improve the lives of Scottsdale families by providing quality housing opportunities, avenues to become self-sufficient, and serving all citizens with dignity and respect.

1.3 Purpose of the Administrative Plan

Link: 24 CFR.982.54

The Administrative Plan (Plan) establishes policies for implementation and administration of the Housing Choice Voucher Program administered by the SHA. The Plan covers both admission to and continued participation in the Tenant Based, Project Based and RAD/PBV Housing Choice Voucher programs.

Issues not addressed in this document related to applicants, families and owners are governed by the Department of Housing and Urban Development Code of Federal Regulations, HUD guidance, or other applicable law. When circumstances arise and are not addressed by provisions in this Plan, they will be reviewed on a case-by-case basis. If a conflict arises between or among the regulations identified in this Plan, the regulations specifically stated for the applicable program will take precedence.

1.4 Approval of Plan and Use of Administrative Fee Reserves

Link: 24 CFR 982.155

Expenditures from the administrative fee reserve, also known as the unrestricted net position, will be made in accordance with all applicable Federal requirements.

CHAPTER 2 - General Administrative Provisions and Polices

2.1 Confidentiality and Privacy Policy

Link: 24 CFR 5.212; HUD Form 9886

It is the policy of SHA to guard the privacy of applicants and families, and ensure the protection of records in accordance with the Privacy Act of 1974. SHA will not disclose any personal information (including, but not limited to information on any disability) contained in its records to any person or agency unless the individual about whom the information is requested gives written consent to such disclosure, or as required by law.

This privacy policy does not limit SHA's ability to collect such information as it may need to determine eligibility, compute housing assistance, and does not prohibit the SHA from disclosing information to local law enforcement if the family is suspected of being involved in criminal or legal activity.

All applicant and family information will be kept in a secure location and access will be limited to authorized SHA staff. SHA staff will not discuss personal family information unless there is a business reason to do so.

2.2 Record Retention Policy

Link: 24 CFR 908.101; 24 CFR 35 Subpart B

The SHA will keep all documents related to a family's eligibility, tenancy, and termination in accordance with HUD, State of Arizona and the City of Scottsdale requirements.

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CHAPTER 3- General Fair Housing Policies

3.1 Nondiscrimination Policy

Links: Fair Housing Act (42 U.S.C); Section 504 of the Rehabilitation Action of 1973; Joint Statement of HUD and DOJ 5/17/14) and 24 CFR 982.54(d) (6)); 982.301(b) (10); 982.304

SHA will not discriminate because of race, color, sex (includes, but is not limited to, pregnancy, childbirth, or medical conditions related to pregnancy or childbirth, as well as gender identity and gender expression), religion, marital or familial status, age, disability, medical condition, national origin, ancestry, source of income, and sexual orientation. Familial status includes children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18.

SHA provides information regarding Fair Housing and non-discrimination in housing on its website, in outreach materials, posters at its office, in the family briefing session and program packets, and owner meetings. When needed, SHA will also assist with how to fill out and file a housing discrimination complaint.

3.2 Complying with Civil Rights Laws

It is the policy of the SHA to comply with all federal, state and local non-discrimination laws, rules and regulations governing fair housing and equal opportunity in housing and employment now in effect and subsequently enacted, including, but not limited to:

- Title VI of the Civil Rights Act of 1964, which forbids discrimination on the basis of race, color, religion, national origin or sex.
- Title VIII of the Civil Rights Act of 1968 (as amended by the 1974 HCDA and the Fair Housing Amendments Act of 1988), which extends protection against discrimination based on disability and familial status, and spell out forms of prohibited discrimination
- Executive Order 11063 which prohibits discrimination in federally funded housing.
- Section 504 of the Rehabilitation Action of 1973, which describes specific housing rights of persons with disabilities
- Age Discrimination Act of 1975 which prohibits discrimination based on age in programs or activities that receive federal financial assistance
- Title II of the Americans with Disabilities Act, otherwise Section 504 and the Fair Housing Amendments govern (Title II deals with common areas and public space, not living units)
- Violence Against Women Reauthorization Act 2013 (VAWA) which provides housing protections for victims of domestic violence, dating violence, sexual assault, and stalking.
- Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity, also known as the "Equal Access Rule"
- Any applicable State laws or local ordinances that may apply, including those pertaining to Fair Housing or any legislation protecting the individual rights of residents, applicants or staff which may be subsequently enacted

SHA's housing programs are open to all eligible individuals regardless of sexual orientation, gender identity or marital status. SHA will not inquire about the sexual orientation or gender identity of an applicant or family for purposes of determining eligibility or otherwise making such housing available. However, the SHA may inquire about a person's sex in order to determine the number of bedrooms a household may be eligible for under the occupancy standards or to accurately complete HUD's 50058. The SHA will not discriminate because of race, color, marital status, sexual orientation, national or ethnic origin or ancestry, sex, religion, age, familial status, source of income, or disability in the leasing, rental, occupancy, use, or other disposition of housing or related facilities.

Applicants or families who believe that they have been subject to unlawful discrimination may notify the SHA either orally or in writing. Notifications made orally will be documented in writing by SHA staff including: complaint description, applicant/ family name, date, and SHA staff taking complaint. SHA will make every reasonable attempt to determine whether the applicant's or family's assertions have merit and take any warranted corrective action. The SHA will attempt to remedy discrimination complaints made against the SHA through the existing informal review, informal hearing, or other reconsideration. In addition to internal procedures to remedy allegations of discrimination, the SHA will provide a copy of a discrimination complaint form to the complainant and provide them with information on how to complete and submit the form to HUD's Office of Fair Housing and Equal Opportunity (FHEO).

San Francisco Regional Office of FHEO U.S. Department of Housing and Urban Development
One Samsome Street, Suite 1200
San Francisco, CA 94104
(415) 489-6524 / (800) 347-3739 / TTY (415) 436-6594

Citizens may file housing discrimination complaints directly with HUD at the address listed above or with the Arizona Attorney General's Civil Rights Division by calling (602) 542-5263 or emailing civilrightsinfo@azag.gov.

3.3 Owner Nondiscrimination Requirements

Link: Form HUD 52641; PIH 2014-20

The SHA requires owners to comply with all applicable laws and statutes. In agreeing to participate in SHA's housing choice voucher programs, the owner must abide by the Housing Assistance Payments (HAP) contract which prohibits discrimination and requires that the owner:

- Not discriminate against any person because of race, color, religion, sex, national origin, age, familial status, or disability in connection with the HAP contract.
- Cooperate with the SHA and HUD in conducting equal opportunity compliance reviews and investigations.

SHA refers Fair Housing complaints to the local fair housing agency as well as to HUD on behalf of a family that claims that illegal discrimination has prevented the family from leasing a suitable unit.

3.4 Family Outreach and Affirmative Marketing

Link: 24 982.102

The SHA publicizes and disseminates information concerning the availability and nature of housing assistance to income eligible families. As part of the briefing process and on-going education, SHA will provide information to HCV families about the opportunity to rent in a broad range of neighborhoods including:

- Information on general locations and characteristics of neighborhoods including: shopping centers, bus lines, etc.
- A listing of available rental property. The list, updated monthly, states: address, amenities, deposit information, etc. as provided by owners.
- A list of properties/owners who accept HCV.
- A description of portability provisions available in the Housing Choice Voucher program.
- A map that identifies areas within the Scottsdale that are areas of low poverty and minority concentrations.
- A listing service of available rental property and owners.
- A description of portability provisions available in the Housing Choice Voucher program.
- Other information as required.

When SHA's waiting list is open, SHA will publicize the availability and nature of housing assistance through a wide variety of sources including local and State newspapers, minority media and the City of Scottsdale website. Efforts will be made to notify local officials, government agencies, and agencies that specifically address the needs of individuals with disabilities.

SHA will monitor the characteristics of the population being served and the characteristics of the population as a whole in SHA's jurisdiction. Targeted outreach efforts will be undertaken if a comparison suggests that certain populations are being underserved.

3.5 Owner Outreach

Link: 24 CFR.982.54

SHA encourages program participation by owners of units located outside areas of poverty or minority concentration. The purpose of these activities is to provide more choices and better housing opportunities to families. Outreach to property owners is regularly conducted to develop interest in the program and to increase the number of units available in low-poverty areas. SHA provides program information and printed materials to local realtors, agents, apartment associations and any interested landlords. SHA staff will be available to make presentations about the Housing Choice Voucher Program to these groups.

3.6 Language Assistance Plan and Limited English Proficiency Policy

Link: Federal Register 1/22/07, 24 CFR 1

The SHA is committed to providing meaningful access to its programs and services to all eligible persons, including those who have Limited English Proficiency because of their national origin. SHA will take affirmative steps to communicate with people who need services or information in a language other than English. LEP is defined as persons who 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 policy, LEP persons are HCV program applicants and participant families.

SHA has determined that the majority of participants speak either: English and *Spanish*. The SHA staff can communicate in: English and Spanish. SHA staff have specific knowledge of SHA programs and policies and SHA will utilize staff for translation services when possible.

Given very limited resources SHA will not develop a written LEP plan, but will consider alternative ways to communicate and provide meaningful access. Every year the need for a LEP Plan will be reviewed and a Plan created if needed. The review will assess whether there have been any significant changes in the composition or language needs of the LEP population. The SHA will analyze the various kinds of contacts it has with the public to assess language needs and decide what reasonable steps should be taken if the costs imposed do not substantially exceed the benefits.

If in the future SHA determines it is appropriate to develop a written LEP plan, the following five steps will be taken: (1) identifying LEP individuals who need language assistance; (2) identifying language assistance measures; (3) training staff; (4) providing notice to LEP persons; and (5) developing, monitoring and updating the LEP plan as needed.

3.6.1 LEP Options

- SHA will inform applicants and families of language assistance services.
- The SHA will utilize a language line for telephone interpreter services.
- Where feasible, the SHA will train and hire bilingual staff to be available to act as interpreters and translators, will pool resources with other PHAs, and will standardize documents. Where feasible and possible, the SHA will encourage the use of qualified community volunteers.
- When LEP persons request, they will be permitted to use, at their own expense, an interpreter of their own choosing, in place of or as a supplement to the free language services offered by the SHA. The interpreter may be an adult family member or adult friend.
- SHA will not provide written translation but will provide written notice in the primary language of the LEP language group of the right to receive oral interpretation of those written materials, free of cost. Translation may also be provided orally.

3.7 Reasonable Accommodation Policy

Link: 24 CFR Part 8

This policy applies to applicants and families. A reasonable accommodation is a change, modification, alteration or adaptation in a policy, procedure, practice, program or facility that is necessary for a

qualified individual with a disability to have the opportunity to participate in, and benefit from a program or activity.

SHA will ask all applicants and families if they require any type of accommodations, in writing, on the intake application, re-certification documents, and notice of adverse action. The notice will include the title and phone number of the SHA contact person for requests for accommodation for persons with disabilities.

The SHA will encourage the family to make its request in writing using a reasonable accommodation request form. However, the SHA will consider the accommodation any time the family indicates that an accommodation is needed whether or not a formal written request is submitted. If the request is made orally, the SHA will document the request in writing including: request specifications, family name, date, and SHA staff taking request.

If a person with a disability requests an accommodation to an existing rule, policy, practice, or service in order to fully access and utilize the SHA's housing programs and related services, the SHA will verify and evaluate the request. The SHA will 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 SHA, or fundamentally alter the nature of the SHA'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 SHA 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 SHA 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 SHA may verify the need for the requested accommodation.

If the SHA 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 SHA's operations), the SHA 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.

3.7.1 Legal Authority

This Policy is in compliance with the statutory SHA listed below:

- Section 504 of the Rehabilitation Act of 1973 (Section 504);
- Titles II and III of the Americans with Disabilities Act of 1990 (ADA);
- The Fair Housing Act of 1968, as amended (Fair Housing Act);
- The Architectural Barriers Act of 1968; and
- 24 C.F. R. Parts 8

3.7.2 Definition of Disability

Person with disabilities is a person who:

- Has a disability, as defined in 42 U.S.C. 423;
- Is determined, pursuant to HUD regulations, to have a physical, mental, or emotional impairment that:
  - Is expected to be of long-continued and indefinite duration;
  - Substantially impedes his or her ability to live independently, and
  - Is of such a nature that the ability to live independently could be improved by more suitable housing conditions; or
  - Has a developmental disability as defined in 42 U.S.C. 6001.
- Does not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome;
- For purposes of qualifying for low-income housing, does not include a person whose disability is based solely on any drug or alcohol dependence; and
- Means "individual with handicaps", as defined in § 8.3 of this title, for purposes of reasonable accommodation and program accessibility for persons with disabilities.

3.7.3 Examples of Reasonable Accommodations

- Allowing a larger unit size
- Allowing a larger utility allowance, due to increased usage for medical appliance
- Allowing a live-in aide, with the owner's approval
- Allowing a service animal, with the owner's approval
- Alternative measures instead of program termination, if applicable based on the reason for termination
- Rescheduling appointments and/or hearings
- Attendance at a hearing of any other person approved by the SHA
- Permitting an outside agency or family member to assist in an interview or meeting

3.8 Live in Aide Policy

Links: 24 CFR 5.403; 24 CFR 8; 24 CFR 5.609(c)(5); 24 CFR 966.4(d)(3)(I)

The SHA will approve a live-in aide if needed for families with an elderly member, or as a reasonable accommodation to make the program accessible to and usable by a family member with disabilities.

Live-in aide means a person who resides with one or more elderly persons or persons with disabilities, and who:

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

A live-in aide is a member of the household, not the family, and the income of the aide is not considered in family income calculations. Relatives may be approved as live-in aides if they meet all of the criteria defining a live-in aide. However, a relative who serves as a live-in aide is not considered a family member and will not be considered a remaining member of a participant family.

A family's request for a live-in aide must be made in writing, include the owner's written approval if currently in a unit, and is subject to SHA verification and approval. The live in aide must pass the SHA criminal background screening. For continued approval, the family must submit a new, written request, subject to the SHA verification and approval at each annual reexamination. The owner must continue to approve the live in aide residing in the unit.

In addition, the family and live-in aide will be required to submit a certification stating that the live-in aide is:

- Not obligated for the support of the person(s) needing the care, and
- Would not be living in the unit except to provide the necessary supportive services.

The SHA has the discretion not to approve a particular person as a live-in aide, and may withdraw such approval, if the person:

- Does not meet SHA's eligibility criteria
- Would cause the current unit to become overcrowded according to SHA standards and local codes
- Falls under any category listed in this Policy in the Denials of Admission Section

3.9 Physical Impairment Policy

Link: 24 CFR Part 8.6

To meet the needs of persons with hearing impairments, TTD/TTY (text telephone display / teletype) communication is available at the SHA office.

When visual aids are used in meetings or presentations, 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 or family) to receive, interpret and explain housing materials and be present at all meetings.

3.10 Violence against Women Reauthorization Act Policy (VAWA)

Links: Violence Against Women Reauthorization Act 2005; 24 CFR 5.2005 (b), (d), (e); 24 CFR 5.2003; 24 CFR 5.2009; 24 CFR 5.2007 (a)(1)(v); Federal Register / Vol. 81, No. 221

This policy is applicable to all federally subsidized housing administered by SHA. SHA will not discriminate against an applicant or family on the basis of the rights or privileges provided under the VAWA. This policy is gender-neutral, and its protections are available to persons who are victims (including affiliated individuals) of domestic violence, dating violence, sexual assault or stalking.

The SHA will not deny admission to the housing choice voucher program to any person because that person is or has been a victim or affiliated individual of domestic violence, dating violence, sexual assault or stalking; provided that such person is otherwise qualified for such admission. In addition to prohibiting a denial, termination, or eviction based on the fact that the applicant or tenant/participant is or has been a victim of domestic violence, dating violence, sexual assault or stalking, SHA will not deny admission to an applicant based on an adverse factor, if the adverse factor is determined to be a direct result of the fact that the applicant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking.

3.10.1 VAWA - Notification of Rights

The SHA will enclose in each application packet a notice advising applicants of their rights under VAWA. The SHA will notify families of their rights under VAWA at admission to the program and with any adverse action notice along with a copy of the form HUD form 5380 (Notice of Occupancy Rights); HUD form 5382 (Certification of VAWA).

3.10.2 VAWA - Confidentiality

All VAWA information provided to the SHA, including the fact that an individual is a victim or affiliated individual of domestic violence, sexual assault, dating violence, sexual assault or stalking (VAWA violence); will be retained in confidence, and will not be entered into any shared database or 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
- Otherwise required by applicable law

If disclosure is required for use in an eviction proceeding or is otherwise required by applicable law, SHA will inform the victim before disclosure occurs so that safety risks can be identified and addressed.

3.10.3 VAWA - Documentation

When a participant is facing lease termination because of the actions of a family member, household member, guest, or other person under the participant's control and a participant or immediate family member of the participant's family claims that she or he is the victim or affiliated individual of such actions and that the actions are related to VAWA violence, the SHA will request in writing that the individual submit documentation within fourteen (14) business days affirming that claim. The written request will include instructions on where, when, and to whom the documentation must be submitted. It will also state the consequences for failure to submit the documentation by the deadline. SHA may choose to extend the 14 day requirement to provide documentation or may choose to waive the requirement based on the circumstances surrounding the claim.

The individual may satisfy this request by providing any one of the following documents as described under 24 CFR 5.2007(b)(1):

- Form HUD-5382; or

- A document:
  - Signed by an employee, agent, or volunteer of a victim service provider, an attorney, or medical professional or a mental health professional (collectively, "professional") from whom the victim has sought assistance relating to domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse:
  - Signed by the applicant or tenant; and
  - That specifies, under penalty of perjury, that the professional believes in the occurrence of the incident of domestic violence, dating violence, sexual assault, or stalking that is the ground for protection and remedies under the VAWA Final Rule, and that the incident meets the applicable definition of domestic violence, dating violence, sexual assault, or stalking under 24 CFR 5.2003; or
- A record of a Federal, State, tribal, territorial or local law enforcement agency (may include a police report), court, or administrative agency; or
- At the discretion of SHA, a statement or other evidence provided by the applicant or tenant.

3.10.4 VAWA Lease Bifurcation

The SHA may request the owner to bifurcate a family's lease and terminate the tenancy of the culpable family member if the SHA determines that the family member has committed criminal acts of physical violence against other family members or others. This action will not affect the tenancy or program assistance of the remaining, non-culpable family members. In making its decision, the SHA will consider all credible evidence, including, but not limited to, a signed certification or other documentation of abuse submitted to the SHA by the victim.

If the SHA does bifurcate the lease and terminate the tenancy of the culpable family member, it will do so in accordance with the lease, applicable law, policies in this Administrative Plan and the SHA VAWA Procedure. If necessary, the SHA will also take steps to ensure that the remaining family members have a safe place to live during the termination process. For example, the SHA may refer the remaining family members to a victim service provider or other agency with shelter facilities.

3.10.5 Limitation On VAWA Protection

VAWA does not limit SHA's otherwise available authority to terminate assistance to or evict a victim for lease violations not premised on an act of domestic violence, dating violence, or stalking providing that SHA does not subject the victim to a more demanding standard than the standard to which it holds other tenants.

VAWA does not limit SHA's authority to terminate the tenancy of any participant if SHA can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if that participant's tenancy is not terminated.

In determining whether a participant who is a victim of domestic violence, dating violence, or stalking is an actual and imminent threat to other tenants or those employed at or providing service to a property, SHA will consider the following, and any other relevant, factors:

- Whether the threat is toward an employee or tenant other than the victim of domestic violence, dating violence, or stalking
- Whether the threat is a physical danger beyond a speculative threat, whether the threat is likely to happen within a short period of time
- Whether the threat to other tenants or employees can be eliminated in some other way, such as by helping the victim relocate to a confidential location, transferring the victim to another unit, or seeking a legal remedy to prevent the perpetrator from acting on the threat

If the participant wishes to contest SHA's determination that he or she is an actual and imminent threat to other tenants or employees, the participant may do so as part of the informal hearing or in a court proceeding.

QUADEL CONSULTING

CHAPTER 4- Applying to the Program and Waiting List

Link: 24 CFR 982.201 to 207

4.1 Opening and Closing the Waiting List

Link: 24 CFR 982.206

SHA is responsible for establishing an application and selection process that treats applicants fairly and consistently and provides an effective method for determining eligibility. SHA may choose to open or close the wait list based on: the number of applications on file, the number of anticipated available vouchers and the wait time for an available voucher. For targeted outreach efforts, if it has been determined that there is a specific need for applicants for a specific program the waiting list may be opened only for applicants to that program. Applications for any special program will only be accepted from those applicants that meet the criteria for the specific targeted population.

The SHA will announce the opening of the waiting list at least 10 calendar days prior to the date applications will first be accepted. The closing date will be announced at the same time of the opening. If the list is only being reopened for certain categories of families, this information will be contained in the notice. SHA will advertise through a wide variety of sources including local newspapers, SHA's website (https://www.scottsdaleaz.gov/human-services/housing-choice-voucher-program), minority media and suitable social media. An effort will also be made to notify elected officials, government agencies and other agencies that specifically address the needs of individuals with disabilities.

In all wait list outreach efforts, the SHA will specify the application selection method in the outreach material and on the SHA web site.

All notices and advertisements announcing the opening of the waiting list will include:

- The dates the list will be open;
- The means by which applications will be taken (paper; electronic; other)
- Eligibility guidelines;
- Preferences and methodology for the selection of applicants; and
- Any limitations which may apply.
- How to request reasonable accommodation

4.2 Application Process

No one will be denied the right to request or submit an application when the HCV waiting list is open. However, depending upon the composition of the waiting list with regard to family types and preferences and to better serve the needs of the community, the SHA may only accept applications from any family claiming preference(s). When the HCV waiting list is open, SHA will offer all applicants the opportunity to apply to on other SHA waiting lists, if open. SHA does not charge any fee for any part of the HCV pre-application or application process.

Accommodations will be made for interested, disabled applicants. In the event that on-line applications are utilized and an applicant needs assistance completing or submitting the on-line application, assistance may be provided over the phone or via other means as identified by SHA.

Only those pre-applications received by the due date as indicated by a postmark or other appropriate electronic submission verification tool during the time-period specified by SHA will be accepted as eligible pre-applications. The date the pre-application is received is the date it is postmarked or submitted electronically. During periods of open enrollment, applications can be placed by those with disabilities or those that do not have access by external organizations that provide human services and or at SHA's designated locations.

An applicant is deemed preliminarily ineligible and not placed on the SHA waiting list if:

- Currently housed in the same program and listed as the head of household or co-head of household.
- The application is incomplete or missing required information.

4.3 Maintaining the Waiting List

The SHA will not merge the housing choice voucher waiting list with the waiting list for any other program the SHA operates.

The waiting list will contain the following information for each applicant listed:

- Name and address of head of household
- Number of family members, appropriate bedroom size
- Racial / Ethnicity information for the head of household
- Social security number (head of household)
- Amount and source of annual income
- Date and time of application / Randomized wait list selection number

4.4 Updating the Waiting List

The waiting list will be updated as needed to ensure that all applicant information is current. When SHA decides to update the Housing Choice Voucher waiting list, it will notify the applicants on the waiting list requesting updated information. The intent of the notification is also to determine whether the applicant is still interested in the Housing Choice Voucher Program.

The family's response must be received by the means specified in the notice. Responses should be postmarked or received by the SHA not later than the specified date provided in SHA's notice. If the family fails to respond within the required time period, or is undeliverable with no forwarding contact information, the family will be removed from the waiting list without further notice.

When an applicant is removed from the waiting list during the update process for failure to respond, no informal review will be offered. Such failures to act on the part of the applicant prevent SHA from making an eligibility determination; therefore, no informal review is required.

If the family is removed from the waiting list for failure to respond, they will not be entitled to reinstatement unless verification of the following is received within 30 calendar days from the response due date:

- The applicant provides evidence that a change of address / email was submitted to SHA prior to the update notice being issued by SHA;
- During the time of any waiting list update or, at the time of notification for an interview, the applicant could not respond. For example, the applicant was incapacitated due to hospitalization or was unavailable due to active participation on Jury Duty;
- As a result of a SHA data entry error, the applicant address was SHA incorrectly recorded SHA
- The applicant is a person with a disability who requires an alternative form of communication other than one normally used by SHA, and the applicant informed SHA, in advance, of the proper means of communication, as required by regulations.

At the time SHA conducts an opening of the waiting list to establish a new waiting list, no further requests for re-instatement will be accepted or considered from applicants claiming to have been on any prior waiting list.

Notices will be made available in accessible format upon the request of a person with a disability. An extension to reply to the update notification will be considered as a reasonable accommodation if requested by a person with a disability.

4.5 Change in Circumstances

Preference Status

Changes in an applicant's circumstances while on the wait list may affect the family's preference. Applicants are required to notify the SHA in writing when their circumstances change.

When an applicant claims an additional preference, they will be placed on the waiting list in the appropriate order determined by the newly –claimed preference.

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

Change to the Family Composition

Changes to the family composition after an application has been submitted include addition of family members born to, adopted or otherwise granted custody to the family by operation of the law, which may include foster children, live in aides and spouses, provided the additional family member(s) meet all applicable waiting list requirements and remain eligible for the waiting list. SHA will require documentation that the head of household has authorization to include a minor as part of the household. Court approved custody or guardianship is not the only mechanism for establishing that a head of household has authorization to include a minor in the family composition. Changes to the family composition may also be allowed for families in which one or more children less than eighteen years of age live with the designee of the parent or legal custodian, with the parent or custodians'

written consent. Documentation can include but is not limited to court documents, pre-need guardian, school records, other state and federal public assistance documentation, or durable powers of attorney. All other additions to the family will be considered only on a case-by-case basis and must be documented at the time such changes occur. These additions may include immediate family members (sons, daughters, siblings, parents, grandparents, grandchildren) and may be made for humanitarian or extraordinary reasons.

4.6 Local Preferences

Link: 24 CFR 982.207; 24 CFR 92.209 Tenant-based rental assistance

Preferences establish the order of applicants on the waiting list. An admission preference does not guarantee admission. Every applicant must still meet SHA's Selection Criteria before being offered a voucher. SHA has the following HCV preferences:

- SHA Tenant Based Rental Assistance Program Participant (5 points)
- Foster Youth to Independence Program Participant (5 points)
- Live in/Work in Scottsdale (5 points)
- Elderly (62+)/Disabled (5 points)
- Homeless (5 points)

The City of Scottsdale Community Assistance Office operates tenant based rental assistance programs which serve special populations, special needs or which were designed for special purposes (see 24 CFR 92.209). For these populations and programs, preference will be given to applicants that are referred from various community organizations or divisions of local government which are under a Memorandum or Letter of Understanding (MOU/LOU), Memorandum of Agreement, or a Contract with the City of Scottsdale (i.e. Homeless and Domestic Violence) in accordance with program regulations.

When adopting a *new preference*, SHA will notify all applicants on the current waiting list to determine if any are eligible under the preference (24 CFR §5.655(c)). SHA will specify in a public notice of a waiting list opening that current waiting list applicants may qualify for the preference. The notice will include any other information new applicants and current applicants on the waiting list will need to know about how to successfully apply and establish their preference status, including any partnering agencies with whom the owner may be working to receive referrals or determine preference eligibility.

If an applicant makes a false statement in order to qualify for a Local preference, SHA will deny the preference. If the SHA denies a preference, SHA will notify the applicant in writing of the reasons why the preference was denied and offer the applicant an opportunity for an informal meeting review with the Program Director or his/her designee.

If the preference denial is upheld as a result of the meeting, or the applicant does not request a meeting, the applicant will be placed on the waiting list without benefit of the preference. Applicants may exercise other rights if they believe they have been discriminated against.

4.7 Waiting List Placement

Only applicants who submitted complete pre-applications prior to the deadline will be placed on the list for selection in the random selection process. Applicants who did not submit complete pre-applications or submitted the pre-application after the deadline will not be placed on the list for selection for the random selection process. Applicants selected in the computerized random selection process will receive notification that they have been placed on the waiting list.

Once the list of all applicants has been created, families will be selected for the waiting list based upon a computerized random selection process. The waiting list will consist of the pre-determined number of families to be selected, in numeric order based upon the random selection sequence of their pre-applications. Families will be selected from the waiting list in numeric order, based on a family's assigned sequential number with consideration provided for eligible preference/s. When a family is selected from the waiting list, the family will be required to submit a full application and documentation to determine eligibility prior to housing assistance becoming available.

4.8 Assistance Targeted by HUD

Link: 24 CFR 982.203; 982.203 (2)(b)(1-5)

SHA will admit a family that is not on the waiting list, or without considering the family's waiting list position or preferences in certain circumstances prescribed by HUD. SHA will maintain records showing that the family was admitted with HUD-targeted assistance.

SHA anticipates that they will submit an application and may be awarded funding for the Foster Youth to Independence Initiative and for Mainstream vouchers for the non-elderly disabled.

4.9 Continuously Assisted Families

Link: 24 CFR 982.4; 982.203

SHA will consider a family to be continuously assisted if the family was leasing a unit under any 1937 Housing Act program at the time they were issued a voucher by SHA.

4.10 Relocation of Witnesses and Victims of Crime

Link: http://portal.hud.gov/hudportal/HUD?src=/programdescription/witness

SHA will provide Housing Choice Voucher assistance for the relocation of witnesses in connection with efforts to combat crime in public and assisted housing. The SHA will accept written referrals from HUD for such cases. All referred applicants must meet Housing Choice Voucher eligibility requirements before admission to the program.

4.11 Income Targeting Policy

Link: 24 CFR 982.201

The SHA will monitor progress in meeting the Extremely Low Income (ELI) requirement throughout the fiscal year. Extremely-Low Income families are defined as families whose incomes do not exceed the higher of: Federal Poverty Level or 30 percent of Area Median Income. ELI families will be selected ahead of other eligible families on an as-needed basis to ensure that the income targeting requirement is met. Under limited circumstances, HUD rules allow admission of low-income families. SHA If an applicant on the waiting list is skipped over, they will retain their original sequential number placement and be the first applicant offered an opportunity for assistance after the extremely low-income targeting requirement has been met.

4.12 Selection from the Waiting List Notification

SHA will notify the family in writing when it is selected from the waiting list. Notification may be provided through email if an email address has been provided. The notice will include the documents to be completed to determine eligibility for the program. These documents must be completed and submitted by the applicant. Applications will be processed based on first complete packet received by the SHA.

If a notification is returned as non-deliverable, or not returned within the specified time the family will be removed from the waiting list without further notice. Such failure to act on the part of the applicant prevents SHA from making an eligibility determination; therefore, no informal review will be offered.

QUADEL CONSULTING

Chapter 5-Initial and Continuing Eligibility

Link: 24 CFR 982.4; 982.203

5.1 Qualifications for Admission

SHA will admit only applicants who are qualified according to all the following criteria:

- Are a family as defined by HUD and SHA.
- Qualify on the basis of citizenship or the eligible immigrant status of family members. Link 24 CFR Part 5, Subpart E
- Provide documentation of Social Security numbers for all household members, or certify that they do not have Social Security numbers. Link: 24 CFR Part 5, Subpart B
- Have income at or below HUD-specified income limits. Link: 24 CFR Part 5, Subpart F
- Consent to SHA's collection and use of family information as provided for in SHA consent forms.

5.1.1 Income Eligibility

Links: 24 CFR 982.201(b); 982.4; 248.101 & 173

For admission to the Housing Choice Voucher Program, an applicant must be income eligible in the area where the family initially leases a unit with housing assistance. An applicant porting into Scottsdale must be eligible in Scottsdale. An applicant porting out of Scottsdale must be income eligible in the area where the family leases an assisted unit.

To determine if the applicant is income eligible, the SHA will compare the annual income of the family to the HUD published SHA income limit for the family's size.

5.1.2 Social Security Number Disclosure

Link: 24 CFR 5.216, 5.218; Notice PIH 2018-24

The applicant and all members of the applicant's household must disclose the complete and accurate social security number (SSN) assigned to each household member, and the documentation necessary to verify each SSN. (These requirements do not apply to noncitizens who do not contend eligible immigration status).

If SHA determines that the applicant is otherwise eligible to participate in a program, the applicant may retain its place on the waiting list for the program for up to 90 days but cannot become a participant until it can provide the documentation to verify the SSN of each member of the household.

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 is provided to the SHA within 90 calendar days from the date of admission into the program.

The SHA will grant an extension of one additional 90-day period if the SHA 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 within the required time period, the SHA must follow the provisions of § 5.218.

5.1.3 Citizenship Requirements

Link: 24 CFR Part 5, Subpart E

SHA will verify the citizenship/immigration status of applicants at the time other eligibility factors are determined. At least one family member must be a citizen, national, or noncitizen with eligible immigration status in order for the family to qualify for any level of assistance. Each family member must declare whether the individual is a citizen, national or an eligible noncitizen. Family members who declare citizenship or national status will not be required to provide additional documentation supporting the individual's declaration of citizenship and national status unless NHRA receives information indicating that an individual's declaration may not be accurate, such as a birth certificate. All eligible noncitizens who are 62 years of age or older will be required to sign a declaration under penalty of perjury. They will also be required to show proof of age. Prior to being admitted, all eligible noncitizens must sign a declaration of their status and a verification consent form and provide their original USCIS documentation. Family members who do not claim to be citizens, nationals or eligible noncitizens, or whose status cannot be confirmed, must be listed on a statement of non-eligible members and the list must be signed by the head of household.

5.2 Family Definition

Link: 24 CFR 5.403

To be eligible for admission, an applicant must qualify as a family. Family as defined by HUD includes but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

- A single person, who may be an elderly person, displaced person, or any other single person
- A group of persons residing together and such group includes, but is not limited to:
    - 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); unborn children and children in the process of being adopted are considered family members for purposes of determining bedroom size, but are not considered family members for determining income limit.
        - Child (minor) relationship is determined only by: birth, adoption, a court order establishing custody, or a legal order from the social service agency, (i.e. Child Protective Services, DES, etc.).
    - An elderly family;
    - A disabled family;
    - A displaced family; and
    - The remaining member of a participant family.

For categorizing family as defined above, the terms disabled family and elderly family are:

- Disabled family means a family whose head (including co-head), spouse or sole member is a person with a disability.

- Elderly family means a family whose head (including co-head), spouse or sole member is a person who is at least 62 years of age.

A family may have a spouse or co-head but not both. The co-head is an individual in the household who is equally responsible for the lease with the head of household. A co-head never qualifies as a dependent. The co-head must have legal capacity to enter into a lease.

A family does not include:

- A housekeeper or live-in aide
- Foster children and/or foster adults

Each family must identify the individuals to be included in the family at the time of application, and must notify the SHA if the family's composition changes within 10 business calendar days.

5.2.1 Head of Household

The family may designate any qualified adult family member as the head of household. The head of household must have the legal capacity to enter into a lease under state and local law. A minor who is emancipated under state law may be designated as head of household.

5.2.2 Joint Custody

Dependents that are subject to a joint custody arrangement will be considered a member of the family, if they live with the applicant or participant family more than 50 percent of the time.

When more than one applicant or participant (regardless of program) is claiming the same dependents as family members, the family with primary custody at the time of the initial examination or re-certification will be able to claim the dependents. If there is a dispute about which family should claim the dependent(s), the SHA will make the determination based on court orders and social service agency orders showing which family has custody.

5.2.3 Family Break Up

When a family on the waiting list breaks up into two otherwise eligible families, only one of the new families may retain the original application date. Other former family members may submit a new application with a new application date if the waiting list is open.

If a participant family breaks up into two otherwise eligible families, only one of the new families will retain occupancy of the unit.

If a court determines the disposition of property between members of an applicant or participant family as part of a divorce or separation decree, the SHA will abide by the court's determination.

In the absence of a judicial decision or an agreement among the original family members, the SHA will determine which participant will retain their placement on the waiting list or continue in occupancy. In making its determination, the SHA will take into consideration the following factors:

- The interest of any minor children, including custody arrangements
- The interest of any ill, elderly, or disabled family members
- The interest of any family member who is or has been the victim of domestic violence, dating violence, sexual assault, or stalking and provides documentation in accordance with this Administrative Plan
- Any possible risks to family members as a result of criminal activity
- The recommendations of social service professionals

5.2.4 Remaining Family Member

A remaining family member is defined as a family member listed on the most recent recertification who is 18 years of age or older, who meets all other eligibility criteria and who continues to live in the unit after all other family members have left. If the head of household leaves the HCVP for any reason, any remaining adult in the household may be designated by the remaining family as the head of household. If there are no remaining adults in the household, SHA may, at its discretion, allow another person related to the remaining tenant family by blood or marriage or court action to assume head of household responsibilities, even though that person was not previously listed on the lease.

5.3 Student Head of Household

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

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

The above restriction does not apply to a person with disabilities as such term is defined in section 3(b)(3)(E) of the 1937 ACT and who was receiving Section 8 assistance on November 20, 2005.

5.4 Guests/Visitors

Guests/Visitors are permitted based on the terms in the owner's lease; the owner has provided approval for the guest/visitor; and the guest/visitor is not an unauthorized person living in the unit.

A guest can remain in the assisted unit no longer than 14 consecutive days or a total of 30 cumulative calendar days during any 12 month period or SHA will consider the person(s) unauthorized persons in the unit. A family may request an exception to this policy for valid reasons (e.g. care of a relative recovering from a medical procedure is expected to last 30 consecutive days). An exception will not be made unless the family can identify and provide documentation of the residence to which the guest will return.

The family must notify the SHA in writing of the children(s) names and timeframes the children(ren) will be in the household if the family has children who are subject to a joint custody arrangement; for whom a family has visitation privileges, that are not included as a family member because they live outside of the unit more than 50 percent of the time. These family members may remain in the unit, with prior notification to the SHA and with landlord approval, in excess of the duration permitted as a guest.

In making the determination if the person is an unauthorized household member, SHA will consider the following, not limited to:

- Statements from neighbors and/or SHA staff
- Current lease
- Vehicle license plate verification
- Post Office records
- Driver's license verification
- Law enforcement reports
- Credit reports

5.5 Eligibility Process

Applicants selected from the waiting list are required to submit a complete Eligiblity Packet and all required documents. The packet must be complete in order for eligibility to be determined. Incomplete packets will not be accepted. The applicant will be given a list of missing documents and the timeframe for submission. Applications are processed based on when the completed package is received by SHA.

The applicant must provide the information necessary to establish the family eligibility, including criminal background consent, and to determine the appropriate amount of rent the family will pay. The applicant must also complete required forms, provide required signatures, and submit required documentation. If the documents are not returned complete within the time specified, SHA will determine that the applicant is no longer interested in housing assistance and will be removed from the waiting list. Extensions to the timeframe may be allowed based on documented and verified extenuating circumstances (illness, hospitalization, etc.) and reasonable accommodations.

If the required documents and information are not provided within the required time frame (plus any extensions) the applicant will be sent a notice of denial. An advocate, interpreter, or other assistant may assist the applicant with the application and the interview process.

5.5.1 Eligibility Notification

The SHA will notify a applicant in writing of their eligibility. If the SHA determines that the applicant is ineligible, the SHA will send written notification of the ineligibility determination. The notice will specify the reasons for ineligibility, and will inform the applicant of its right to request an informal hearing.

5.6 Criminal Background and Credit History Policy

Links: 24 CFR 5.903; 24 CFR 5.905(d)

The SHA will perform criminal records and credit history review at application for all adult household members (defined as 18 years of age or older), when porting in to SHA's jurisdiction, when adding an adult member or live-in aide to the household.

The SHA will conduct criminal records checks that will include a National Criminal History Check and credit review using the National Credit Report database. Local/State checks will be conducts where needed. Such checks will also include sex offender registration information. In order to obtain such information, all adult household members must sign consent forms for release of criminal conviction and sex offender registration records on an annual basis. The SHA may also review criminal records if it has reason to believe that criminal activity has occurred.

5.6.1 Drug Abuse Treatment Information

Links: 24 CFR 960.205(f)

The SHA will obtain information from drug abuse treatment facilities to determine whether any applicant family's household members are currently engaging in illegal drug activity only when the SHA has determined that the applicant will be denied admission based on a family member's drug-related criminal activity, and the applicant claims that the culpable family member has successfully completed a supervised drug or alcohol rehabilitation program. The SHA will require the proposed family member sign a consent form for the drug abuse treatment facility to release information.

5.7 Duplicative Assistance

Link: 24 CFR 982.352(c)

An applicant may not receive HCV assistance while receiving housing assistance of any of the following assistance types, for the same unit or for a different unit:

- Public or Indian housing assistance

- Other Section 8 assistance (including other participant-based assistance)
- Assistance under former Section 23 of the United States Housing Act of 1937 (before amendment by the Housing and Community Development Act of 1974)
- Section 101 rent supplements
- Section 236 rental assistance payments
- Participant-based assistance under the HOME Program
- Rental assistance payments under Section 521 of the Housing Act of 1949 (a program of the Rural Development Administration)
- Any local or State rent subsidy
- Section 202 supportive housing for the elderly
- Section 811 supportive housing for persons with disabilities; (11) Section 202 projects for non-elderly persons with disabilities (Section 162 assistance)
- Any other duplicative federal, State, or local housing subsidy, as determined by HUD. For this purpose, 'housing subsidy' does not include the housing component of a welfare payment, a social security payment received by the participant, or a rent reduction because of a tax credit.

5.8 Absences from the Unit

Link: 24 CFR 982.312

5.8.1 Absent Family Member

The SHA will compute all applicable income of every family member who is on the lease, including those who are temporarily absent. It is the responsibility of the head of household to report changes in family composition and absences of family members.

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.

Generally an individual who is or is expected to be absent from the assisted unit for 30 consecutive days in a 12 month period of time but less than 90 is considered temporarily absent and continues to be considered a family member. Generally an individual who is or is expected to be absent from the assisted unit for more than 180 consecutive days is considered permanently absent and no longer a family member.

The family must request SHA approval for the return of any adult family members that the SHA has determined to be permanently absent. The individual is subject to the eligibility requirements stated in this Administrative Plan.

5.8.2 Absence of Entire Family

Notice is required when all family members will be absent from the unit for an extended period of time (greater than 30 calendar days). Families are required to give SHA 30 days' notice before moving out of a unit. Absence means that no family member is residing the unit. In order to determine if the family is absent from the unit, the SHA may:

- Conduct a special inspection
- Post letters on exterior door
- Telephone the family at the unit
- Interview neighbors
- Verify if utilities are in service
- Check with the Post Office for forwarding address
- Contact the emergency contact

The family must supply any information or certification requested by the SHA to verify that the family is living in the unit, or relating to family absence from the unit.

If a family is absent from the unit for more than 30 consecutive days without notice, the SHA will terminate assistance. In no event is the family permitted to be absent from the unit for more than 180 consecutive days.

5.8.3 Absent Student

When minors and college students who have been considered a family member attends school away from home, the person will continue to be considered a family member unless information becomes available to the SHA indicating that the student has established a separate household or the participant declares that the student has established a separate household.

5.8.4 Absences Due to Placement in Foster Care

If a child has been placed in foster care, the SHA will verify with the appropriate agency whether and when the child is expected to be returned to the home. Unless the agency confirms that the child has been permanently removed from the home, the child will be counted as a family member.

If the child(ren) are removed from the home permanently, the unit size will be reduced in accordance with the SHA's occupancy guidelines.

5.8.5 Caretaker for a Child

If neither a parent nor a designated guardian remains in a household receiving assistance, the SHA will take the following actions:

- If a responsible agency has determined that another adult is to be brought into the unit to care for a child for an indefinite period, the designated caretaker will not be considered a family member until a determination of custody or legal guardianship is made.

- If a caretaker has assumed responsibility for a child without the involvement of a responsible agency or formal assignment of custody or legal guardianship, the caretaker will be treated as a visitor for 90 consecutive days. After the 90 consecutive days has elapsed, the caretaker will be considered a family member unless information is provided that would confirm that the caretaker's role is temporary. In such cases the SHA will extend the caretaker's status as an eligible visitor.
- During any period that a caretaker is considered a visitor, the income of the caretaker is not counted in annual income and the caretaker does not qualify for any deductions from income.
- If the caretaker is considered a family member, the caretaker must submit an eligibility application, pass all eligibility criteria, and his/her income will be counted as part of the household. Once eligibility is passed, the lease will be transferred to the caretaker as head of household.

5.8.6 Absent Head or Spouse Due to Employment

If an employed head, spouse, or co-head is absent from the unit more than 180 consecutive days due to employment, she/he will continue to be considered a family member.

5.8.7 Absence Due to Incarceration

If the sole member is incarcerated for more than 90 consecutive days without notice 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 180 consecutive days with prior notice. The rent and other charges must remain current during any period of incarceration.

The SHA will determine if the reason for incarceration is for drug-related or any other criminal activity which is grounds for program termination.

5.8.8 Individuals Absent (Confined) for Medical Reasons

An individual confined to a nursing home or hospital on a permanent basis is not considered a family member. If there is a question about the status of a family member, the SHA will request verification from a responsible medical professional if the member will be gone less than 90 consecutive days (and up to 180 days after approval of the SHA) and will use this determination. If the responsible medical professional cannot provide a determination, the person generally will be considered temporarily absent. The family may present evidence that the family member is confined on a permanent basis and request that the person not be considered a family member.

CHAPTER 6: Tenant Rent and Housing Assistance Payment Calculation

6.1 Definition of Income

Link: 24 CR 5.609(b)

SHA uses HUD's definition of Annual Income. Should this definition be revised, the current HUD definition will be used.

Annual income is the total income from all sources, including net income derived from assets received by the household head and spouse (even if temporarily absent) and by each additional household member including all net income from assets for the 12 month period following the effective date of initial determination or re-certification of income, exclusive of income that is temporary, non-recurring or sporadic as defined below, or is specifically excluded from income by other federal statute. Annual income includes but is not limited to:

- The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
- 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 will 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 household for cash or assets invested in the business;
- Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness will 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 household for cash or assets invested in the property;
- 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.
- Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay;
- All welfare assistance payments (Temporary Assistance to Needy Families, General Assistance) received by or on behalf of any household member
- 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 household members; and
- All regular pay, special pay, and allowances of a household member in the Armed Forces.

6.1.1 Alimony and Child Support

The SHA will count court-awarded amounts for alimony and child support unless the SHA verifies that:

- The payments are not being made and
- The participant has made reasonable efforts to collect amounts due, including filing with courts or agencies responsible for enforcing payments.

If the amount of child support or alimony received is less than the amount awarded by the court, SHA will use the amount that is received by the family. SHA will accept as verification that the participant is receiving an amount less than the award if one of the following:

- SHA 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 documentation and a copy of the divorce decree. Income will be projected by averaging the most current three consecutive month's payment to project income for twelve (12) months.

Families who do not have court-awarded alimony and child support awards are not required to seek a court award and are not required to take independent legal action to obtain collection.

6.1.2 Sporadic income

Sporadic income is income that is not received regularly and cannot be reliably predicted.

6.1.3 Regular Contributions and Gifts

Examples of regular contributions include:

- Regular payment of a family's bills (e.g., utilities, telephone, rent, credit cards, and car payments)
- Cash or other liquid assets provided to any family member on a regular basis
- "In-kind" contributions such as groceries and clothing provided to a family on a regular basis
- Any contribution of gift received every 3 months or more frequently will be considered a "regular" contribution or gift, unless the amount is less than $100 per year

Non-monetary contributions will be valued at the cost of purchasing the items, as determined by the SHA. For contributions that may vary from month to month (e.g., utility payments), the SHA will include an average amount based upon past history. Regular financial support from parents or guardians to students for food, clothing personal items, and entertainment is not considered student financial assistance and is included in annual income.

6.1.4 Incremental Earnings

The SHA defines incremental earnings and benefits as the difference between:

- The total amount of welfare assistance and earnings of a family member prior to enrollment in a training program and
- The total amount of welfare assistance and earnings of the family member after enrollment in the program.

In calculating the incremental difference, the SHA will use as the pre-enrollment income the total annualized amount of the family member's welfare assistance and earnings reported on the participant most recently completed HUD-50058.

6.2 Earned Income Disallowance (EID) Policy

Link: 24 CFR 5.617

This disallowance applies only to disabled family members already participating in the housing choice voucher program (not at initial examination). To qualify, the family must experience an increase in annual income that is the result of one of the following events:

- Employment of a family member who was previously unemployed for one or more years prior to employment.
- Increased earnings by a family member whose earnings increase during participation in an economic self-sufficiency or job-training program.
- New employment or increased earnings by a family member who has received benefits or services under Temporary Assistance for Needy Families (TANF) or any other state program funded under Part A of Title IV of the Social Security Act within the past six months.

The baseline income is the annual income immediately prior to the implementation of the disallowance for a person who is a member of a qualified family. The family member's baseline (qualifying) income remains constant throughout the period that he/she is receiving the EID.

6.2.1 Disallowance of Earned Income

Link: 24 CFR §§5.617, 960.255; PIH Notice 2016-05

Initial 12-month exclusion: During the 12-month period beginning on the date on which a member of a qualified participant family is first employed or the participant first experiences an increase in annual income attributable to employment, the SHA will exclude from the annual income of a qualified participant any increase in the income of the family member as a result of employment over the baseline income of that family member.

Phase-in of rent increase: Upon the expiration of the 12-month period and for the subsequent 12-month period, the SHA will exclude from the annual income of a qualified family at least 50 percent of any increase in income of such family member as a result of employment over the family member's baseline income.

Maximum 2-year disallowance: The disallowance of increased income of an individual family member is limited to a lifetime 24-month period. It applies for a maximum of 12 months for disallowance (initial 12 months) and a maximum of 12 months (second 12 months), during the 24-month period starting from the initial exclusion.

Families eligible for and participating in the disallowance of earned income prior to May 9, 2016 will continue to be governed by HUD regulations in effect immediately prior to that date.

6.3 Business Income

Link: 24 CFR 5.609(b)(2)

To determine business expenses that may be deducted from gross income, the SHA will use current applicable Internal Revenue Service (IRS) rules for determining allowable business expenses (IRS Publication 535), unless a topic is addressed by HUD regulations or guidance.

6.3.1 Business Expansion

Any capital expenditures made to add new business activities, to expand current facilities, or to operate the business in additional locations.

6.3.2 Capital Indebtedness

Capital Indebtedness is the principal portion of the payment on a capital asset such as land, buildings, and machinery. This means the SHA will allow as a business expense interest, but not principal, paid on capital indebtedness.

6.3.3 Acceptable Investments

Acceptable investments in a business include cash loans and contributions of assets or equipment.

6.3.4 Co-Owned Businesses

If a business is co-owned with someone outside the family, the participant must document the share of the business it owns. If the participant 's share of the income is lower than its share of ownership, the participant must document the reasons for the difference.

6.4 Assets

Link: 24 CFR 5.609(b) and (c)

An asset is an item of value that can be converted into cash, and may or may not earn income. Annual income includes income amounts derived from assets to which the family has access. Assets include, but are not limited to checking and savings accounts, investment accounts, equity in real property,

personal property held as an investment, whole life insurance policies, and assets disposed of for less than fair market value.

Any time current circumstances are not used to determine asset income, a clear rationale for the decision will be documented in the file. In such cases the participant may present information and documentation to the SHA to show why the asset income determination does not represent the family's anticipated asset income.

If the Household has net assets in excess of $5,000, annual income will include the greater of the actual income derived from all assets or a percentage of the value of such assets based on the current passbook savings rate as determined by HUD.

6.4.1 Jointly Owned Assets

If an asset is owned by more than one person and any family member has unrestricted access to the asset, the SHA will count the full value of the asset. A family member has unrestricted access to an asset when he or she can legally dispose of the asset without the consent of any of the other owners.

If an asset is owned by more than one person, including a family member, but the family member does not have unrestricted access to the asset, the SHA will prorate the asset according to the percentage of ownership. If no percentage is specified or provided for by state or local law, the SHA will prorate the asset evenly among all owners.

6.4.2 Disposed Assets

The SHA will not include the value of assets disposed of for less than fair market value unless the cumulative fair market value of all assets disposed of during the past two years exceeds the gross amount received for the assets by more than $1,000.00. Reasonable costs that would be incurred when disposing of an asset include, but are not limited to, penalties for premature withdrawal, broker and legal fees, and settlement costs incurred in real estate transactions.

When the two-year period expires, the income assigned to the disposed asset(s) also expires. If the two-year period ends between annual re-certifications, the participant may request an interim re-certification to eliminate consideration of the asset(s).

Assets placed by the participant in non-revocable trusts are considered assets disposed of for less than fair market value except when the assets placed in trust were received through settlements or judgments. All assets disposed of as part of a separation or divorce settlement will be considered assets for which important consideration not measurable in monetary terms has been received. In order to qualify for this exemption, a family member must be subject to a formal separation or divorce settlement agreement established through arbitration, mediation, or court order.

Families must sign a declaration form at initial certification and each annual re-certification identifying all assets that have been disposed of for less than fair market value or declaring that no assets have been disposed of for less than fair market value.

6.4.3 Checking and Savings Accounts

Families may self-certify assets under $5,000.00. Assets will be verified by SHA initially and every third year thereafter if the total household value is greater than $5,000.

In determining the value of a checking account where assets exceed $5,000, the SHA will use the average monthly balance for the two months. In determining the value of a savings account, the SHA will use the current balance. In determining the anticipated income from an interest-bearing checking or savings account, the SHA will multiply the value of the account by the current rate of interest paid on the account.

6.4.4 Investments

In determining the market value of an investment account, the SHA will use the value of the account on the most recent investment report. How anticipated income from an investment account will be calculated depends on whether the rate of return is known.

- For assets that are held in an investment account with a known rate of return (e.g., savings certificates), asset income will be calculated based on that known rate (market value multiplied by rate of earnings).
- When the anticipated rate of return is not known (e.g., stocks), the SHA will calculate asset income based on the earnings for the most recent reporting period.

In the case of capital investments owned jointly with others not living in a participant's unit, a prorated share of the property's cash value will be counted as an asset unless the SHA determines that the family receives no income from the property and is unable to sell or otherwise convert the asset to cash.

6.4.5 Real Property, Personal Property, Other Capital Investments

In determining the value of personal property held as an investment, the SHA will use the family's estimate of the value.

For Real Property, SHA will use the payoff amount for the mortgage to calculate equity. If the payoff amount is not available, SHA will use the loan balance.

Generally, personal property held as an investment generates no income until it is disposed of. If regular income is generated (e.g., income from renting the personal property), the amount that is expected to be earned in the coming year is counted as actual income from the asset.

Necessary personal property consists of only those items not held as an investment. It may include clothing, furniture, household furnishings, jewelry, and vehicles, including those specially equipped for persons with disabilities.

6.5 Lump Sum Payments

6.5.1 Prospective Calculation Methodology

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

- The entire lump-sum payment will be added to the annual income at the time of the interim.
- The SHA will determine the percent of the year remaining until the next annual re-certification as the date of the interim (three months would be 25% of the year).
- At the next annual re-certification, the SHA will apply the percentage balance (75% in this example) to the lump-sum and add it to the rest of the annual income.
- The lump-sum will be added the same way for any interims which occur prior to the next annual re-certification.
- If amortizing the payment over one year will cause the family to pay more than current HUD percentage of the family's adjusted income (before the lump sum was added) for total participant payment, the SHA and family may enter into a repayment agreement for the balance of the amount of the current HUD percentage calculation. The beginning date for this repayment agreement will start as soon as the one year is over.

6.5.2 Retroactive Calculation Methodology

- The SHA will go back to the date the lump-sum payment was received, or to the date of admission, whichever is closer.
- The SHA will determine the amount of income for each re-certification period, including the lump sum, and re-calculate the participant rent for each re-certification period to determine the amount due the SHA.
- The family has the choice of paying this retroactive amount to the SHA in a lump sum. At the SHA's option, the SHA may enter into a repayment agreement with the family
- The amount owed by the family is a collectible debt even if the family becomes unassisted.

6.5.3 Attorney Fees

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

6.6 Excluded Income

Link: 24 CFR 5.609(c)

The following are types of excluded income:

- Income from employment of children (including foster children) under the age of 18 years
- Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the family, who are unable to live alone);
- 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
- Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
- Income of a live-in aide, as defined in 24 CFR §5.403;
- The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- Amounts received in the following circumstances:
    - From training programs funded by HUD;
    - Amounts received by a person with a disability That are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
    - Amounts received by a family member in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;
    - Amounts received under a participant service stipend; and
    - Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as participant management staff.
- Temporary, nonrecurring or sporadic income (including gifts);
- Reparation payments paid by a foreign government pursuant to claims filed under the laws of That government by persons who were persecuted during the Nazi era;
- Earnings in excess of $480 for each full-time student 18 years old or older (excluding the head of household and spouse);
- Adoption assistance payments in excess of $480 per adopted child;
- Deferred periodic amounts from supplemental security income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts, or any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts;
- 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;
- Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or
- 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 any program to which the exclusions set forth in 24 CFR 5.609(c) apply.

- The portion of education grants that include tuition and required fees and other charges.

6.6.1 Excluded Periodic Payment

The SHA will exclude payments for the care of foster children and foster adults only if the care is provided through an official arrangement with a local welfare agency.

6.6.2 Income from Training Programs

SHA defines training program as: a learning process with goals and objectives, generally having a variety of components, and taking place in a series of sessions over a period of time. It is designed to lead to a higher level of proficiency, and it enhances the individual's ability to obtain employment. It may have performance standards to measure proficiency. Training may include, but is not limited to:

- Classroom training in a specific occupational skill
- On-the-job training with wages subsidized by the program
- Basic education

6.7 Deductions from Income

Link: 24 CFR 5.611

6.7.1 Anticipating Expenses

Generally, the SHA will use current circumstances to anticipate expenses. When possible, for costs that are expected to fluctuate during the year (e.g., child care during school and non-school periods and cyclical medical expenses), the SHA will estimate costs based on historic data and known future costs.

If a family has an accumulated debt for medical or disability assistance expenses, the SHA will include as an eligible expense the portion of the debt that the family expects to pay during the period for which the income determination is being made. However, amounts previously deducted will not be allowed even if the amounts were not paid as expected in a preceding period. The SHA may require the family to provide documentation of payments made in the preceding year.

6.7.2 Medical and Dental Expenses

SHA will use the most current IRS Publication 502, Medical and Dental Expenses, to determine the costs that qualify as medical expenses

6.7.3 Disability Assistance Expenses

Attendant care includes, but is not limited to, reasonable costs for home medical care, nursing services, in-home or center-based care services, interpreters for persons with hearing impairments, and readers for persons with visual disabilities.

Attendant care expenses will be included for the period that the person enabled to work is employed plus reasonable transportation time. The cost of general housekeeping and personal services is not an eligible attendant care expense. However, if the person enabled to work is the person with disabilities, personal services necessary to enable the person with disabilities to work are eligible.

If the care attendant also provides other services to the family, the SHA will prorate the cost and allow only that portion of the expenses attributable to attendant care that enables a family member to work. Unless otherwise specified by the care provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

The SHA determines the reasonableness of the expenses based on typical costs of care or apparatus in the locality. To establish typical costs, the SHA will collect information from organizations that provide services and support to persons with disabilities. A family may present, and the SHA will consider, the family's justification for costs that exceed typical costs in the area.

6.7.4 Both Medical and Disability Expenses

This policy applies only to families in which the head, spouse, or co-head is 62 or older or is a person with disabilities. When expenses anticipated by a family could be defined as either medical or disability assistance expenses, the SHA will consider them medical expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

The family must identify the family members enabled to work as a result of the disability assistance expenses. In evaluating the family's request, the SHA will consider factors such as how the work schedule of the relevant family members relates to the hours of care provided, the time required for transportation, the relationship of the family members to the person with disabilities, and any special needs of the person with disabilities that might determine which family members are enabled to work. When the SHA determines that the disability assistance expenses enable more than one family member to work, the disability assistance expenses will be capped by the sum of the family members' incomes.

Expenses incurred for maintaining or repairing an auxiliary apparatus are eligible. In the case of an apparatus that is specially adapted to accommodate a person with disabilities (e.g., a vehicle or computer), the cost to maintain the special adaptations (but not maintenance of the apparatus itself) is an eligible expense. The cost of service animals trained to give assistance to persons with disabilities, including the cost of acquiring the animal, veterinary care, food, grooming, and other continuing costs of care, will be included.

6.7.5 Child Care

Child care is allowed as a deduction from income for children less than 13 years of age. The family must identify the family member(s) enabled to pursue an eligible activity: seeking work, pursuing an education or being gainfully employed.

6.7.5.1 Allowable Child Care Activities and Expenses

For school-age children under 13 years of age, costs attributable to public or private school activities during standard school hours are not considered allowable child care expenses. Expenses incurred for supervised activities after school or during school holidays (e.g., summer day camp, after-school sports league) are allowable forms of child care.

The costs of general housekeeping and personal services are not eligible. Child care expenses paid to a family member who lives in the family's unit are not eligible; however, payments for child care to relatives who do not live in the unit are eligible.

If a child care provider also renders other services to a family or child care is used to enable a family member to conduct activities that are not eligible for consideration, the SHA will prorate the costs and allow only that portion of the expenses that is attributable to child care for eligible activities. Unless otherwise specified by the child care provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

Child care expenses will be considered for the time required for the eligible activity plus reasonable transportation time.

For child care that enables a family member to go to school, the time allowed may include not more than one study hour for each hour spent in class.

To establish the reasonableness of child care costs, the SHA will use the schedule of child care costs from the local welfare agency. Families may present, and the SHA will consider, justification for costs that exceed typical costs in the area.

6.7.5.2 Seeking Work

If the child care expense being claimed is to enable a family member to seek employment, the family must provide evidence of the family member's efforts to obtain employment at each re-certification. The deduction may be reduced or denied if the family member's job search efforts are not commensurate with the child care expense being allowed by the SHA.

6.7.5.3 Furthering Education

If the child care expense being claimed is to enable a family member to further his or her education, the member must be enrolled in school (academic or vocational) or participating in a formal training program. The family member is not required to be a full-time student, but the time spent in educational activities must be commensurate with the child care claimed.

6.7.5.4 Being Gainfully Employed

If the child care expense being claimed is to enable a family member to be gainfully employed, the family must provide evidence of the family member's employment during the time that

child care is being provided. Gainful employment is any legal work activity (full- or part-time) for which a family member is compensated.

When the child care expense being claimed is to enable a family member to work, only one family member's income will be considered for a given period of time. When more than one family member works during a given period, the SHA generally will limit allowable child care expenses to the earned income of the lowest-paid member. The family may provide information that supports a request to designate another family member as the person enabled to work.

6.8 Anticipating Income

When the SHA cannot readily anticipate income based upon current circumstances (e.g., in the case of seasonal employment, unstable working hours, or suspected fraud), the SHA will review and analyze historical data for patterns of employment, paid benefits, and receipt of other income and use the results of this analysis to establish annual income. The family file will be documented with a clear record of the reason for the decision, and how the SHA anticipated income.

Any time current circumstances are not used to project annual income, the decision will be documented in the file. In all such cases the family may present information and documentation to the SHA to show why the historic pattern does not represent the family anticipated income.

6.9 Future Changes

If the SHA verifies an upcoming increase or decrease in income, annual income will be calculated by applying each income amount to the appropriate part of the 12-month period. The family may present information that demonstrates that implementing a change before its effective date would create a hardship for the family.

In such cases the SHA will calculate annual income using current circumstances and then require an interim re-certification when the change actually occurs. This requirement will be imposed even if the SHA's policy on re-certifications does not require interim re-certifications for other types of changes. When family -provided third-party documents are used to anticipate annual income, they will be dated within 60 days of the documentation request.

6.10 Total Tenant Rent and HAP

Links: 24 CFR 5.628; 5.630; 5.634

SHA follows HUD regulations for determining the family's portion of rent and the HAP subsidy to the owner.

Total Tenant Payment is the higher of:

- 30% of adjusted monthly income; or
- 10% of monthly income;
- Not less than the Minimum Rent of $50

Tenant Rent

- Tenant rent is calculated by subtracting the utility allowance for family supplied utilities (if applicable) from the Total Tenant Payment.
- Where the owner pays for all utilities and provides the stove and refrigerator, Tenant Rent equals Total Tenant Payment.

Rent to Owner

Rent to owner is the greater of:

- The Payment Standard less the Housing Assistance Payment; or
- The Gross Rent less the Housing Assistance Payment
- Minimum rent

6.10.1 Payment Standards

Link: 24 CFR 982.505

The payment standard is used in the calculation of the housing assistance payment for a family. The payment standard for the family is the lower of:

- The unit size shown on the voucher, or
- The size of the actual unit selected by the family.

6.10.1.1 Establishment of Payment Standards

Link: 24 CFR 982.503(b),(c),(g)

The payment standard is set by SHA between 90% and 110% of the HUD published Fair Market Rent (which may include HUD Small Area FMR). SHA will review the payment standard at least annually to determine whether an adjustment should be made. As a reasonable accommodation, SHA may establish an exception payment standard of not more than 120% of the published FMR.

6.10.2 Utility Allowances and Utility Reimbursements

Link: 24 CFR 982.517; Notice PIH 2016-05

SHA maintains a Utility Allowance Schedule which is used in the housing assistance payment calculation to assist with the cost of utilities not included in the rent. The utility allowance calculation is based on the lower of:

- The voucher unit size based on SHA subsidy standards
- The size of the actual unit leased by the family
- In the case of a reasonable accommodation, SHA will use utility allowance for the unit size actually leased by the family

When the utility allowance exceeds the family's Total Participant Payment, SHA will make the utility reimbursement check to the head of household and utility company or to just the utility company.

An allowance for family paid air conditioning will be calculated when central air-conditioning or a portable air conditioner is present in the unit.

SHA will review the utility allowance schedule annually and revise it when needed. Revised utility allowances will be applied in a family's rent calculation at the next annual re-certification.

The SHA has the option of making utility reimbursement payments not less than once per calendar-year quarter, for reimbursements totaling $45 or less per quarter. In the event a family leaves the program in advance of its next quarterly reimbursement, the SHA will reimburse the family for a prorated share of the applicable reimbursement.

SHA may make reimbursement payments retroactively or prospectively. In the event that SHA chooses to make the reimbursement payments retroactively, SHA will allow a family to request a hardship exemption from the quarterly payments if it results in a financial hardship for the family. If a family receives a hardship exemption, then the SHA may either reimburse the family on a monthly basis or it may make prospective payments to the family, on a quarterly basis.

6.10.3 Welfare Rent

Welfare Rent does not apply.

6.11 Minimum Rent and Hardship Exemptions

Link: 24 CFR 5.630

Participants in the housing choice voucher program are eligible for the hardship exception to minimum rent if they meet at least one of the following criteria:

- The family has lost eligibility for or is awaiting an eligibility determination for a federal, state, or local assistance program. A hardship will be considered to exist only if the loss of eligibility has an impact on the family's ability to pay the minimum rent. For a family waiting for a determination of eligibility, the hardship period will end as of the first of the month following: (1) implementation of assistance, if approved; or (2) the decision to deny assistance. A family whose request for assistance is denied may request a hardship exemption based upon one of the other allowable hardship circumstances. To make a claim under this hardship exemption, the family must provide SHA with proof of application for assistance, or termination of assistance. The proof would be provided by the agency responsible for granting assistance or terminating assistance.

- The family would be evicted because it is unable to pay the minimum rent. For a family to qualify under this provision, the cause of the potential eviction must be the family's failure to

pay rent or family -paid utilities. The family must be able to document inability to pay the minimum rent at the time of the request

- The family household income has decreased because of changed family circumstances, including the loss of employment. To make a claim under this criteria the loss of employment must not be the result of failure to meet employment requirements by the family. Changed circumstance as defined in this section includes, but is not limited to:
    - Reduction in work hours
    - Reduction in pay rate
    - Reduction in work force

- If a death has occurred in the family. In order to qualify under this provision, a family must describe how the death has created a financial hardship (e.g., because of funeral-related expenses or the loss of the family member's income). The deceased family member must be an income producing member of the household, which contribute to the 30% of income used to calculate the family rent.

To make a claim under these provisions the applicant or family must submit a request, in writing, to the SHA office. The applicant/ family must provide documentation to support the request for a hardship exemption.

- The SHA will make the determination of hardship within 30 calendar days.
- The SHA will require the family to repay the suspended amount within 30 calendar days of the SHA's notice that a hardship exemption has not been granted. The SHA will enter into a repayment agreement in accordance with the SHA's repayment agreement policy.
- If the SHA determines that a qualifying financial hardship is temporary, the SHA will reinstate the minimum rent from the beginning of the first of the month following the date of the family's request for a hardship exemption.

The SHA defines temporary hardship as a hardship expected to last 90 consecutive days or less. Long term hardship is defined as a hardship expected to last more than 90 consecutive days.

The hardship period ends when any of the following circumstances apply:

- At an interim or annual re-certification, the family calculated TTP is greater than the minimum rent.
- For hardship conditions based on loss of income, the hardship condition will continue to be recognized until new sources of income are received that are at least equal to the amount lost.
- For hardship conditions based upon hardship-related expenses, the minimum rent exemption will continue to be recognized until the cumulative amount exempted is equal to the expense incurred.

CHAPTER 7: Request for Tenancy Approval and Leasing

After families are issued a voucher, they may search for a unit within the jurisdiction of SHA, or outside of SHA's jurisdiction if they qualify for portability. The family must find an eligible unit under the program rules, with an owner/landlord who is willing to enter into a Housing Assistance Payments (HAP) contract with SHA within the time frame listed on the voucher.

7.1 Information to Owners

Link: 24 CFR 982.307(a)(112); (b)(1)

It is the responsibility of the owner to determine the suitability of prospective families as the SHA does not screen for suitability as participants. Owners are encouraged to screen applicants for rent payment and eviction history, credit history, prior rental references and damage to units, and other factors related to the family's suitability as a renter. Owners may not discriminate on the basis of race, religion, sex, color, national origin, disability, sexual orientation, gender identity or familial status.

If requested by an owner, SHA will provide any of the following information in writing regarding a family's tenancy history, based on existing documentation relating to:

- Previous owner name, address and phone number
- Current owner name, address and phone number

SHA's policy on providing information to owners is included in the briefing packet and will apply uniformly to all families and owners. SHA will make an exception to this policy if the participant's whereabouts must be protected due to domestic abuse or witness protection, and the protection requirements are documented.

7.2 Allowable Housing Types

Link: 24 CFR 982.601(b)(2)

The following types of rental units may be leased in the Housing Choice Voucher program, unless designated otherwise:

- Single family detached homes
- Duplexes
- Multi-plexus
- Garden apartments
- Condominiums, townhouses
- High-rises
- 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
- Other multi-family rental housing structures

The following types of housing are not permitted in the HCV program:

- Hotels

- Motels
- Nursing homes
- College or school dormitories
- Other types disallowed by HUD regulations
- Unit occupied by its owner or a person with any interest in the dwelling unit
- Unless its lease was effective prior to June 17, 1998, a family may not lease a property owned by relatives, i.e.: sister, brother, mother, father, spouse, son, daughter, grandmother, grandfather

SHA may permit use of any of the following types of special housing if needed as a reasonable accommodation for a person with disabilities:

- Independent Group Residences,
- Congregate Housing,
- Single Room Occupancy Facilities

7.3 Request for Tenancy Approval (RFTA)

Link 24 CFR 982.352(2); 982.305 & 308-309; 982.401; 982.507-508; 982 Subpart M; Form HUD-52517

Before a family leases a unit, SHA must approve the unit selected by the family. The voucher holder and the owner/landlord must submit the following:

- Complete RFTA, signed by both the family and the owner, including:
    - Unsigned dwelling lease
    - Proof of ownership of the unit to be leased (e.g. deed of trust, most recent year tax statement, warranty deed and management agreement, if applicable);
    - The Owner's EIN or social security number;
    - A W-9 form completed by the owner.
    - If the property is in a corporation, the names of all parties
    - Current street mailing address, Post Office Box addresses will not be accepted
    - Business and home telephone number
    - For units constructed prior to 1978, owners must either 1) certify that the unit, common areas, and exterior have been found to be free of lead-based paint by a certified inspector; or 2) attach a lead based paint disclosure statement.
    - Local point of contact: Name; Address; Phone; Email

The RFTA and all associated documents may be submitted in-person, by mail, or email. The family may submit only one RFTA at a time. When the family submits the RFTA the SHA will review the RFTA for completeness. If the RFTA is incomplete (including lack of signature by family, owner, or both), or if the dwelling lease is not submitted with the RFTA, the SHA will notify the family and the owner. The owner will be given 5 calendar days to submit an approvable RFTA from the date of notice.

7.3.1 Tenancy Addendum

Link: 24 CFR 982.308; HUD Form 52641

The owner must use the HUD Tenancy Addendum or all provisions in the HUD-required Tenancy Addendum must be added to the owner's lease. If there is a conflict between the owner's lease and the Tenancy Addendum, the terms of the Tenancy Addendum will prevail over any other provisions of the lease.

7.3.2 Dwelling Lease

Link: 24 CFR 982.308(d)

When the RFTA and proposed lease are submitted, the SHA will review the terms of the RFTA for consistency with the terms of the proposed lease. If the terms of the RFTA are not consistent with the terms of the proposed lease, the SHA will notify the family and the owner of the discrepancies. The proposed lease must comply with HUD requirements, as well as State and local law. The SHA does not provide a model or standard dwelling lease for owners to use in the HCV program.

- Owners that use a standard lease for units rented to unassisted families must use the same lease, plus the HUD prescribed tenancy addendum for HCV assisted families.
- SHA will review the owner's lease, any optional charges, compliance with regulations, and any house rules.
- Responsibility for utilities, appliances and optional services must correspond to those provided on the RFTA.
- The initial lease term must be for one year.
- The owner must be approved and there must be no conflicts of interest (e.g. owner may not be a relative, etc.).

7.3.2.1 New Lease Required

- If there are any changes in lease requirements governing tenant or owner responsibilities for utilities or appliances;
- If there are any changes in lease provisions governing the term of the lease;
- If the family moves to a new unit, even if the unit is in the same building or complex.

7.4 Voucher Term

Link: 24 CFR 982.303(a)

The initial voucher term is 90 calendar days. The family must submit a Request for Tenancy Approval that is complete and a proposed lease within the 90-day period unless the SHA grants an extension.

7.4.1 Voucher Extensions

Link: 24 CFR 982.303(b)

Requests for extensions may be submitted to SHA verbally or in writing prior to the expiration of the voucher term. If the request is received verbally, SHA will record the request in the applicant/ family file

with: date of request, name of requestor, reason for request and SHA staff name. Extensions are permissible at the discretion of the SHA up to a maximum of an additional 60 days. The maximum time limit on the voucher term (including extensions) is 150 days, except when a reasonable accommodation is granted for persons with disabilities or to find new housing when an assisted household has to be divided as a result of the violence or abuse covered by VAWA.

The SHA will promptly decide whether to approve or deny an extension request and will notify the family of its decision and notate the extension date in the applicant/ family file.

7.4.2 Voucher Suspension

The SHA will suspend the term of the voucher from the date a complete Request for Tenancy Approval and proposed lease is accepted by the SHA until the date the SHA makes a final determination with respect to that Request for Tenancy Approval. If the family chooses to cancel the Request for Tenancy Approval (RTA), the term of the voucher will be reinstated the date the SHA receives notice the RTA is cancelled by the family.

7.5 Subsidy Standards

Link: 24 CFR 982.401(d)

SHA does not determine who shares a bedroom or sleeping room. 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.

7.5.1 Subsidy Standards Chart

Link: 24 CFR 982.402

SHA will issue a voucher for a particular bedroom size. The bedroom size is a factor in determining the family's level of assistance. The following guidelines will determine each family's unit size without overcrowding or over-housing.

The living room may be used for sleeping quarters and room additions may be used as sleeping quarters per HUD UPCS-V regulations.

The standards listed below are consistent with HUD requirements and serve as general guidelines when SHA determines the unit size on the family's voucher:

Voucher Unit Size	Persons in Household Minimum Number	Persons in Household Maximum Number
0-BR	1	2
1-BR	1	2
2-BR	3	4
3-BR	5	6

4-BR	7	8
5-BR	9	10

SHA generally assigns one bedroom to two people and will also consider the following conditions when determining the unit size designated for the family voucher:

- Single person families will be allocated a zero or one bedroom.
- Authorized live-in aides will be allocated a separate bedroom. No additional bedrooms will be provided for the live-in aide's family.
- Foster children will be included in determining unit size only if they will be in the unit for at least six (6) consecutive months.
- Space may be provided for a child who is away at school, but who lives with the family during school recess.
- A household in which the parent shares joint custody of a dependent child will include the child on the lease and will be counted for purposes of establishing occupancy standards for unit size if:
    - The head of household is legally entitled to physical possession of the child more than 50% of the time; and
    - The child actually physically resides in the unit with the head of household more than 50% of the time; and
    - If the child is school age, the head of household is listed as the legal guardian on the child's school enrollment documentation, and the address of record is the head of household's address.

A total of two additional members per living/sleeping area may be approved at the request of the family. SHA will only grant increases in voucher size in cases of birth, adoption, court awarded or other legally documented custody.

SHA will consider granting exceptions to the occupancy standards at the family's request if SHA determines, in its sole discretion, the exception is justified by the relationship, age, sex, health or disability of family member or other personal circumstances. All requests for exceptions to the occupancy standards must be submitted in writing and verified by a qualified third party.

An exception may be granted to allocate a separate bedroom to a family member, if a larger bedroom size is needed for medical equipment due to its size and/or function, or as a reasonable accommodation for a person with disabilities. Written verification of disability and need for the medical equipment may be required by SHA prior to allocation of the additional bedroom.

7.5.2 Exceptions to Subsidy Standards

A participating family may request a subsidy exception at any time; however, if the family is in the first term of the lease, or in a lease other than month-to-month, or is not eligible for move for any other

reason, the request may be denied based upon the family's ineligibility to move at the time of the request.

7.5.3 Unit Size Selected by Family

The family may select a different size unit than that listed on the voucher; however, the unit must meet housing quality standards, have a reasonable rent, and the rent must be less than 40% of the family's adjusted income at initial leasing. When calculating the Housing Assistance Payment (HAP), SHA will apply the payment standard and utility allowance for the lower of:

- The unit size shown on the voucher, or
- The size of the actual unit selected by the family.

7.5.4 Under-Housed and Over-Housed Families

If a unit does not meet UPCS-V space standards due to an increase in family size or change in family composition, SHA will issue the family a voucher to move to an appropriate sized unit. UPCS-V requirements permit a maximum of two persons per living or sleeping room in the units.

SHA will notify the family of the circumstances under which an exception will be granted, such as:

- If a family with a disability is under-housed and in an accessible unit.
- If a family requires the additional bedroom because of a health problem that has been verified by the SHA, and is considered a reasonable accommodation.

7.6 Security Deposit

Links: 24 CFR 982.313 (a) and (b)

The owner may collect a security deposit from the family. The deposit must be reasonable based on local security deposits charged and those charged by the owner for other assisted and non-assisted units.

7.7 Separate Agreements

Links: 24 CFR 982.451(b)(4); 24 CFR 982.510(c)

The SHA permits owners and families to execute separate, non-lease agreements for services, appliances (other than range and refrigerator) and other items that are not included in the lease. Any items, appliances, or other services that are not customarily provided to unassisted families as part of the dwelling lease with those families, are not permanently installed in the dwelling unit and where the family has the sole option of not utilizing the item, appliance or service, may be included in a separate non-lease agreement between the owner and the family. Separate non-lease agreements that involve additional items, appliances or other services may be considered amenities offered by the owner and may be taken into consideration when determining the reasonableness of the rent for the property.

Side payments for additional rent, or for items, appliances or services customarily provided to unassisted families as part of the dwelling lease for those families, are prohibited.

7.8 Initial Rent Burden

At initial lease, the family's rent cannot be more than 40% of the family's adjusted income. At the family's request, SHA will negotiate with the owner to reduce the rent. If the rent is not lowered to at or below 40% of the adjusted income, the family may not lease the unit.

7.9 Disapproval of RFTA

If SHA determines that the Request for Tenancy Approval cannot be approved for any reason the owner and the family will be notified. SHA will instruct the family of the steps that are necessary to approve the RFTA. .

If an RFTA is not approved and the voucher has not expired, SHA will furnish another RFTA to the family to continue searching for eligible housing.

7.10 Owner Disapproval

Links: 24 CFR 982.54d(8); 982.306;982.161(a)

SHA may disapprove the owner for any of the following reasons:

- The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;
- The owner has engaged in any drug-related criminal activity or any violent criminal activity;
- The owner has a history or practice of non-compliance with the UPCS-V for units leased under the participant-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 failing to terminate tenancy of participants of units assisted under Section 8 or any other federally assisted housing program for activity engaged in by the family, any member of the household, a guest or another person under the control of any member of the household that: (i) Threatens the right to peaceful enjoyment of the premises by other participants; (ii) Threatens the health or safety of other participants, of employees of the SHA, or of owner employees or other persons engaged in management of the housing; (iii) 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 (iv) Is drug-related criminal activity or violent criminal activity;
- The owner has a history or practice of renting units that fail to meet state or local housing codes; or
- The owner has not paid state or local real estate taxes, fines, or assessment.

- When HUD has informed SHA that disapproval is required because:
    - Owner has been disbarred, suspended, or subject to a limited denial of participation
    - Federal government has instituted an administrative or judicial action against the owner for violating the Fair Housing Act or other federal equal opportunity requirements and such action is pending;
    - Court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements.

Before imposing any penalty against an owner, SHA 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.

If an owner commits fraud or abuse or is guilty of frequent or serious contract violations, SHA may debar or suspend the owner from future participation in the. SHA may terminate some or all contracts with the owner.

The SHA must not approve a tenancy in which any of the following classes of persons has any interest, direct or indirect, during tenure or for one year thereafter:

- Any present or former member or officer of the SHA (except a participant commissioner)
- Any employee of the SHA, or any contractor, subcontractor or agent of the SHA, who formulates policy or who influences decisions with respect to the programs
- Any public official, member of a governing body, or State or local legislator, who exercises functions or responsibilities with respect to the programs
- Any member of the Congress of the United States

HUD may waive the conflict of interest requirements, except for members of Congress, for good cause. The SHA must submit a waiver request to the appropriate HUD Field Office for determination. Any waiver request submitted by the SHA must include the following:

- Complete statement of the facts of the case;
- Analysis of the specific conflict of interest provision of the HAP contract and justification as to why the provision should be waived;
- Analysis of and statement of consistency with state and local laws. The local HUD office, the SHA, or both parties may conduct this analysis. Where appropriate, an opinion by the state's attorney general should be obtained;
- Opinion by the local HUD office as to whether there would be an appearance of impropriety if the waiver were granted;
- Statement regarding alternative existing housing available for lease under the HCV program or other assisted housing if the waiver is denied;
- If the case involves a hardship for a particular family, statement of the circumstances and discussion of possible alternatives;

- If the case involves a public official or member of the governing body, explanation of his/her duties under state or local law, including reference to any responsibilities involving the HCV program;
- If the case involves employment of a family member by the SHA or assistance under the HCV program for an eligible SHA employee, explanation of the responsibilities and duties of the position, including any related to the HCV program;
- If the case involves an investment on the part of a member, officer, or employee of the SHA, description of the nature of the investment, including disclosure/divestiture plans.

In considering whether to request a conflict of interest waiver from HUD, the SHA will consider certain factors such as consistency of the waiver with state and local laws, the existence of alternative housing available to families, the individual circumstances of a particular family, the specific duties of individuals whose positions present a possible conflict of interest, the nature of any financial investment in the property and plans for disclosure/divestiture, and the possible appearance of impropriety. Where the SHA has requested a conflict of interest waiver, the SHA may not execute the HAP contract until HUD has made a decision on the waiver request.

QUADEL CONSULTING

CHAPTER 8: Housing Standards and Inspections and Rent Reasonableness

Links: 24 CFR 982.305; 982.401; 982.405(b); HOTMA §101(a)(1)

SHA performs four types of inspections:

- Initial Inspections
- Biennial Inspections
- Special/Complaint Inspections
- Quality Control Inspections

All units occupied by families receiving Housing Choice Voucher (HCV) assistance meet HUD's housing standards. The SHA participates in HUD's Uniform Physical Condition Standard for Vouchers (UPCS-V) demonstration and will apply this standard to housing unit inspections. All units must pass an UPCS-V inspection prior to the approval of a lease and at least once every 24 months during the term of the contract, and at other times as needed, to determine that the unit meets UPCS-V.

8.2 Initial Inspections

The applicant is permitted but not required to be present. All utilities must be in service at the initial inspection or the inspection will fail. For the re-inspection, the utilities must be turned on.

The unit must have an operating oven, a stove or range, and refrigerator, which may be supplied by the owner or family. If the family is responsible for providing the stove and/or refrigerator, SHA will allow the stove and/or refrigerator to be placed in the unit after the passed inspection. The SHA will only execute the HAP contract following receipt of a signed certification from the family that the appliances are in the unit and working. SHA may conduct a confirmatory inspection to check the appliances.

SHA will conduct the initial inspection generally within 15 calendar days after receiving a completed RFTA from the family and the unit is ready for inspection.

If the unit fails the initial UPCS-V inspection, the owner will be notified of the deficiencies. The owner is required to contact SHA within 30 days of the initial inspection to advise the repairs have been made. If the unit fails the re-inspection, the family must continue their search for a unit.

8.3 Biennial UPCS-V Inspections

Link: 24 CFR 982.405(a)

An adult family member, or other adult representing the family, must be present at the inspection. If an adult cannot be present on the scheduled date, the family must contact SHA to reschedule the inspection. Inspections may be rescheduled once.

If the family misses the first scheduled appointment without notifying SHA before the inspection, the SHA will automatically schedule a second inspection. If the family misses two scheduled inspections without SHA approval, the SHA will consider the family to have violated its obligation to make the unit available for inspection.

8.4 Special Inspections

The SHA will conduct a special inspection if the family, or a government official reports a condition that is life-threatening the GHA will inspect the housing unit within 24 hours of when the GHA received the notification. If the reported condition is not life-threatening, SHA will inspect the unit within 15 days of the notification. During a special inspection, SHA generally will inspect only those deficiencies that were reported. However, the inspector will record any additional UPCS-V deficiencies that are observed and will require the responsible party to make the necessary repairs.

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

8.5 Quality Control Inspections

Link: 24 CFR 982.405(b)

SHA will conduct quality control inspections of a sample of units to ensure that each inspector is conducting accurate and complete inspections and that there is consistency in the application of the UPCS-V. An adult family member, or representative, must be present for the inspection.

8.6 Scheduling Inspections and Family Attendance

Link: 24 CFR 982.551(d)

The family must allow the SHA to inspect the unit at reasonable times with reasonable notice. The family and owner will be given reasonable notice of all inspections. Except in the case of a life-threatening emergency, reasonable notice is considered to be not less than 48 hours. Inspections may be scheduled between 8:00 a.m. and 4:00 p.m., Monday through Friday. In the case of a life-threatening emergency, the SHA will give as much notice as possible, depending on the nature of the emergency.

8.6.1 Missed and Rescheduled Inspections

An owner is not allowed to cancel an annual, special or quality control inspection. The family may only request to cancel and reschedule the annual inspection for good cause: e.g. unavoidable conflict, which seriously affects the health, safety or welfare of the family. SHA may require the family provide documentation in support of the request. The family may only cancel and reschedule the annual inspection and/or any subsequent re-inspections once. If the family is unable to be present, they must reschedule the appointment so that the inspection is completed within 5 business days.

SHA will process termination of family program assistance and inform the owner of contract unit termination when the following occurs:

- The family cancels, does not allow entry, or fails to have an adult present on two consecutive scheduled inspections.
- The family cancels or fails to be present at the first scheduled inspection and fails to reschedule the inspection.
- If the family does not allow entry, is not present for the inspection, or fails to have an adult present, the attempted inspection is considered a failed inspection.

8.7 Emergency Inspections

If a family or government official reports a condition that is life-threatening, SHA will inspect the unit within 24 hours.

The owner and the family will be notified in writing of the results of all inspections. When an inspection identifies UPCS-V failures, the SHA will determine if the failure is a life-threatening condition.

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

When failures that are not life-threatening are identified, the SHA will send the owner and the family a written notification of the inspection results. The written notice will state that the re-inspection will occur within 30 calendar days, without a SHA approved extension. The owner must contact SHA when the unit is ready for re-inspection within the 30 calendar day time requirement.

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

The SHA will make all HAP abatements effective the first of the month following the expiration of the SHA specified correction period (including any extension).

- The SHA will inspect abated units within 5 business days of the owner's notification that the work has been completed.
- Payment will resume effective on the day the unit passes inspection.
- The maximum length of time that HAP may be abated is 60 calendar days.
    - However, if the owner completes corrections and notifies the SHA before the termination date of the HAP contract, the SHA may rescind the termination notice if (1) the family still resides in the unit and wishes to remain in the unit and (2) the unit passes UPCS-V inspection.

During any abatement period the family continues to be responsible for its share of the rent. The owner must not seek payment from the family for abated amounts and may not use the abatement as cause for eviction.

If the owner is unable to gain access to the unit to make repairs due to the family's lack of cooperation, the owner enforce the lease and advise SHA of the lease violation.

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

8.8 UPCS-V Certifications

Link: 24 CFR 982.404(a)(3); Notice PIH 2013-17

At SHA's sole discretion, SHA will either complete a re-inspection or allow the owner and family to submit a Certification of Work Completed Notice.

If the owner is eligible to submit a Certification of Work Completed Notice, the Certification must be submitted to SHA within 28 calendar days of the failed inspection, and may also contain the family's signature, and documentation of the completed work must be attached, i.e. receipts, pictures, etc. Units where verification of repair by self-certification and/or photographs are used, may be subject to additional quality control inspections.

It is the owner's responsibility to obtain the family's signature on the Certification and to submit the form to SHA within 28 days of the date of the first inspection.

SHA may utilize a Certification of Work Completed Notice when the repairs required are minor. The unit is not eligible for a Certification and must be re-inspected in the following circumstances:

- The unit has numerous failed items
- The fail is an emergency, 24-hour repair item
- The failed item(s) are of a serious or suspicious nature

8.9 Extensions

Link: 24 CFR 982.404

SHA will not grant extensions for life-threatening conditions. For conditions that are not life-threatening, the SHA may grant an exception for correcting the failed item(s), if the SHA determines that an extension is appropriate. Extensions will be granted in cases where the SHA has determined that the owner has made a good faith effort to correct the deficiencies and is unable to for reasons beyond the owner's control. Reasons may include, but are not limited to:

- A repair cannot be completed because required parts or services are not available.
- A repair cannot be completed because of weather conditions.
- A reasonable accommodation is needed because the family includes a person with disabilities.

The length of the extension will be determined on a case by case basis, but will not exceed 60 days, except in the case of delays caused by weather conditions. In the case of weather conditions, extensions may be continued until the weather has improved sufficiently to make repairs possible. The necessary repairs must be made within 10 business days, once the weather conditions have subsided.

8.10 Family Responsibilities

Link: 24 CFR 982.551(d), 24 CFR 982.404(b)

The family is responsible for correcting inspection failures caused by:

- Family-paid utilities not in service
- Failure to provide or maintain family-supplied appliances
- Damage to the unit or premises caused by a household member or guest beyond normal wear and tear.
- Infestation and damage to the unit caused by infestation due to housekeeping.

SHA will terminate the family's assistance if the family:

- Fails to correct a violation within the period allowed by the SHA (and any extensions);
- Fails to allow the owner entry into the unit to complete repairs.

8.11 Owner Responsibilities

Link: CFR 985.3(f)

The owner is responsible for all UPCS-V violations not listed as a family responsibility above. In order for a unit that has failed two consecutive inspections to be scheduled for a third inspection the owner must provide SHA with written certification that all deficiencies have been corrected. Only upon receipt of this certification will additional inspections be scheduled.

8.11.1 Lead Safe Homes Rule

Link: HUD PIH Notice 2017-13

For Housing Choice Voucher (HCV) units, when a child under 6 is identified with an elevated blood lead level (EBLL), the Owner is responsible for:

- Initial notification of a confirmed case to HUD: In the event that the owner becomes aware of the above, the Owner must notify SHA, who will collaborate with notification to the HUD field office and the HUD Office of Lead Hazard Control and Healthy Homes of the case – that is, the child's address – within 5 business days.

- Initial notification of the public health department, when necessary: When the Owner is notified of the case by any medical health care professional other than the public health department, the owner will notify SHA, who will notify the public health department of the name and address of the child within 5 business days.
- Verification of the case, when necessary: When the Owner receives information from a person who is not a medical health care provider that a case may have occurred, the owner should immediately convey the information to SHA so the SHA may notify the public health department, if SHA has indicated, or indicates at this time, that it wishes to collaborate with the owner on implementation of the rule, as described in PIH Notice 2017-13 and as follows.
    - Control of lead-based paint hazards: Completing the reduction of lead-based paint hazards in the index unit and common areas servicing that unit that were identified by the environmental investigation conducted by the PHA within 30 calendar days, using a certified lead-based paint abatement firm or certified lead renovation firm. Work will include occupant protection, and clearance of the unit and common areas servicing that unit by an independent certified risk assessor or a trained dust sampling technician working under the risk assessor in accordance with section 35.1340.
    - Notification to other residents: As already required by the LSHR, in a multiunit property, the owner must notify all residents of lead evaluation and hazard control activities.
    - Ongoing maintenance: Maintaining covered housing without deteriorated paint if there is child under 6 in the family in accordance with sections 35.1220 and 35.1355(a).

8.12 Rent Reasonableness

Link: 24 CFR 982.507; 982.305(a); 982.505 9(c)(3)

At all times during the assisted tenancy, the rent to Owner may not exceed the reasonable rent determined by SHA. Rent reasonableness determinations may be completed by SHA at any time and will be completed:

- At initial lease up
- When an owner requests a rent increase
- If the FMR is decreased by 10%
- When directed by HUD

SHA 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, and
- Does not exceed rents currently charged by the same owner for an equivalent assisted or unassisted unit in the same building or complex.

8.12.1 Decreases in the Fair Market Rent

Link: PIH Notice 2018-01:

In the event that HUD FMRs' decrease, SHA will allow families that are currently under a HAP contract to continue to use the payment standard in effect for the current lease. However, in the event that the family moves to a new unit or in the event that the owner requests a rent increase, the new or current payment standard will be applied to the voucher.

8.12.2 Methodology

The SHA contracts with a third party provider to collect and maintain data on market rents in the SHA's jurisdiction for unit rent reasonableness. Information sources may include newspapers, Internet, realtors, market surveys, inquiries of owners, owner information listed on the RFTA, and other available sources. The data is maintained by bedroom size and market areas. Market areas may be defined by zip codes, census tract, neighborhood, and identifiable natural or man-made boundaries. The data is updated on an ongoing basis.

The rent for a unit proposed for HCV assistance will be compared to the rent charged for comparable unassisted units in the same market area. Because units may be similar, but not exactly like the unit proposed for HCV assistance, the SHA utilizes a simplified rent reasonableness system that compares similar units and includes and considers the HUD factors. Information is gathered on unassisted rental units in the SHA market area, and each unit is rated using the SHA'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. Attempts will be made to localize the unit within a small jurisdiction (under a mile radius). The average will be adjusted up or down based on the estimated dollar value of the comparable items in comparison with the total database.

- The adjustment will reflect the local market. Not all differences in units require adjustments (e.g., the presence or absence of a garbage disposal may not affect the rent in some market areas).
- Adjustments may vary by unit type (e.g., a second bathroom may be more valuable in a three-bedroom unit than in a two-bedroom).
- The adjustment will reflect the rental value of the difference.
- When a comparable project offers rent concessions (e.g., first month rent-free, or reduced rent) reported monthly rents will be adjusted accordingly. For example, if a comparable project reports rents of $500/month but new participants receive the first month's rent free, the actual rent for the unit would be calculated as follows: $500 x 11 months = 5500/12 months = actual monthly rent of $488.

The SHA will notify the owner of the unit's rent reasonableness amount. The owner may submit information about other comparable units in the market area within 5 business days of SHA's

notification. The SHA will confirm the accuracy of the information provided and consider this additional information when making final rent reasonableness determinations.

By signing the HAP contract and accepting each monthly HAP payment, the owner certifies that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises. SHA will not consider rent increase requests until after the initial occupancy period and only if the unit is not in failed UPCS-V status.

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CHAPTER 9: Housing Assistance Payment Contract

Link: Form HUD 52641-a

SHA makes every effort to execute the HAP contract with the owner as quickly as possible on or after the unit passes inspection and all required documents have been submitted. Required documents include:

- Executed lease between the owner and the family
- Ownership and tax documents stated in the RFTA section of this Plan

9.1 HAP Payments

Link: 24 CFR 982.451(a)(5)

Once the HAP Contract is executed, SHA will process housing assistance payments to the owner. The HAP contract is not effective until the unit has passed UPCS-V, unless otherwise approved by SHA for non-life threatening deficiencies. SHA is not responsible for any part of the rent prior to the date the unit passes inspection and the HAP contract is fully executed.

SHA will make Housing Assistance Payments to the owner in accordance with the HAP Contract, as long as the family continues to occupy the unit and the contract is not in violation. By accepting the monthly HAP payment, the owner certifies that: the family still resides in the unit, the owner is in compliance with the contract, the unit is UPCS-V compliant, and that the rent to the owner is not more than the rent charged by the owner for comparable unassisted units.

The Housing Assistance Payment to the owner may never exceed the rent charged by the owner, and is the lower of the:

- Payment Standard minus the Total Participant Payment, or
- Gross rent minus the Total Participant Payment.

Late payment of HAP to the owner is subject to the late fees specified in the owner's lease. SHA is not responsible for payment of late fees caused by:

- The family's late payment of rent
- Late HUD fund transfer
- HAP payments on hold (UPCS-V, etc.)
- Any other HUD allowed reason and circumstances beyond SHA control.

Owner payments will be placed on hold if:

- The unit fails UPCS-V
- Ownership of the unit has changed
- Unit ownership is in question
- Any other reason SHA determines that the HAP contract may have been breached

9.2 Owner Rent Increases

Link: 24 CFR 982.308(g)(4); 982.309(a)(3)

After the initial lease period, the owner may request a rent increase according to the terms in the lease. All rent increases must be submitted in writing to SHA by the owner, along with a copy of the rent increase notice to the family. The owner must provide 60 days advance notice to the family and the rent increase must be requested on the SHA Rent Increase Form.

If approved, the rent adjustment will be effective the first day of month on or after the contract anniversary date or 60 days following receipt of the owner request on the first of that month, whichever is later. If the rent is not reasonable and the owner is unwilling to negotiate an approvable rent amount, the family will be issued a voucher to move and the HAP contract will be terminated.

SHA may, due to HUD funding constraints, limit and/or suspend rent increases.

9.3 Unit Ownership Changes

SHA must receive a written request by the initial owner in order to change the HAP Contract payee and/or the address to which payment is to be sent. SHA will process a change of ownership provided the following documents are received from the new owner:

- Proof of ownership, i.e. copy of escrow statement, deed of trust, or other document showing the transfer of title.
- Completed W9 with Social Security or Employee Identification Number
- In cases where the owner has elected to utilize the services of a property management company or has otherwise designated an agent to act on his/her behalf, SHA may request a copy of the management or agent agreement, a statement from the owner identifying the individual/s authorized to execute HAP Contracts on his/her behalf in addition to proof of ownership documentation.
- Owners are required to provide a Tax Identification Number (TIN) or a Social Security Number that matches their banking information. SHA will not enter into a contract where the owner is unable to establish a TIN/SSN that matches names or entities identified on ownership.
- Owner Certification
- The effective date of the HAP contract assignment
- A written agreement to comply with the terms of the HAP contract.
- A certification that the new owner is not a prohibited relative.

- When a change in ownership occurs, the new owner legally assumes the current lease and the current HAP contract. At SHA's or the new owner's request a new HAP contract may be executed, however the lease terms remain the same and new HAP term matches the existing lease.

9.4 HAP Contract Terminations

Link: 24 CFR 982.311(b)

All terminations of a HAP contract initiated by SHA will be sent in writing to the owner and family. Automatic termination of HAP payments result when:

- A family vacates the unit either in violation of the lease or by mutual agreement with the owner before termination of the lease/contact
- The lease is terminated by the owner or the family
- The owner will not renew the HAP contract or extend the current lease
- The sole family member dies
- There has been no HAP for 180 calendar days
- SHA terminates assistance for the family
- UPCS-V space requirements are not met or the unit failed UPCS-V and has not been repaired in the required timeframe
- Owner violations of the HAP contract
- Family obligation violations

SHA may terminate the HAP contract when HUD funding is insufficient.

No future subsidy payments on behalf of the family will be made by SHA to the owner after the month in which the Contract is terminated. The owner must reimburse SHA for any subsidies paid by SHA for any period after the contract termination date.

If the family continues to occupy the unit after the HAP contract is terminated, the family is responsible for the total amount of rent due to the owner.

The owner may terminate the lease at the end of the lease term or at any time for lease violations. The owner must use the termination proceedings as prescribed in the lease and contract; the owner can:

- Institute court action, using the grounds for eviction cited in the lease;
- Try to obtain a mutual rescission of the lease with the family. The mutual rescission must be signed by both parties and indicate the reason for the rescission.
- Issue proper notice not to renew the Lease Agreement.

If the owner has begun eviction and the family continues to reside in the unit, SHA will 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 family. HAP payment will stop the first of the month following the legal eviction or the date the family moves from the unit whichever is earlier.

If an eviction is due to other than lease violations and if SHA has no other grounds for the family's termination of assistance, and if the family is eligible to move; SHA may issue a new voucher to the family.

The owner may not terminate tenancy for the SHA's failure to pay the housing assistance payment.

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CHAPTER 10: Verifications

Links: 24 CFR 982.516, 24 CFR 982.551, 24 CFR 5.230, 24 CFR 5.609(d); Notice PIH 2010-19; HCV GB p5-17,

The family must supply any information that SHA or HUD determines necessary to the administration of the program and must consent to the SHA verification of that information. All adult applicants and participants must sign the HUD-9886, Authorization for Release of Information. Adult family members must sign other consent forms as needed to collect information relevant to the family's eligibility and level of assistance. Failure to sign consent forms will result in denial of admission for applicants and lease termination for participants. The family will be informed of the denial or termination in accordance with SHA policies, and will be provided information on requesting an informal hearing.

10.1 Methods of Verification

Link**:** Notice PIH 2018-18,

SHA uses HUD's hierarchy of verifications, in the following order:

- Up-front Income Verification (UIV) using HUD's Enterprise Income Verification (EIV) system
- Up-front Income Verification (UIV) using a non-HUD system
- Written Third Party Verification provided by applicant or family
- Written Third-party Verification Form
- Oral Third-party Verification
- Self-Certification

10.1.1 EIV Verification Process

Link: 24 CFR 5.233; PIH Notice 2018-28

The SHA uses HUD's Enterprise Income Verification (EIV) system to verify participant employment, earned income, unemployment benefits, and social security (SS), and supplement security income (SS) benefits information at annual and interim re-certifications. The SHA will also use HUD's EIV system to monitor potential duplicate subsidies, deceased individuals, household member identity, under and non-reported income, and immigration status.

The SHA will inform all applicants and participants of its use of the following UIV resources during the admission and reexamination process: HUD's EIV system.

10.1.2 Requirements for Non-EIV Verifications

The SHA's requirements for non-EIV verifications provided by the applicant or participant are:

- Any third party documents supplied by the applicant or participant used for verification must be original or authentic documents and must be dated within 60 days of the request date. The documents must not be damaged, altered or in any way illegible.

- The SHA may accept documents dated up to 6 months before the effective date of the family's reexamination if the document represents the most recent scheduled report from a source.
- Print-outs from web pages are considered acceptable documents.
- The SHA staff member who views the document will make a photocopy, note the copy with the name of the person who provided the document and the date the original was viewed, and sign the copy.

10.1.3 Third Party Written Verifications

Third-party verification forms will be sent when third-party verification documents are unavailable or are rejected by the SHA and will be sent directly to the third party.

The PHA will accept a self-certification from a family as verification of assets disposed of for less than fair market value.

The SHA also will determine that third-party verification is not available when there is a service charge for verifying an asset or expense ***and*** the family has original documents that provide the necessary information.

10.1.4 Third Party Oral Verifications

SHA staff will record in the family's file the name and title of the person contacted, the date and time of the conversation (or attempt), the telephone number used, and the facts provided.

10.1.5 Family Self-Certifications

Link: Notice PIH 2013-03

The documents in the application packet and annual re-certification packet serve as the family's self-certifications. When the SHA is unable to obtain third-party verification, the SHA will document in the family file the reason that third-party verification was not available. When information cannot be verified by a third party or by review of documents, family members will be required to submit self-certifications attesting to the accuracy of the information they have provided to the SHA. SHA may require the family to certify that a family member does not receive a particular type of income or benefit. The self-certification must be made in a format acceptable to the SHA and must be signed by the family member whose information or status is being verified.

10.2 Eligibility Verifications

The following information will be verified to determine qualification for admission and continued occupancy to SHA's housing:

- Household composition, demographics and type (Elderly/Disabled/Non-elderly)
- Annual Income
- Assets and Asset Income
- Deductions from Income
- Social Security Numbers of all household members
    - Pending disclosure and documentation of social security numbers, the SHA will allow the family to retain its place on the waiting list for 90 days. If not all household members have disclosed their SSNs at the next time a voucher becomes available, the SHA will offer a voucher to the next eligible applicant family on the waiting list.
    - Citizens and lawfully present noncitizens who state that they have not been assigned an SSN by the SSA will make such declaration in writing and under penalties of perjury to SHA.
    - If the family provides an unacceptable document, the SHA will explain to the applicant or family the reasons the document is not acceptable and request that the individual obtain and submit acceptable documentation of the SSN to the SHA within 60 days.
    - If the family certifies that the required evidence is temporarily unavailable and it needs more time, the SHA may provide an extension of up to 30 days to submit evidence of eligible status, if the family has submitted the required declaration of eligible immigration status. To obtain an extension, the family must also certify that prompt and diligent efforts will be undertaken to obtain the evidence.
    - Once an individual's status is classified as "verified" in HUD's EIV system, the SHA may remove and destroy copies of documentation accepted as evidence of social security numbers.
- Applicant Criminal History Information
- Citizenship or eligible immigration status

10.3 Legal Identity Verification

The SHA will require families to furnish verification of legal identity for each household member. A photo ID is required for each adult family member. Legal identity will be verified at application and on an as needed basis. Only the following identify documents are acceptable, in addition to the photo ID for each adult:

- Adults: Birth Certificate or Naturalization Papers
- Children: Birth Certificate, Adoption Papers, Court Award documents, Social Service Agency Award documents

10.3.1 Marriage Verification

A marriage certificate is required to verify that a couple is married. In the case of a common law marriage, the couple must demonstrate that they hold themselves to be married (filing joint income tax returns, joint bank statements, etc.).

10.3.2 Separation or Divorce Verification

A certified copy of a divorce decree, signed by a court officer, is required to document that a couple is divorced.

A copy of a court-ordered maintenance or other court record is required to document a separation.

If no court document is available, documentation from a community-based agency will be accepted.

10.3.3 Adult Member Absence Verification

If an adult member who was formerly a member of the household is reported to be permanently absent, the family must provide evidence to support that the person is no longer a member of the family (e.g., lease at another address or utility bill).

10.3.4 Foster Children and Foster Adults Verification

Third-party verification from the state or local government agency responsible for the placement of the individual with the family is required.

10.4.5 Student Status Verification

The SHA requires families to provide information about the student status of all students who are 18 years of age or older. This information will be verified only if:

- The family claims full-time student status for an adult other than the head, spouse, or co-head; or
- The family claims a child care deduction to enable a family member to further his or her education; or
- The family includes a student enrolled in an institution of higher education.

10.3.6 Student Head of Households

Link: Federal Register / Vol. 81, No. 183 / Wednesday, September 21, 2016 / Notices

SHA may provide housing assistance to Independent Student Head of Households who are defined by meeting one of the following characteristics:

a. The individual is 24 years of age or older

b. 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 of older

c. 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

d. 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

e. The individual is a graduate or professional student

f. The individual is a married individual

SHA will verify the Student Head of Household using the following:

- 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''
- 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''
- 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

10.3.7 Disabled Status Verification

For family members claiming disability who receive disability payments from the SSA, the SHA will use HUD's EIV system to verify the disability. If documentation from HUD's EIV System is not available, the SHA will request a current (dated within the last 60 days) SSA benefit verification letter from each family member claiming disability status. If the family is unable to provide the document(s), the SHA will ask the family to request a benefit verification letter by either calling the SSA at 1-800-772-1213, or by requesting it from www.ssa.gov.

For family members claiming disability who do not receive SSI or other disability payments from the SSA, a knowledgeable professional must provide third-party verification that the family member meets the HUD definition of disability.

10.3.8 US Citizens and Nationals

Family members who claim US citizenship or national status will be required to provide additional documentation such as a birth certificate.

10.4 Verification of Income

Link: Link: 24 CFR 960.259, 982.516

10.4.1 Wage Verification

The SHA requires two current and consecutive paystubs for determining annual income from wages. If paystubs are not available, the SHA will accept an authentic document on employer letter head that states wages for previous 60 days, or an employer payroll print out.

10.4.2 Tip Income Verification

Unless tip income is included in a family member's W-2 by the employer, persons who work in industries where tips are standard will be required to sign a certification of tips received for the prior year and estimated tips anticipated to be received in the coming year.

10.4.3 Bonus Income Verification

For persons who regularly receive bonuses or commissions, the SHA will verify and then average amounts received for one year preceding admission or re-certification. The SHA will consider justification for not using this history to anticipate future bonuses or commissions. If a new employee has not yet received any bonuses or commissions, the SHA will count only the amount estimated by the employer.

10.4.4 Business and Self Employment Income Verification

Business owners and self-employed persons will be required to provide:

- An audited financial statement for the previous fiscal year if an audit was conducted. If an audit was not conducted, a statement of income and expenses must be submitted and the business owner or self-employed person must certify to its accuracy.
- All schedules completed for filing federal and local taxes in the preceding year. If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules.
- The SHA will provide a format for any person who is unable to provide such a statement to record income and expenses for the coming year. The business owner/self-employed person will be required to submit the information requested and to certify to its accuracy at all future reexaminations.
- At any re-certification the SHA may request documents that support submitted financial statements such as manifests, appointment books, cash books, or bank statements.
- If a family member has been self-employed less than three months, the SHA will accept the family member's certified estimate of income and schedule an interim reexamination in three months.
- If the family member has been self-employed for three to twelve months the SHA will require the family to provide documentation of income and expenses for this period and use that information to project income.

10.4.5 Social Security and SSI Benefits Verification

To verify the SS/SSI benefits of participants, the SHA will obtain information about social security/SSI benefits through HUD's EIV system. If the family disputes the EIV-reported benefit amount, or if benefit information is not available in HUD systems, the SHA will request a current SSA benefit verification letter from each family member that receives social security benefits.

If a family member is unable to provide the document, the SHA will help the family request a benefit verification letter from SSA's Web site at www.socialsecurity.gov or ask the family to request one by calling SSA at 1-800-772-1213. Once the family has received the benefit verification letter, it will be required to provide the letter to the SHA.

10.4.6 Alimony and Child Support Verification

SHA verifies alimony and child support differently depending on whether the family declares that it receives regular payments. If the family declares that it receives regular payments, verification will be sought in the following order.

- If payments are made through a state or local entity, SHA will request copy of the receipts and/or payment stubs for the previous year and request that the entity disclose any known information about the likelihood of future payments.
- Copy of the latest check and/or payment stubs
- Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules.
- Third-party verification form from the person paying the support
- Family's self-certification of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received

If the family declares that it receives irregular or no payments, in addition to the verification process listed above, the family must provide evidence that it has taken all reasonable efforts to collect amounts due. This may include:

- A statement from any agency responsible for enforcing payment that shows the family has requested enforcement and is cooperating with all enforcement efforts
- If the family has made independent efforts at collection, a written statement from the attorney or other collection entity that has assisted the family in these efforts

10.4.7 Zero Income Verification

The SHA will check EIV to determine zero household income. SHA will require the head of household to execute verification forms to determine that certain forms of income such as unemployment benefits, TANF, SSI, etc. are not being received by the household.

10.4.8 Student Financial Assistance

Link: 24 CFR 5.609(b)(9)

For a student subject to having a portion of his/her student financial assistance included in annual income, the SHA will request written third party verification of both the source and the amount. Documents requested include:

- Family provided documents from the educational institution attended by the student
- Documents generated by any other person or entity providing such assistance, as reported by the student.
- Written verification of the student's tuition amount.

10.5.8.1 Verification of Parental Income of Students Subject to Eligibility Restrictions

If the SHA is required to determine the income eligibility of a student's parents, the SHA will request an income declaration and certification of income from the appropriate parent(s). The SHA will send the request directly to the parents, who will be required to certify to their income under penalty of perjury. The parents will be required to submit the information directly to the SHA. The required information must be postmarked within 10 business days of the date of the SHA SHA's request or within any extended timeframe approved by the SHA.

The SHA reserves the right to request and review supporting documentation at any time if it questions the declaration or certification. Supporting documentation may include, but is not limited to Internal Revenue Service tax returns, consecutive and original pay stubs, bank statements, pension benefit statements, benefit award letters and other official and authentic documents from a federal, state, or local agency.

10.5 Verification of Assets

Link: 24 CFR 960.259, 982.516, Notice PIH 2016-05

For a family with net assets equal to or less than $5,000, the SHA may accept the family's declaration that it has net assets equal to or less than $5,000, without taking additional steps to verify the accuracy of the declaration. The declaration must state the amount of income the family expects to receive from such assets; this amount must be included in the family's income.

The SHA will obtain third-party verification of assets at eligibility determination and every three years thereafter.

10.5.1 Assets Disposed of for Less Than Fair Market Value Verification

SHA accepts the family's self-certification of whether any assets have been disposed of for less than fair market value in the past two years. The SHA needs to verify only those certifications that warrant documentation. The SHA will verify the value of assets disposed of only if:

- The SHA does not already have a reasonable estimation of its value from previously collected information, or
- The amount reported by the family in the certification appears obviously in error.

10.5.2 Income from Rental Verification

The family must provide:

- A current executed lease for the property that shows the rental amount or certification from the current family
- A self-certification from the family members engaged in the rental of property providing an estimate of expenses for the coming year and the most recent IRS Form 1040 with Schedule E (Rental Income). If schedule E was not prepared, the SHA will require the family members involved in the rental of property to provide a self-certification of income and expenses for the previous year and may request documentation to support the statement including: tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.

10.5.3 Retirement Account Verifications

The SHA will accept written third-party documents supplied by the family as evidence of the status of retirement accounts.

Before retirement, the SHA will accept an original document from the entity holding the account with a date that shows it is the most recently scheduled statement for the account but in no case earlier than 6 months from the effective date of the examination.

Upon retirement, the SHA will accept an original document from the entity holding the account that reflects any distributions of the account balance, any lump sums taken and any regular payments.

After retirement, the SHA will accept an original document from the entity holding the account dated no earlier than 12 months before that reflects any distributions of the account balance, any lump sums taken and any regular payments.

10.6 Verification of Expenses

10.6.1 Medical Expenses

Medical expenses will be verified by written third-party documents provided by the family, such as pharmacy printouts or receipts. The SHA will make a best effort to determine what expenses from the past are likely to continue to occur in the future. The SHA will also accept evidence of monthly payments or total payments that will be due for medical expenses during the upcoming 12 months.

SHA will also accept written third-party verification forms. The family will be required to certify that the medical expenses are not paid or reimbursed to the family from any source.

When anticipated costs are related to on-going payment of medical bills incurred in past years, the SHA will verify:

- The anticipated repayment schedule

- The amounts paid in the past, and
- Whether the amounts to be repaid have been deducted from the family's annual income in past years

10.6.2 Disability Assistance Expenses

Expenses for attendant care will be verified through:

- Written third-party documents provided by the family, such as receipts or cancelled checks.
- Third-party verification form signed by the provider, if family-provided documents are not available.

Expenses for auxiliary apparatus will be verified through:

- Written third-party documents provided by the family, such as billing statements for purchase of auxiliary apparatus, or other evidence of monthly payments or total payments that will be due for the apparatus during the upcoming 12 months.
- Third-party verification form signed by the provider, if family-provided documents are not available.

The family will be required to certify that attendant care or auxiliary apparatus expenses are not paid by or reimbursed to the family from any source.

To verify the family member enabled to work, the SHA will verify that the expenses claimed actually enable a family member, or members, (including the person with disabilities) to work. SHA will request third-party verification from a rehabilitation agency or knowledgeable medical professional indicating that the person with disabilities requires attendant care or an auxiliary apparatus to be employed, or that the attendant care or auxiliary apparatus enables another family member(s) to work. To be eligible for the disability expenses deduction, the costs must not be reimbursed by another source.

10.6.3 Child Care Expense Verification

The family is required to certify that the child care expenses are not paid by or reimbursed to the family from any source. The SHA will verify that the family member(s) that the family has identified as being enabled to seek work, pursue education, or be gainfully employed, are actually pursuing those activities.

If a family member is seeking work, SHA will use documentation from a state or local agency that monitors work-related requirements (e.g., welfare or unemployment) or the SHA will request family-provided verification from the agency of the member's job seeking efforts to date and require the family to submit to the SHA any reports provided to that agency.

In the event third-party verification is not available, the SHA will provide the family with a form on which the family member must record job search efforts. The SHA will review this information at each subsequent re-certification for which this deduction is claimed.

If the family member is furthering education, the SHA will request third-party documentation to verify that the person permitted to further his or her education by the child care is enrolled and provide information about the timing of classes for which the person is registered. The documentation may be provided by the family.

The SHA will seek third-party verification of the work schedule of the person who is permitted to work by the child care. In cases in which two or more family members could be permitted to work, the work schedules for all relevant family members may be verified. The documentation may be provided by the family.

The type of care to be provided is determined by the family, but must fall within certain guidelines.

- The SHA will verify that the type of child care selected by the family is allowable.
- The SHA will verify that the fees paid to the child care provider cover only child care costs (e.g., no housekeeping services or personal services) and are paid only for the care of an eligible child (e.g., prorate costs if some of the care is provided for ineligible family members).
- The SHA will verify that the child care provider is not an assisted family member. Verification will be made through the head of household's declaration of family members who are expected to reside in the unit.
- The actual costs the family incurs will be compared with the SHA's established standards of reasonableness for the type of care in the locality to ensure that the costs are reasonable.

If the family presents a justification for costs that exceed typical costs in the area, the SHA will request additional documentation to support a determination that the higher cost is appropriate.

QUADEL CONSULTING

CHAPTER 11: ONGOING PROGRAM OPERATIONS

11.1 Annual Re-Certifications

Links:24 CFR 982.516; 24 CFR 5.612

The SHA will conduct a re-certification of income and family composition annually. The SHA will begin the annual re-certification process approximately 120 days in advance of the scheduled effective date. If the family size has changed, SHA will increase or decrease the voucher size as appropriate at the annual re-certification. The annual re-certification will be effective on the first of the month.

If any documents are missing from the file (social security cards, birth certificates, citizen declaration forms, etc.) the family is required to provide the documents upon request at annual re-certification, interim certification, or at any time requested by SHA.

The annual re-certification will not re-verify eligibility income limits except where the Head of Household is a full time student.

SHA may follow up by telephone, email and/or require in-person appointments with participants, as needed to request additional information, seek clarification, review reexamination documents, and/or conduct quality control.

Participants will be provided up to two opportunities to complete the re-examination requirements within the prescribed timeframes. Persons with disabilities who require assistance completing required documents will be granted a reasonable accommodation to complete documents within prescribed timeframes. If all documents and information are not submitted to SHA within the timeframe, and any allowed extensions, the voucher will be terminated effective on the p family's reexamination effective date for the family's failure to comply with their family obligations.

11.1.1 Streamlined Income Determinations

Link: Notice PIH 2016-05

For any family member with a fixed source of income, the SHA may determine that family member's income using a streamlined income determination by applying, for each fixed-income source, the verified cost of living adjustment (COLA) or current rate of interest to the previously verified or adjusted income amount.

A family member with a fixed source of income is a family member whose income includes periodic payments at reasonably predictable levels from one or more of the following sources: Social Security, Supplemental Security Income, Supplemental Disability Insurance; federal, state, local, or private pension plans; annuities or other retirement benefit programs, insurance policies, disability or death benefits, or other similar types of periodic receipts; or any other source of income subject to adjustment by a verifiable COLA or current rate of interest.

SHA will use a COLA or current rate of interest specific to the fixed source of income in order to adjust the income amount and will verify the COLA or current interest rate from a public source or through tenant-provided, third party–generated documentation. If no such verification is available, then the SHA will obtain third-party verification of income amounts in order to calculate the change in income for the source.

For any family member whose income is determined by a streamlined income determination, the SHA will obtain third-party verification of all income amounts every 3 years.

11.2 Interim Reexaminations

Link: 24 CFR 960.257, 966.4

The family must report changes in income expected to last more than thirty days and/or household composition to SHA within 10 business days of the change. Families are not required to report cost of living adjustments to recipients of Social Security, TANF, Veteran's Assistance, and SSI.

11.2.1 Changes to Household Composition

The family must inform the SHA of an addition of a family member as a result of birth, adoption, or court-awarded custody of a child or the removal of a family member from the household within 10 business days.

Upon approval of the SHA, a participant family may add additional adult family member(s) to the household under the following circumstances:

- A new family member: spouse, child, other child with guardianship via court documents.
- As a reasonable accommodation to provide care to a family member not currently on the voucher;
- Such member must be eligible for participation in the Housing Choice Voucher Program
- Such member has supplied documentation of Social Security Number prior to move-in. If the member is a child six or under, the household has 90 days after move-in to submit the documentation.

A criminal background check and credit history review is required for all requests to add adult household members or live-in aides to the household. SHA's prior approval of additions to the household is required.

The SHA will not approve the addition of a new family member or household member unless the individual meets the SHA's eligibility criteria and documentation requirements. The SHA will not approve the addition of a foster child or foster adult if it will cause a violation of UPCS-V space standards. The SHA will conduct interim re-certifications to account for any changes in household composition that occur between annual re-certifications.

If SHA approves the addition of the family member and the owner does not, the family will need to move from the current unit following all SHA and HUD move requirements.

11.2.2 Interim Changes Affecting Income or Expenses

Families are required to report in writing all new sources of income; and an increase in income for either families previously certifying to zero income or who have a waiver of the minimum rent due to financial hardship within 10 business days of the date the change takes effect.

A family must report an increase in income/assets that occurs during the recertification period (within 120 days of the anniversary date, if the increase occurs after the family has completed the recertification packet and was not included).

Seasonal employees such as school employees, agricultural workers, or construction trades that may typically work for fewer months depending on local conditions will be required to report all changes in their income for such employment if their income calculation is not annualized.

When the existing employment ends, the tenant is required to inform the SHA within 10 business days of the occurrence. The SHA will then conduct an interim reexamination, annualizing the new current income, except in cases where a history of the individual's income from past years is known. If future income sources are unknown or none, then an interim reexamination will be conducted.

The SHA will annualize the current income and conduct an interim reexamination when the income changes. Decreases will take effect the month following the reported change and increases will take effect the first day of the month following thirty (30) days from when the tenant is notified by an amendment to change existing and/ or lease amendment.

11.2.3 SHA-Initiated Interim Re-certifications

The SHA will conduct interim re-certifications in each of the following instances:

- For families receiving the Earned Income Disallowance (EID), the SHA will conduct an interim reexamination at the start and conclusion of the 24-month eligibility period.
- If at the time of the annual reexamination, tenant declarations were used due to the lack of third-party verification, and third-party verification becomes available, the SHA will conduct an interim reexamination.
- Household members 18 years of age or older must report their student status or change in their student status, full-time or part-time, so the SHA can conduct an interim reexamination.
- The SHA may conduct an interim reexamination at any time in order to correct an error in a previous reexamination, or to investigate a tenant fraud complaint.

11.2.4 Interim Re-certification Effective Dates

If the family rent is to increase:

- The increase generally will be effective on the first of the month following 30 days' notice to the family.

- If a family fails to report a change within the required time frames, or fails to provide all required information within the required time frames, the increase will be applied retroactively, to the date it would have been effective had the information been provided on a timely basis. The family will be responsible for any underpaid rent and may be offered a repayment agreement.

If the family rent is to decrease:

- The decrease will be effective on the first day of the month following the month in which the change was reported and documentation was received.

The family will be notified of the new family rent and effective date.

11.3 Family Moves

Link: 24 CFR 982.1(b)(2)

A family may request to move to a new unit if:

- The initial term of the lease has expired and proper notice has been given to the landlord and to the SHA.
- The lease for the family's unit has been terminated by mutual agreement of the owner and the family. The family must use the SHA mutual termination agreement form.
- For non-lease violations only: the owner has given the family a notice to vacate, has commenced an action to evict the family, or has obtained a court judgment or other process allowing the owner to evict the family. The family must give the SHA a copy of any owner eviction notice and eviction for lease violation may result in termination from the program.
- The family or a member of the family is or has been the victim of domestic violence, dating violence, sexual assault, or stalking and the move is needed to protect the health or safety of the family or family member. This condition applies even when the family has moved out of its unit in violation of the lease, with or without prior notification to the SHA, if the family or family member who is the victim reasonably believed that he or she was imminently threatened by harm from further violence if he or she remained in the unit.
- The SHA has terminated the assisted lease for the family's unit for the owner's breach of the HAP contract.
- The SHA determines that the family's current unit does not meet the UPCS-V space standards because of an increase in family size or a change in family composition.
- The family is in good standing with SHA.
- The family does not owe SHA money.

Families are not permitted to move in the first term of the lease or while in any subsequent lease term unless the owner and family mutually agree to do so. Families will not be permitted to move more than

once in a 12-month period unless required to do so by SHA to meet UPCS-V or other program objectives, to protect the health or safety, or in the case of an emergency.

Situations such as witness protection program, victim of violent crime, medical necessity, employment necessity, and landlord caused failed UPCS-V, may necessitate a move in the first term of the lease, or in the term of a subsequent lease. The circumstances must be documented in writing and approved by SHA. The owner and family must agree in writing to a mutual rescission of the lease in order for SHA to approve a move during the lease term. If the owner refuses to a mutual rescission, the family will not be allowed to move unless SHA otherwise determines VAWA or other health and safety provisions prevail.

11.3.1 Denial of Moves

Link: Notice PIH 2016-09

SHA will a deny moves in the following circumstances:

- Applicants who are seeking to move under Portability who are not income eligible in the receiving PHA's jurisdiction.
- Participant families that have moved out of their assisted unit in violation of the lease. SHA will grant an exception to this in the situation where the only reason for the violation of the lease was due to circumstances surrounding being a victim or domestic abuse, dating violence or stalking.
- The SHA will deny a family permission to move on grounds that the SHA does not have sufficient funding for continued assistance if:
    - the move is to a higher cost unit (within SHA jurisdiction) or to a higher cost area (for portability moves
    - the receiving PHA is not absorbing the voucher (applicable only to portability moves
    - SHA would be unable to avoid termination of current participants during the calendar year in order to remain within its budgetary allocation for housing assistance payments (including any available HAP reserves)

This policy applies to moves within the SHA's jurisdiction as well as to moves outside it under portability.

In the event that SHA has denied a move due to insufficient funding, SHA will provide written notification to the local HUD Field office and to the family denying the request to move for this reason. SHA will advise the family that they may advise SHA if the request to move is due to a request for a reasonable accommodation or for protection due to domestic violence, dating violence or stalking (VAWA).

SHA will maintain a list of families who have been denied to move due to insufficient funding including the date of the original request and whether the request was due to a reasonable accommodation or VAWA. When funds become available, SHA provide families notice and will begin to process requests to move in the order received – from oldest to newest – with preference to families whose request to move was due to a reasonable accommodation or VAWA.

Families who do not respond to the notification that funds are again available and may again request to move will be removed from the list held by SHA.

11.3.2 Move Process

If the SHA has determined the family has met the conditions above, the SHA will perform an annual recertification and will issue the family a voucher to move. If the family and owner agree to extend the move date, the extension must be submitted to SHA in writing, signed by both the family and owner, must include the new effective date of the move, and must be submitted before the original effective date of the move notice.

All actions regarding moves (Request for Tenancy Approval, owner approval, initial inspection, initial rent burden, rent reasonableness, voucher term, voucher extensions, etc.) are the same as stated elsewhere in this Plan.

SHA may limit moves at any time due to HUD funding constraints.

11.3.3 Duplicate Housing Assistance Payments with a Move

Link: 24 CFR 982.311(d)

If a participant family moves from an assisted unit with continued participant-based assistance, the term of the assisted lease for the new assisted unit may begin during the month the family moves out of the first assisted unit. Overlap of the last housing assistance payment (for the month when the family moves out of the old unit) and the first assistance payment for the new unit, is not considered to constitute a duplicative housing subsidy. HAP payments to a former owner beyond the month of the move into a new unit must be recaptured by SHA and may not be kept by the former owner.

11.4 Portability

Link: 24 CFR 982.353(b)

11.4.1 Outgoing Portability

Link: 24 CFR 982.353(c), (d); 982.355(c)(1)

If the applicant did not live in SHA's jurisdiction at the time that the family's application for assistance was submitted, the family must lease a unit within the SHA's jurisdiction for at least 12 months before requesting portability. The SHA will consider exceptions to this policy for purposes of reasonable accommodation or reasons related to domestic violence, dating violence, sexual assault, or stalking.

Families must notify the SHA when they want to move out of the SHA's jurisdiction using the portability feature. Families that are new admissions to the HCV program must meet the income eligibility requirements both for SHA and also in the jurisdiction where the family intends to move to ("the Receiving PHA"). Participant families must also meet the income eligibility requirements in the area to

which the family plans to move only (they will not be required to re-verify income eligibility with SHA). Families are informed of these requirements in the briefing session.

The SHA will approve no extensions to a voucher issued to an applicant or participant family porting out of the SHA's jurisdiction except under the following circumstances:

- the initial term of the voucher will expire before the portable family will be issued a voucher by the receiving SHA; or
- the family decides to return to the initial SHA's jurisdiction and search for a unit there.

11.4.2 Incoming Portables

SHA may absorb or administer some or all incoming portable vouchers based on funding available.

If the SHA decides to absorb a portable family upon the execution of a HAP contract on behalf of the family, the SHA will notify the initial SHA by the initial billing deadline specified on form HUD-52665. The effective date of the HAP contract will be the effective date of the absorption.

The SHA may not change its determination to bill or to absorb a voucher after that without the approval of the initial PHA.

For any family moving into its jurisdiction under portability, the SHA will conduct a new re-certification of family income and composition. However, the SHA will not delay issuing the family a voucher for this reason. Nor will the SHA delay approving a unit for the family until the re-certification process is complete unless the family is an applicant and the SHA cannot otherwise confirm that the family is income eligible for admission to the program in the area where the unit is located.

QUADEL CONSULTING

CHAPTER 12: Denial of Assistance to Applicants and Termination of Assistance to Participants

Links: 24 CFR 982.552(a)(2); 24 CFR 982.553(a)

12.1 Evidence and Considerations

SHA will use the preponderance of the evidence as the standard for making all admission decisions. Preponderance of the evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

SHA will consider the following factors prior to making its denial or termination decision:

- Evidence of the applicant or resident's participation in or willingness to participate in social service or other appropriate counseling service programs
- The age of the applicant and the circumstances surrounding the unfavorable event or history
- In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully
    - SHA will require the applicant/resident to submit evidence of the household member's current participation in or successful completion of a supervised drug or alcohol rehabilitation program, or evidence of otherwise having been rehabilitated successfully.
- Whether the cause of the unfavorable information may be that the applicant/resident is the victim of domestic violence, dating violence, sexual assault or stalking.
    - SHA acknowledges that a victim of domestic violence, dating violence, sexual assault or stalking may have an unfavorable history (e.g., a poor credit history, a record of previous damage to a unit, a prior arrest record) that would warrant denial under SHA's policies. Therefore, if SHA makes a determination to deny admission to an applicant family, SHA will include in its notice of denial/termination a statement of the protection against denial provided by VAWA, a description of SHA confidentiality requirements.
    - A request that an applicant/resident wishing to claim this protection submit to SHA documentation meeting the specifications below with her or his request for an informal hearing for an applicant and a grievance hearing for a resident.
- The existence of mitigating factors, such as loss of employment or other financial difficulties.
- If the family indicates that the behavior of a family member with a disability is the reason for the proposed denial of admission or termination of assistance, SHA will determine whether the behavior is related to the disability. If so, upon the family's request, SHA will determine whether alternative measures are appropriate as a reasonable accommodation. SHA will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed denial or termination.

As a condition of receiving or keeping assistance, a family may agree to remove the culpable family member from the application or unit. In such instances, the head of household must certify that the family member will not be permitted to visit or to stay as a guest in the public housing unit. An incarcerated culpable family member may not be an applicant, resident or guest for five years from incarceration release date. The family must present evidence of the former family member's current address upon SHA request.

12.2 Denial of Assistance

The SHA will deny admission of an applicant to the public housing program for the following:

- An applicant will be denied admission for three years from the date of the eviction if any household member has been evicted from federally assisted housing for drug-related criminal activity. However, the SHA may admit the household if it determines:
    - The evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program approved by the SHA; or
    - The circumstances leading to the eviction no longer exist (for example, the criminal household member has died or is imprisoned).

- The SHA determines that any household member is currently engaging in illegal use of a drug (For purposes of this section, a household member is "currently engaged in" the criminal activity if the person has engaged in the behavior recently enough to justify a reasonable belief that the behavior is current);
- The SHA determines that it has reasonable cause to believe that a household member's illegal use or pattern of illegal use of a drug may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents;
- The SHA will deny admission if any household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.
- The SHA will prohibit admission if any member of the household is subject to a lifetime registration requirement under a State sex offender registration program. The SHA will perform necessary criminal history background checks in the State of California and in other States where household members are known to have resided.

SHA may deny admission to an applicant family if SHA determines that any household member is currently engaged in, or has engaged in any of the activities within the past three (3) years.

- Drug-related criminal activity (defined by HUD as the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug).
- Violent criminal activity, defined by HUD as any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

- Criminal activity that threatens persons or property which would adversely affect the health, safety, or welfare of other residents, SHA personnel or contractors including the possession of illegal fire arms.
- Abusive or violent behavior or threats of violence towards SHA personnel.
    - Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior.
    - Threatening refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.
- Has a pattern of unsuitable past performance in meeting obligations of their tenancy including the following:
    - Has a pattern of disturbance of neighbors, destruction of property, or living or housekeeping habits at prior residences which may adversely affect the health, safety, or welfare of other residents, SHA staff and contractors.
    - Has a pattern of eviction from housing or termination from residential programs (considering relevant circumstances).
    - Owes rent or other amounts to this or any other Public Housing Authority or owner in connection with any assisted housing program.
    - Failure to pay rent;
    - Misrepresented or does not provide complete information related to eligibility, including income, expenses, family composition or rent.
    - Has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program.
    - The applicant or any member of the applicant household is a former resident of a public housing authority, or a former resident in the Housing Choice Voucher program, who had a record of lease violations or whose tenancy was terminated by the Housing Authority or private landlord.
        - No previous resident may be readmitted unless all previous amounts owed have been paid to public housing authority; but payment of such debt does not necessarily entitle an applicant to eligibility under this section unless SHA has agreed in writing to grant eligibility upon payment of amounts due.
- Any other HUD required reason.

12.3 Notice of Denial

SHA will notify applicant families in writing of any decision to deny assistance.

If, based on a criminal record or sex offender registration information an applicant family appears to be ineligible, the SHA will notify the family in writing of the proposed denial and provide a copy of the record to the applicant and to the subject of the record. The family will be given 10 business days to dispute the accuracy and relevance of the information. If the family does not contact the SHA to dispute the information within that 10 business day period, the SHA will proceed with issuing the notice of denial of admission. A family that does not exercise their right to dispute the accuracy of the

information prior to issuance of the official denial letter will still be given the opportunity to do so as part of the informal hearing process.

12.4 Denial of Assistance for Noncitizens

Link: 24 CFR 5.514(d)

Denial of assistance based on immigration status is subject to special hearing and notice rules. The SHA will notify applicant families of denial of assistance in accordance with HUD regulations. When SHA determines that an applicant family does not include any citizens, nationals, or eligible noncitizens, following the verification process, the family will be sent a written notice within 10 business days of the determination. The notice will explain the reasons for the denial of assistance and will advise the family of its right to request an appeal to the United States Citizenship and Immigration Services (USCIS), or to request an informal hearing with the SHA. The informal hearing with the SHA may be requested in lieu of the USCIS appeal, or at the conclusion of the USCIS appeal process. The notice will inform the applicant family that assistance may not be delayed until the conclusion of the USCIS appeal process, but that it may be delayed pending the completion of the informal hearing process.

When the SHA receives notification that the USCIS secondary verification failed to confirm eligible immigration status, the SHA will notify the family of the results of the USCIS verification within 10 business days of receiving the results. The family will have 30 calendar days from the date of the notification to request an appeal of the USCIS results, made by the family directly in writing to the USCIS. The family must provide SHA with a copy of the written request for appeal and proof of mailing within 10 business days of mailing the request to the USCIS.

The SHA will send written notice to the family of its right to request an informal hearing within 10 business days of receiving notice of the USCIS decision regarding the family's immigration status.

12.5 Grounds for Termination

Links: 24 CFR 982.455; 24 CFR 982.551, 552, 553; 24 CFR 5.514(c); 24 CFR 5.218(c); 24 CFR 982.311(d); Notice PIH 2010-3; Notice PIH 2010-9

Termination of assistance for a Program f may include any or all of the following actions by SHA:

- Refusing to enter into a HAP contract or approve a lease.
- Terminating housing assistance payments under a HAP contract.
- Refusing to process or provide assistance under portability procedures.

SHA must terminate the participant family for the following reasons:

- Family choice

  The family may request that the SHA terminate housing assistance payments on behalf of the family at any time.

- Family with Zero Assistance

  If the family has received zero assistance in 180 days SHA will terminate assistance. If the participating family receiving zero assistance experiences a change in circumstances that would cause the HAP payment to rise above zero. The family must notify the SHA of the changed circumstances and request an interim re-certification before the expiration of the 180 day period.

- Eviction

  Link: 24 CFR 982.552(b)(2), 24 CFR 5.2005(c)(1)

  The SHA must terminate assistance whenever a family is evicted from a unit assisted under the HCV program for a serious or repeated violation of the lease. A family will be considered *evicted* if the family moves after a legal eviction order has been issued, whether or not physical enforcement of the order was necessary.

- Failure to provide consent
  Link: 24 CFR 960.259

  The SHA will terminate the lease if any family member fails to sign and submit any consent form s/he is required to sign for any reexamination.

- Failure to document citizenship
  Link: 24 CFR 5.514; 24 CFR 960.259

  The SHA will terminate the lease if (1) a family fails to submit required documentation within the required timeframe concerning any family member's citizenship or immigration status; (2) a family submits evidence of citizenship and eligible immigration status in a timely manner, but United States Citizenship and Immigration Services (USCIS) primary and secondary verification does not verify eligible immigration status of the family, resulting in no eligible family members

  If the SHA determines that a family member has knowingly permitted an ineligible individual to reside in the family's unit on a permanent basis.

- Failure to Disclose SSN:
  Link: 24 CFR 5.218, 24 CFR 960.259

  The SHA will defer the family's termination and provide the family with the opportunity to comply with the requirement for a period of 90 calendar days for circumstances beyond the family's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family or other emergency, if there is a reasonable likelihood that the family will be able to disclose an SSN by the deadline.

- Threat to Other Participants
  The SHA will terminate the lease when any household member engages in any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other participants or by persons residing in the immediate vicinity of the premises. Immediate vicinity means within a three-block radius of the premises.

- Methamphetamine Conviction:
  Link: 24 CFR 966.4

  The SHA will immediately terminate the lease if SHA determines that any household member has ever been convicted of manufacture or production of methamphetamine in any location, and/or on the premises of federally-assisted housing.

- Furnishing False or Misleading Information Concerning Illegal Drug Use or Alcohol Abuse or Rehabilitation
  The SHA will terminate the lease if the SHA determines that a household member has furnished false or misleading information concerning illegal drug use, alcohol abuse, or rehabilitation of illegal drug users or alcohol abusers.

- Other Serious or Repeated Violations of the Family Obligations of the HCV Program

- Fugitive Felon or Parole Violator
  If a participant is fleeing to avoid prosecution, or custody or confinement after conviction, for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees, is a high misdemeanor; or violating a condition of probation or parole imposed under federal or state law.

- Persons subject to sex offender registration requirement.
  If any member of the household has, during their current participation in the HCV program, become subject to a registration requirement under a state sex offender registration program regardless whether it is for life time or not.

- Crime On or Off the Premises
  - Drug related convictions; Alcohol related convictions (if it indicates an ongoing pattern); Fraud;
  - Acts of violent behavior convictions; and or Crimes of violent behavior

Applicants/participants must report any convictions from criminal activity which occurs after the application review (this includes residents, participants and those that have not yet moved into SHA assisted housing program(s)).

SHA will allow applicants and participants to address and present mitigating circumstances regarding criminal background checks prior to final decision.

HCV Program Violations That May Lead to Termination

- Discovery of facts after admission to the program that would have made the participant ineligible.

- Discovery of false statements or fraud by the participant in connection with an application for assistance or with a reexamination of income.

- Failure to furnish such information and certifications regarding family composition and income as may be necessary for the SHA to make determinations with respect to rent, eligibility, and unit size.
    - Information not provided: After issuance of the termination notice, but before the effective date of the termination, the participant may provide the missing data. It is solely SHA's discretion whether to accept the data or to proceed with termination.

- Missed appointments per policy and procedure requirements.

- Failure to transfer to an appropriate size unit based on family composition, upon notice by the SHA that such a move is required for UPCS-V compliance.

- Failure to permit access to the unit by the SHA after proper advance notification for the purpose of performing routine inspections.

- Failure to inform the SHA within 10 business days days of the birth, adoption or court-awarded custody of a child.

- If the family has breached the terms of a repayment agreement entered into with the SHA.

- If a household member has engaged in or threatened violent or abusive behavior toward SHA personnel.
    - Abusive or violent behavior towards SHA personnel includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior.
    - Threatening refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

- Furnishing false or misleading information concerning illegal drug use, alcohol abuse, or rehabilitation of illegal drug users or alcohol abusers.

- If the family does not remedy family-caused UPCS-V failures in the required timeframe.

- If the family does not allow SHA to inspect the unit at reasonable times and after reasonable notice.

- If any family member commits lease violations, including but not limited to:
    - If the family does not give proper notice to SHA and the owner before moving out of the unit.
    - The family does not give SHA a copy of any owner eviction notice as required in this Administrative Plan.
    - If the family is not using the assisted unit for residence by the family and/or the assisted unit is not the family's only residence.
    - If the family has non-approved persons residing in the unit.
    - If the family does not promptly notify SHA that a family member no longer resides in the assisted unit.
  - If the family engages in profit making activities in the assisted unit which are not incidental to the primary residential use of the unit.
        - Limitation on Profit Making Activity in the Unit:
        - If the business activity area results in the inability of the family to use any of the critical living areas, such as a bedroom utilized for a business which is not available for sleeping, it is considered a violation.
        - If SHA determines that the use of the unit as a business is not incidental to its use as a dwelling unit.
    - If the family subleases, lets, assigns the lease or transfers the unit.
    - If the family does not notify SHA of an absence from the unit, and if the family does not provide SHA any requested information regarding the absence.
    - If the family owns or has any interest in the unit.

- If any family member is receiving or received Section 8 participant-based assistance while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative housing assistance program.

- If the family breaches an agreement with SHA to pay amounts owed to SHA or amounts paid to an owner by SHA.

- Insufficient ACC funding to support continued assistance for families in the program.

- If the family fails to disclose to SHA any HUD notification it has received regarding discrepancies in the amount or verification of family income.

- Any other HUD required reason.

12.6 Termination Notification

In any case where the SHA decides to terminate assistance to the family, the SHA will give both the family and the owner a 30-day written termination notice. However, if a family vacates the unit without informing the SHA, 30 days-notice will not be given. In these cases, the notice to terminate will be sent and effective at the time the SHA learns the family has vacated the unit. The notice of termination will state:

- Specific reasons for the termination

- Effective date of the termination
- Family's right to request an informal hearing
- Family's responsibility to pay the full rent to the owner if it remains in the assisted unit after the termination effective date
- Copy of criminal record (if the criminal record is the basis of the termination).
- Protection Rights under the Violence Against Women's Act

When a family requests to be terminated from the program they must do so in writing to the SHA. The SHA will then send a confirmation notice to the family and the owner within 10 buisness days of the family's request, but no later than the termination effective date (as requested by the family).

12.7 Removal of a Family Member from the Application

Link:24 CFR 982.552(c)(2)(ii)

As a condition of receiving assistance, a family may agree to remove the culpable family member from the application. In such instances, the head of household must certify that the family member will not be permitted to visit or to stay as a guest in the assisted unit.

After admission to the program, the family must present evidence of the former family member's current address upon SHA request.

12.8 Reasonable Accommodation Related to Denials or Terminations

Link: 24 CFR 982.552(2)(iv)

SHA's decision to deny or terminate the assistance of a family that includes a person with disabilities is subject to consideration of reasonable accommodation.

When applicants with disabilities are denied assistance, the notice of denial must inform them of SHA's informal review process and their right to request a review. In addition, the notice will inform applicants with disabilities of their right to request reasonable accommodations to participate in the informal review process. If the family indicates that the behavior of a family member with a disability is the reason for the proposed denial of assistance, SHA will determine whether the behavior is related to the disability. If so, upon the family's request, SHA will determine whether alternative measures are appropriate as a reasonable accommodation. SHA will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed denial of assistance.

12.9 Repayment Agreements

Link PIH Notice 2018-18

If a family owes amounts to the SHA, as a condition of continued occupancy, the SHA may require the family to repay the full amount or to enter into a repayment agreement, within 30 days of receiving notice from the SHA of the amount owed.

Any repayment agreement between the SHA and a family must be signed and dated by the SHA and by the head of household and spouse/co-head (if applicable). If the family chooses to enter into a repayment agreement, the SHA will require a minimum down payment of 20% of the amount owed. The term of repayment agreement will not exceed twenty-four (24) months, except as provided below. In no event will the SHA enter into a repayment agreement for retroactive rents whereby the monthly amount of the repayment plus TTP is greater than 40% of the family's adjusted monthly income.

Repayment Agreement Options

Tenants can repay in a lump sum; through a Repayment Agreement (installment payments), or a combination: paying a lump sum when the Repayment Agreement is signed and the remainder in monthly payments not to exceed 24 months.

Creating and Reporting Tenant Repayment Agreements

The total the tenant pays, for a combination of the TTP and the Repayment Agreement, will not exceed 40% of the family's monthly adjusted income for contract purposes but if the family wishes to pay more than the contract amount, they can.

The repayment agreement will be renegotiated when financial circumstances of the household change.

If the family refuses to repay the debt, does not enter into a repayment agreement, or breaches a repayment agreement, the SHA will terminate the family's tenancy and utilize other available collection alternatives including, but not limited to, the following:

- Collection agencies
- Small claims court
- Civil law suit
- State income tax set-off program

Rules Governing Payments and Changes to Existing Agreements

A Repayment Agreement is a contract; the only provision for revising it is if the household's income changes.

The SHA generally will not enter into a repayment agreement with a family if:

- There is already a repayment agreement in place with the family;
- SHA determines that the family committed program fraud;

- The amount of the calculated payment based on tenant rent and repayment amount not exceeding the 40% maximum rent burden is insufficient to satisfy the debt within the 24 month period;
- The amount is greater than $5,000, or the amount owed by the family exceeds the federal or state threshold for criminal prosecution.

SHA may at any time not enter into a repayment agreement and instead terminate the family's tenancy and pursue alternative collection methods. If the family's assistance is terminated and repayment has not been made, the money will still be considered to be owed and may be reported in HUD's EIV system as a debt owed. SHA will take such action, as necessary, to collect the amounts owed.

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CHAPTER 13: Informal Reviews and Informal Hearings

SHA provides a copy of the Informal Review and Hearing procedures in the family briefing packet. When possible and allowed by regulation/law, SHA may conduct administrative reviews of informal hearing/review requests and provide alternate resolutions at its discretion before proceeding with the family's request for a review or hearing.

13.1 Informal Review Policy

Links: 24 CFR 982.554;

An applicant may request an informal review of the SHA's decision to deny the applicant's participation in the Housing Choice Voucher Program. Reviews are provided for applicants who are denied assistance before the effective date of the HAP Contract. The exception is that when an applicant is denied assistance for citizen or eligible immigrant status, the applicant is entitled to an informal hearing.

An applicant may request an informal review if the applicant:

- Is denied listing on the waiting list or for a preference
- Is denied a voucher
- Is denied participation in the Program including portability

Informal reviews will not be granted to applicants who dispute:

- The unit size (number of bedrooms) stated on the voucher.
- A determination that a unit does not comply with UPCS-V including space requirements.
- A determination that a proposed lease is unacceptable.
- A decision to not approve a request for an extension of the term of the voucher.
- General policy issues, class grievances, or discretionary administrative determinations.

When the SHA determines that an applicant is ineligible for the program SHA will notify the applicant of their ineligibility in writing. The notice will contain:

- Reason(s) the family is ineligible
- Procedure for requesting a review if the applicant does not agree with the decision
- Time limit for requesting a review: The applicant must submit the written request for an informal review within 10 business days of the date of the denial notice.
- If the request is not submitted timely, it will mean that the applicant waived his/her right to request an informal review.

Informal review requests must be made in writing within the 10 business days from the date of the SHA's Denial. The informal review will be conducted by a person or panel including other than the one who made the decision under review or a subordinate of this person. The applicant will be provided an opportunity to present written or oral objections to the decision of the SHA. The review decision will be based only on evidence presented at the review by both parties. Evidence presented after the review will not be considered. Extensions for evidence will not be granted.

The person or panel conducting the informal review will make a recommendation to the SHA, but the *Manager Community Assistance Office* is responsible for making the final decision as to whether admission should be granted or denied. If the informal review decision overturns the denial, processing for admission will resume.

If the family fails to appear for their informal review, the denial of admission will stand and the family will be so notified.

13.2 Informal Hearing Policy

Link: 24 CFR 982.555

Informal hearings may be requested for the following reasons:

- Determination of the amount of the total tenant payment or tenant rent
- Determination of hardship regarding minimum rent
- Decision to terminate assistance
- Decision to deny a family move
- Appropriate utility allowance used from schedule
- Family unit size under SHA subsidy standards
- Termination of a family's FSS Contract, withholding supportive services, or proposing forfeiture of the family's escrow account

SHA is not required to provide an informal hearing in the following cases:

- Discretionary administrative determinations by SHA, or to consider general policy issues or class grievances
- Determination that the unit does not comply with SHA's UPCS-V including space requirements for family size, that the owner failed to maintain the unit in a decent, safe, and sanitary manner in accordance with the UPCS-V (including all services, maintenance, and utilities required under the lease).
- Decision to exercise any remedy against the owner under an outstanding contract, including the termination of Housing Assistance Payments to the owner
- Decision not to approve a family's request for an extension of the term of the Voucher issued to an assisted family which wants to move to another dwelling unit with continued participation
- Establishment of SHA schedule of utility allowances for families in the program
- Disapproval of unit or lease

When the SHA determines that a family should be terminated from the program, SHA will notify the family of their proposed termination in writing. The notice will contain:

- Reason(s) for and timing of termination,
- The date the proposed action will take place
- Procedure for requesting a hearing if the family does not agree with the decision
- Tenant Protections under VAWA.

Time limit for requesting a hearing: The family must submit the written request for an informal hearing within 10 business days of the date of the termination notice.

13.3 Conducting Informal Hearings

SHA hearings will be conducted by a single hearing officer or a panel. The SHA will appoint a person or panel who has/have been selected in the manner required under the hearings procedure.

Hearings may be attended by the following applicable persons:

- A SHA representative(s)
- Any witnesses for the SHA
- The family
- Any witnesses for the family
- The family's counsel or other representative
    - If the family is bringing legal counsel to the informal hearing, the family must notify SHA at least 24 hours in advance of the hearing.
- Any other person approved by the SHA will be as a reasonable accommodation for a person with a disability.

13.3.1 Hearing Decision

In rendering a decision, the hearing officer/panel will consider the following matters:

- SHA Notice to the Family
- SHA Evidence to Support the SHA Decision
- Family Presented Evidence
- Validity of Grounds for Program Termination

13.3.2 Invalid Decisions

When the SHA considers the decision of the hearing officer/panel to be invalid based on HUD regulations and SHA Policy, the Manager Community Assistance Office will send a notice to all parties attending the hearing that the decision is null and void. The notice will set a date and time for a new hearing.

13.3.3 Rights of the Applicant/Family and SHA

The applicant/family must appear in person at the review/hearing and may be represented by an attorney, or other representative, at his/her own expense. If the family is being represented by an attorney, the family must notify SHA of such 24 hours in advance of the review/hearing.

- The applicant/family and SHA have the right to present evidence, both oral and written.
- The applicant/family and SHA have the right to question any witnesses, and the right to state his/her case prior to the hearing officer's decision.
- The applicant/family has the right to arrange for an interpreter to attend the review/hearing, at his/her own expense.
- The applicant/family has the right to seek redress directly through judicial procedures of the court.
- SHA has the right to make final submissions.

The applicant/family and SHA have the right to review any documents directly relevant to the review/hearing. Review of documents will take place at the SHA office. If the applicant/family or SHA does not make the document available for examination on the request of the other party, that document may not be relied on during the review/hearing.

13.3.4 Review/Hearing Process

The review/hearing will follow the following guidelines:

- The review will be conducted by any person or persons designated by SHA, other than a person who made or approved the decision under review or a subordinate of this person.
- All SHA Denial and Termination notices will advise the applicant/family of his/her right to a review/hearing and the process to request a review/hearing.
- The applicant/family must request the informal review/hearing in writing within the required time frame (10 business days after receipt of notice from the SHA).
- SHA will schedule the hearing within a reasonable timeframe, preferably before the effective termination date. If the hearing cannot be scheduled before the effective termination date, the effective termination date may be extended, based solely on the reason for the delay and at the sole discretion of SHA.
- The notification of hearing will contain:
    - Date and time of the hearing
    - Location where the hearing will be held
    - Family's right to bring evidence, witnesses, legal or other representation at the

- Right to view any documents or evidence in the possession of SHA and upon which SHA based the proposed action and, at the family's expense, to obtain a copy of such documents prior to the hearing. Requests for such documents or evidence must be received no later than five business days before the hearing date.
- Notice to the family that the SHA will request a copy of any documents or evidence the family will use at the hearing be provided to SHA by 12:00 p.m. two business days prior to the scheduled hearing date.

- If a family does not appear at a scheduled review/hearing and has not rescheduled the hearing in advance, the hearing officer will assume the family is no longer interested in the program and will uphold the denial/termination.
- The applicant/family will be given an opportunity to present written or oral objections to SHA's decision.
- SHA will notify the applicant/family of the SHA final decision after the informal review/hearing, including a brief statement of the reasons for the final decision.
- The Notice will contain the following information:
  - Applicant/family name
  - Applicant/family address
  - Date
  - Date and time of review/hearing
  - Names of everyone in attendance at review/hearing
  - Final decision
  - Brief statement of the reason(s) for the final decision
  - HUD regulation for the denial/termination (if upholding the denial/termination)
  - Effective date of denial/termination (if applicable)

- A hearing decision letter will also be sent to the owner, stating whether the termination was upheld or overturned. The notice to the owner will contain the following information:
  - Family name
  - Unit address
  - Effective date of termination or
  - Effective date of re-instatement
- All requests for review, supporting documentation, and a copy of the final decision will be filed in the family's file.

13.3.5 Decisions Not Binding to SHA

SHA is not bound by a review/hearing decision on the following matters:

- A matter for which SHA is not required to provide an opportunity for an informal review/hearing or otherwise in excess of the SHA of the person conducting the review/hearing.
- A decision given contrary to HUD regulations, requirements, or otherwise contrary to Federal, State or Local law.

In the event that a review/hearing decision is not binding to SHA, the Executive Director or his/her designee will send a notice to all parties attending the review/hearing that the decision is null and void. The notice will set a date and time for a new hearing.

13.3.6 Hearing Provisions for Restrictions on Assistance to Non-Citizens

Assistance to the family will not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of the decision of the USCIS appeal.

Assistance to a family will not be terminated or denied while the SHA hearing is pending; however assistance to an applicant may be delayed pending the SHA hearing.

13.4 USCIS Determination of Ineligibility

If a family member claims to be an eligible immigrant, and the USCIS SAVE system and manual search do not verify the claim, SHA will notify the applicant/family within ten business days of their right to appeal to the USCIS within thirty calendar days or to request an informal hearing with SHA either in lieu of or subsequent to the USCIS appeal.

If the family appeals to the USCIS, they must give SHA a copy of the appeal and proof of mailing, or SHA may proceed to deny or terminate. The time period to request an appeal may be extended by SHA for good cause. Good cause includes medical emergency, employment emergency, family emergency, etc. The emergency must be documented in writing (doctor's statement, employer statement, independent agency statement, etc.)

The request for a SHA hearing must be made within 10 business days of receipt of the notice offering the hearing or, if an appeal was made to the USCIS, within 10 business days of receipt of that notice.

After receipt of a request for an informal hearing, the hearing is conducted as described in this Plan for both applicants and families. If the hearing officer decides that the individual is not eligible, and there are no other eligible family members the SHA will:

- Deny the applicant family.
- Terminate the family if the family does not qualify for deferral.

If there are eligible members in the family, the SHA will offer to prorate assistance or give the family the option to remove the ineligible members.

If any family member fails to provide documentation or certification as required by the regulation, that member is treated as ineligible. If all family members fail to provide, the family will be denied or terminated for failure to provide.

Families whose assistance is pro-rated (either based on their statement that some members are ineligible or due to failure to verify eligible immigration status for some members after exercising their appeal and hearing rights describes above) are entitled to a hearing based on the right to a hearing regarding determinations of Total Participant Payment.

Families denied or terminated for fraud in connection with the non-citizens rule are entitled to a review or hearing in the same way as terminations for any other type of fraud.

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CHAPTER 14: Program Integrity

Link: 24 CFR 982.552(c)(iv); 24 CFR 985

The SHA anticipates that the majority of families and SHA employees intend to and will comply with program requirements and make reasonable efforts to avoid errors. To ensure that the SHA's program is administered effectively and according to the highest ethical and legal standards, the SHA will employ a variety of techniques to ensure that both errors and intentional program abuse are rare. The SHA will:

- Provide each applicant and family with a copy of "Is Fraud Worth It?"
- Provide each applicant and family with a copy of "What You Should Know about EIV", and require receipt confirmation
- Review and explain the contents of all HUD and SHA required forms prior to requesting family member signatures
- Place a warning statement about the penalties for fraud on key SHA forms and letters that request information from a family member
- Provide each SHA employee with the necessary training on program rules and the organization's standards of conduct and ethics

14.1 Detecting Errors and Program Abuse

The SHA will employ a variety of methods to detect errors and program abuse, including:

- Using the results reported in any IPA or HUD monitoring reports to identify potential program abuses as well as to assess the effectiveness of the SHA's error detection and abuse prevention efforts.
- Encouraging staff, families, and the public to report possible program abuse.
- Reviewing all referrals, specific allegations, complaints, and tips from any source including other agencies, companies, and individuals, to determine if they warrant investigation.
- Investigating inconsistent information related to the family that is identified through file reviews and the verification process.

For each investigation the SHA will determine:

- Whether an error or program abuse has occurred
- Whether any amount of money is owed the SHA
- What corrective measures or penalties will be assessed

14.2 Consideration of Remedies

All errors and instances of program abuse will be corrected prospectively. Whether the SHA will enforce other corrective actions and penalties depends upon the nature of the error or program abuse.

In the case of family-caused errors or program abuse, the SHA will take into consideration:

- The seriousness of the offense and the extent of participation or culpability of individual family members
- Any special circumstances surrounding the case
- Any mitigating circumstances related to the disability of a family member
- The effects of a particular remedy on family members who were not involved in the offense

14.3 Notice and Effective Dates

The SHA will inform the relevant party in writing of its findings and remedies within 10 business days of the conclusion of the investigation.

The notice will include:

- A description of the error or program abuse,
- The basis on which the SHA determined the error or program abuses,
- The remedies to be employed, and
- The family's right to appeal the results through an informal review or informal hearing.

Increases in the family rent will be implemented retro-actively to the date of the un-reported increase. The family may or may not be offered a repayment agreement, based on the seriousness and length of the unreported income.

Any decreases in family rent will become effective the first of the month following the discovery or retro-actively if due to SHA error.

In the case of family-caused errors or program abuse, the family will be required to repay any amounts of rent underpaid. The SHA may offer the family a repayment agreement. If the family fails to repay the amount owed, the SHA will terminate the family's lease.

The SHA will reimburse a family for any family overpayment of rent.

14.4 Family Prohibited Actions

Any of the following will be considered evidence of family program abuse:

- Offering bribes or illegal gratuities to the SHA Board of Commissioners, employees, contractors, or other SHA representatives
- Offering payments or other incentives to a third party as an inducement for the third party to make false or misleading statements to the SHA on the family's behalf
- Use of a false name or the use of falsified, forged, or altered documents
- Intentional misreporting of family information or circumstances (e.g., misreporting of income or family composition)
- Omitted facts that were obviously known by a family member (e.g., not reporting employment income)

- Admission of program abuse by an adult family member
- The SHA may determine other actions to be program abuse based upon a preponderance of the evidence.

14.5 SHA Prohibited Activities

Any of the following will be considered evidence of program abuse by SHA staff:

- Failing to comply with any HCV program requirements for personal gain
- Failing to comply with any HCV program requirements as a result of a conflict of interest relationship with any applicant or family
- Seeking or accepting anything of material value from applicants, families, owners, vendors, contractors, or other persons who provide services or materials to the SHA
- Disclosing confidential or proprietary information to outside parties
- Gaining profit as a result of insider knowledge of SHA activities, policies, or practices
- Misappropriating or misusing HCV funds
- Destroying, concealing, removing, or inappropriately using any records related to the HCV program
- Committing any other corrupt or criminal act in connection with any federal housing program

When the SHA determines that program abuse by a family or SHA staff member has occurred and the amount of underpaid rent meets or exceeds the threshold for prosecution under local or state law, the SHA will refer the matter to the appropriate entity for prosecution. When the amount of underpaid rent meets or exceeds the federal threshold, the case will also be referred to the HUD Office of Inspector General (OIG).

Other criminal violations related to the HCV program will be referred to the appropriate local, state, or federal entity.

14.6 Owner Prohibited Activities

Link: Title 18 U.S.C. Section 1001

An owner participating in the HCV program must not:

- Make any false statement to the SHA.
- Commit fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program.

Any of the following will be considered evidence of owner program abuse:

- Charging the family rent above or below the amount specified by the SHA;
- Charging a security deposit other than that specified in the family's lease;
- Charging the family for services that are provided to unassisted tenants at no extra charge;

- Knowingly accepting housing assistance payments for any month(s) after the family has vacated the unit;
- Knowingly accepting incorrect or excess housing assistance payments;
- Offering bribes or illegal gratuities to the SHA Board of Commissioners, employees, contractors, or other SHA representatives;
- Offering payments or other incentives to an HCV family as an inducement for the family to make false or misleading statements to the SHA; or
- Residing in the unit with an assisted family.

14.6.1 Owner Remedies and Penalties

In the case of owner-caused errors or program abuse, the SHA will take into consideration (1) the seriousness of the offense; (2) the length of time since the violation has occurred; and (3) the effects of a particular remedy on family members who were not involved in the offense.

When the SHA determines that the owner has committed program abuse, the SHA may take any of the following actions:

- Terminate the HAP contract.
- Bar the owner from future participation in any SHA programs.
- Refer the case to state or federal officials including the HUD Office of Inspector General (HUD-OIG for criminal prosecution.
- Require the owner to repay excess housing assistance payments.

SHA may recover overpaid amounts by withholding housing assistance payments due for subsequent months. If the debt is large, the SHA A may allow the owner to pay in installments over a period of time.

14.6.2 Corrections to Subsidy Payments

When an incorrect subsidy is identified as a result of an error, program fraud, misrepresentation or abuse, SHA will promptly correct the subsidy under- or overpayment. A subsidy under- or overpayment includes:

- An incorrect housing assistance payment to the owner;
- An incorrect family share established for the family; and
- An incorrect utility reimbursement to a family.

Families and owners will be notified of corrective actions and penalties, if any. Increases in the family share will be implemented only after the family has received 30 days advanced notice. Any decreases in family share will become effective the first of the month following the discovery of the error. The family will not be reimbursed when the family caused the underpayment.

Neither a family nor an owner is required to repay an overpayment of subsidy if the error or program abuse is caused by SHA staff.

When efforts to collect monies owed to the SHA (as described in the Family or Owner Remedies sections of this Plan) are unsuccessful, SHA may also pursue collection through credit bureaus, small claims court, civil law suit, state income tax set-off program or other debt recovery solutions.

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CHAPTER 15: Project Based Vouchers

Link: 24 CFR 983; HUD PIH Notice 2017-21

Except as noted in this chapter, the Administrative Plan policies stated for the HCV program also apply to the PBV program.

15.1 Overview

The SHA may use up to 20 percent of the amount of budget authority allocated for project based assistance. The SHA may increase the use of Project Based Vouchers additional 10 percent for homeless families, families with veterans, supportive housing for persons with disabilities or elderly persons, or in areas where vouchers are difficult to use.

The proposed location of any PBV units must be consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities.

The SHA uses project-based vouchers to encourage new construction or rehabilitation, promote voucher utilization and increase supportive housing options.

15.2 Proposal Selection

Link: 24 CFR 983.52(a)(b)(c); §8(o)(13)(B) of the 1937 Act

Prior to issuing a Request for Proposal or selecting a project without following a competition process where the SHA has ownership interest, SHA will submit to the local field office all required information under 24 CFR 983.6. The SHA will select proposals for PBV assistance using either the Request for Proposal method or the Previous Competition method.

15.2.1 SHA Request for Proposals Method for Rehabilitated and Newly Constructed Units

The SHA will advertise request for proposals for rehabilitated and newly constructed housing in local newspaper(s) and on the SHA web site. The advertisement will specify the number of units the SHA estimates that it will be able to assist and the submission deadline. Incomplete proposals will not be considered.

The SHA will rate and rank proposals for rehabilitated and newly constructed housing using the following criteria:

- Owner experience and capability to build or rehabilitate housing as identified in the RFP
- Extent to which the project furthers the SHA goal of deconcentrating poverty and expanding housing and economic opportunities
- The extent to which services for special populations are provided on site or in the immediate area for occupants of the property

- Projects with less than 25 percent of the units assisted will be rated higher than projects with 25 percent of the units assisted. In the case of projects for occupancy by the elderly, persons with disabilities or families needing other services, the SHA will rate partially assisted projects on the percent of units that are available to receive assistance. Projects with the lowest percent of assisted units will receive the highest score.

15.2.2 SHA Requests for Proposals for Existing Housing Units

The SHA will advertise proposals for existing housing in local newspaper(s) and on the SHA web site. The advertisement will specify the number of units the SHA estimates that it will be able to assist. Owner proposals will be accepted on a first-come first-served basis and will be evaluated using the following criteria:

- Experience as an owner in the tenant-based voucher program and owner compliance with the owner's obligations under the tenant-based program
- Extent to which the project furthers the SHA goal of deconcentrating poverty and expanding housing and economic opportunities
- If applicable, extent to which services for special populations are provided on site or in the immediate area for occupants of the property
- Extent to which units are occupied by families that are eligible to participate in the PBV program.

15.2.3 SHA Selection of Proposals Subject to a Previous Competition under a Federal, State, or Local Housing Assistance Program

The SHA 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.

In addition to, or in place of advertising, the SHA may also directly contact specific owners that have already been selected for Federal, state, or local housing assistance based on a previously held competition, to inform them of available PBV assistance.

Proposals will be reviewed on a first-come first-served basis. The SHA will evaluate each proposal on its merits using the following factors:

- Extent to which the project furthers the SHA goal of deconcentrating poverty and expanding housing and economic opportunities
- Extent to which the proposal complements other local activities such as the redevelopment of a public housing site under the HOPE VI program, the HOME program, CDBG activities, other development activities in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community.

15.3 Notice of Owner Selection

Link: 24 CFR 983.51(d)

SHA will notify the selected owner in writing of the owner's selection for the PBV program pursuant to HUD requirements. SHA will notify in writing all owners that submitted proposals that were not selected and advise such owners of the name of the selected owner.

The SHA will make available its rating and ranking sheets and documents that identify the SHA basis for selecting the proposal for one month after publication of the notice. The SHA will not include sensitive owner information, such as financial statements, etc.

The SHA will make these documents available for review at the SHA during normal business hours.

15.4 Agreement to Enter into HAP Contract

Link: 24 CFR 983.152

For rehabilitated or newly constructed units, SHA will enter into an Agreement to Enter into a HAP Contact with the property owner. In the Agreement the owner agrees to develop the PBV contract units to comply with UPCS-V, and the SHA agrees that upon timely completion of development the SHA will enter into a HAP Contract with the owner for the contract units.

The SHA will enter into the Agreement with the owner after receiving both environmental review approval and notice that subsidy layering requirements have been met and before construction or rehabilitation work is started. Additional owner documents may be required. SHA will specify any additional documentation requirements in the Agreement.

For existing housing, the HAP contract will be executed after SHA determines that all units pass UPCS-V.

15.5 Site Selection Standards

Link: 24 CFR 983.57(b)

SHA will follow HUD regulations regarding site selection requirements for existing housing, newly constructed housing and rehabilitated housing. Before entering into an agreement or HAP contract SHA will determine that the PBV assistance for housing at the selected site is consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities.

In developing standards to apply in determining whether a proposed PBV development will be selected, SHA will consider the following:

- If the poverty rate in the proposed PBV development area is greater than 20%, SHA will consider whether in the past five years there has been an overall decline in the poverty rate;

- A census tract in which the proposed PBV development will be located in a HUD- designated Enterprise Zone, Economic Community, or Renewal Community;
- A census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition;
- A census tract in which the proposed PBV development will be located is undergoing significant revitalization;
- A census tract where there are meaningful opportunities for educational and economic advancement.
- The site meets UPCS-V standards.
- Other factors as determined by SHA to meet the needs of the community.

15.5.1 SHA Owned Units

Link: 24 CFR 983.51(e), 983.59

HUD or a HUD-approved independent entity must review the selection process for SHA owned units to confirm appropriate selection. Initial rents and annual rent changes for SHA-owned units will be determined by the independent entity based on PBV program requirements. The term of the HAP contract and any HAP contract renewal must be agreed upon by SHA and the independent entity. UPCS-V inspections will be performed by the independent entity.

15.5.2 Eligible Units/Cap on PBV Units

Link: 24CFR 983.52, 24 CFR 983.56(a)

Project based assistance may be attached to up to 25% of the total number of units in a project. Project is defined as a single building, multiple contiguous buildings, or multiple buildings on contiguous parcels of land. Units occupied by the disabled, elderly, or that are eligible for families to supportive services (whether actually receiving services or not) are exempt from this cap.

15.6 Uniform Relocation Act

Link: 24 CFR 983.7, 49 CFR Part 24

If as a result of the PBV selection, there are existing households that are determined to be ineligible for PBV; SHA will require the owner to comply with the Uniform Relocation Act and the implementing HUD regulations of the Act.

15.7 Housing Assistance Payments (HAP) Contracts

Link: 24 CFR 152

15.7.1 Term of the HAP Contract

The term of all PBV HAP contracts will be no less than one year, and no more than 20 years, and will be negotiated with the owner on a case-by-case basis. Contracts may be extended for an additional term(s) not to exceed a total of 20 years (40 cumulative years).

15.7.2 Extending the HAP Contact

When determining whether or not to extend an expiring PBV contract, the SHA 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;
- The need for and availability of supportive services for the SHA population; and
- Whether the funding could be used more appropriately for tenant-based assistance.

15.7.3 Amendments to the HAP Contract

The SHA will consider HAP Contract amendments to add additional PBV units in the same building. The SHA will consider adding contract units to the HAP contract when the SHA 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.
- Adding additional PBV units which include supportive services.

15.8 Unit Inspections

Link: 24 CFR 983.103

All contract units will be inspected and comply with Uniform Physical Condition Standards for Vouchers (UPCS-V) prior to HAP contract execution.

At least biennially during the term of the HAP contract, the SHA 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 the UPCS-V. Turnover inspections are not counted toward meeting this inspection requirement.

If more than 20 percent of the inspected units in a building fail, the SHA will re-inspect 100 percent of the contract units in the building.

In the case of a property assisted with project-based vouchers that is subject to an alternative inspection, the SHA may rely upon inspections conducted at least triennially to demonstrate compliance with the inspection requirement.

Inspections for the entire building will occur at the same time. SHA will abate and terminate PBV HAP contracts for non-compliance with UPCS-V in accordance with the policies used in the tenant-based voucher program.

In the case of SHA-owned units, the inspections will be performed by an independent agency designated by SHA and approved by HUD. The independent entity must furnish a copy of each inspection report to SHA and to the HUD field office where the project is located. SHA must 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 SHA's-owner.

15.8.1 Lead-based Paint

Link: 24 CFR 983.101(c); HUD PIH Notice 2017-13

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.

15.9 Initial Rent and Rent Increases

Link: 24 CFR 983, Subpart G

15.9.1 Initial Rent

The amount of the initial rent to an owner of units receiving PBV assistance is established at the beginning of the HAP Contract term. The rent to owner must not exceed the lowest of:

- An amount determined by the BHA, not to exceed 110 percent of the applicable fair market rent for the unit bedroom size minus any utility allowance;
- The reasonable rent; or
- The rent requested by the owner.

15.9.2 Rent Increases

An owner's request for a rent increase must be submitted to the SHA 60 days prior to the anniversary date of the HAP contract, and must include the new rent amount the owner is proposing.

15.10 Tenant Selection

Link: 24 CFR 983.255

Except where noted in the Administrative Plan, the SHA's tenant selection procedures for its tenant-based programs apply for units assisted under the PBV Program. Except for units which are occupied by eligible

tenants upon the commencement of the project based contract term, when a vacancy exists at a PBV site, the SHA will notify the next families on the SHA Wait List. SHA's letter to the applicants will also state that if the applicant is interested in residing in the vacant PBV unit that the applicant will not lose his/her place on the SHA's HCV waiting list (if applicable) until that person has been leased in the PBV unit. An applicant who rejects an offer of a project-based unit or who is rejected by the owner of the housing unit will remain in the same position on the tenant-based assistance list, as if the offer had not been made. If a dwelling unit to which assistance is to be attached under the project-based voucher program is occupied, SHA must determine whether the unit's occupants are eligible for assistance. If a unit is occupied by an eligible family and the unit is selected by SHA, the family must be placed in an appropriately size project-based assisted unit in the project without requiring the family to be placed on the SHA's waiting list.

In the event that there are an insufficient number of eligible persons on the waiting list, the SHA will place applicants referred by the owner on the waiting list. Eligibility for selection in the Project-based voucher program will be consistent with the SHA's tenant-based and project-based assistance programs.

The SHA will provide a selection preference when required by the regulation (e.g., eligible in-place families, qualifying families for "excepted units," mobility impaired persons for accessible units). The SHA will not offer any additional preferences for the PBV program or for particular PBV projects or units.

Applicants must meet all of SHA's applicable eligibility requirements. SHA will refer qualified applicants to the owner for all vacancies. If the SHA referrals do not provide the owner with a suitable tenant for the unit within 30 days, the owner may refer an eligible individual or family from the owner's waiting list to the SHA.

The owner chooses a tenant for occupancy from the qualified applicants referred by SHA based on their written tenant selection policy. The SHA must approve the owner's tenant selection procedures. When a family is approved by the owner, they will execute a lease with the owner.

The owner must notify the SHA in writing (mail, fax, or e-mail) within 5 business days of learning about any vacancy or expected vacancy. The SHA will make every reasonable effort to promptly refer families to the owner after receiving a vacancy notice from the owner.

15.11 Unit Moves/Transfers

Overcrowded, Under-Occupied, and Accessible Units

Link: 24 CFR 983.259

The SHA will promptly notify the family and the owner of the family's need to move based on the occupancy of a wrong-size or accessible unit. The SHA 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.

When the SHA offers a family another form of assistance that is not a tenant-based voucher, the family will be given 30 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 SHA will terminate the housing assistance payments at the expiration of this 30-day period.

The SHA 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, or as a reasonable accommodation.

15.11.1 Moves Requested by the Tenant

Link: 24 CFR 983.261

PBV vouchers are mobile: after one-year families have the option to leave the PBV unit and receive a tenant-based voucher, if a voucher is available. The SHA will supply the owner with a referral for a new PBV tenant. Families who wish to relocate with continued assistance must inform the owner and the SHA in writing not less than 30 days prior to the date they plan to vacate the unit and in accordance with the lease. The SHA will then place the family on a PBV-HCV Voucher program transfer list according to the date and time of receipt by the SHA of written notification of the family's 30 day notice of intent to vacate. The SHA will issue the next available tenant based voucher to families on the PBV-HCV transfer list before proceeding to its regular HCV waiting list. Families from the regular HCV waiting list who have been notified of an eligibility appointment for a tenant based voucher will not be delayed from receiving their voucher.

15.11.2 Moves from Excepted Units

SHA will allow families who initially qualified to live in an excepted unit to remain when circumstances change due to factors beyond the remaining family members' control.

In all other cases, when SHA determines that a family no longer meets the criteria for a "qualifying family" in connection with the 25 percent per project cap exception, SHA will provide written notice to the family and owner within 15 business days of making the determination. The family will be given 30 days from the date of the notice to move out of the PBV unit. If the family does not move out within this 30-day time frame, SHA will terminate the housing assistance payments at the expiration of this 30-day period. SHA 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. SHA may refer other eligible families to the excepted units. However, if there are no eligible families on the waiting list and the owner does not refer eligible families to SHA, SHA will amend the HAP contract to reduce the total number of units under contract.

15.12 Vacancy Payments

24 CFR 983.352

The SHA will decide on a case-by-case basis if the SHA will provide vacancy payments to the owner. The HAP Contract with the owner will contain any such agreement, including the amount of the vacancy payment and the period for which the owner will qualify for these payments, which will in no event exceed 60 days.

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. However, the owner may not keep the payment if the SHA determines that the vacancy is the owner's fault.

If the SHA determines that the owner is responsible for a vacancy and, as a result, is not entitled to the keep the housing assistance payment, the SHA will notify the landlord of the amount of housing assistance payment that the owner must repay. The SHA will require the owner to repay the amount owed.

If an owner's HAP contract calls for vacancy payments to be made, and the owner wishes to receive vacancy payments, the owner must properly notify the SHA. In order for a vacancy payment request to be considered, it must be made within 10 business days of the end of the period for which the owner is requesting the vacancy payment. The request must include the required owner certifications and the SHA may require the owner to provide documentation to support the request. If the owner does not provide the information requested by the SHA within 10 business days of the SHA's request, no vacancy payments will be made.

15. Reduction in HAP Contract Due to Vacancies

Link: 24 CFR 983.25

If any contract units have been vacant for 120 days, the SHA will give notice to the owner that the HAP contract will be amended to reduce the number of contract units that have been vacant for this period. The SHA will provide the notice to the owner within 10 business days of the 120th day of the vacancy. The amendment to the HAP contract will be effective the 1st day of the month following the date of the SHA's notice.

CHAPTER 16: CARES Act Statutory and Regulatory Waivers Adopted

The Coronavirus Aid, Relief, and Economic Security (CARES) Act was enacted on March 27th 2020. The CARES Act provides the U.S. Department of Housing and Urban Development (HUD) with broad authority to waive or establish alternative requirements for numerous statutory and regulatory requirements for the Housing Choice Voucher (HCV) program. HUD has issued two notices detailing the discretionary waivers available: PIH Notice 2020-05 and PIH Notice 2020-13. The SHA has implemented the following waivers in order to protect families, owners and staff from the spread of the coronavirus. These waivers will remain in effect through the period of availability defined by HUD or until circumstances permit, if sooner. SHA has detailed the waivers on the SHA website https://www.scottsdaleaz.gov/Assets/ScottsdaleAZ/Social+Services/housing/SHA+Waivers+Updated+7.6.2020.pdf and also provide them as follows.

Item	Statutory and Regulatory Waivers	Summary of alternative requirements	Availability Period Ends	Date of Adoption	Comments and Impacts
PHA 5-Year and Annual Plan	Statutory Authority Section 5A(a)(1), Section 5A(b)(1), Section 5A(g), Section 5A(h)	• Alternative dates for submission • Changes to significant amendment process	• Varies based on FYE • 12/31/2020	05/01/2020	Comments: These documents will be reviewed and revised as necessary. Impacts: These documents have already been completed and submitted to HUD.
PH and HCV-2 Family Income and Composition – Delayed Annual Reexaminations	Statutory Authority Section 3(a)(1) Regulatory Authority §982.516(a)(1), §960.257(a)	• Permits the PHA to delay the annual income reexamination of income and family composition • HCV PHA must implement HCV-7 for impacted families if they implement this waiver	All annuals due in CY 2020 must be completed by 12/31/2020	05/01/2020	Comments: The PHA will adopt this waiver with the following guidelines • The PHA will process a contract rent increase as an annual action with original re-exam date. • The PHA will process an interim re-exam with the information submitted by the family with their delayed reexamination paperwork. Impacts: Potential for improper payments

PH and HCV-3 Annual reexamination Income Verification	Regulatory Authority §5.233(a)(2) Sub-regulatory Guidance PIH Notice 2018-18	• Waives the requirements to use the income hierarchy, including the use of EIV, and will allow PHAs to consider self-certification as the highest form of income verification • PHAs that implement this waiver will be responsible for addressing material income discrepancies that may arise later	12/31/2020	05/01/2020 – previously adopted	Comments: Impacts: • Potential for program fraud resulting from self-certs • May create a little bit of a mess to clean up later (repayment agreements, proposed terms) • Ability to complete Annual Reexaminations in a more expeditious manner
PH and HCV-4 Interim reexaminations	Statutory Authority Section 3(a)(1) Regulatory Authority § 5.233(a)(2), 982.516(c)(2), 960.257(b) and (d) Sub-regulatory Guidance PIH Notice 2018-18	• Waives the requirement to use the income verification requirements, including the use of EIV, for interim reexaminations	12/31/2020	05/01/2020 – previously adopted	Comments: The PHA will adopt this waiver with the following guidelines • If participants experience an increase in income, an interim will be processed to increase their portion of rent • If participants experience a decrease in income, an interim will be processed allowing self-certification statement (signed by the participant is preferred) Impacts: • Potential for program fraud • Ability to complete Interim Exams in a more expeditious manner

PH and HCV-5 EIV System Monitoring	Regulatory Authority § 5.233 Sub-regulatory Guidance PIH Notice 2018-18	• Waives the mandatory EIV monitoring requirements.	12/31/2020	05/01/2020	Comments: The PHA will adopt this waiver with the following stipulation • The PHA will continue to monitor EIV reports, however resolution of issues may be delayed Impacts: • Potential for over-subsidizing tenants
PH and HCV-6 FSS Contract of Participation	Regulatory Authority § 982.206(a)(2) PIH Notice 2012-34	• Provides for extensions to FSS contract of participation	12/31/2020	05/01/2020	Comments: • The PHA will adopt the ability to extend a client's FSS contract on a case by case basis, depending on each client's circumstances Impacts: • Potential for increased HAP costs, if clients who are earning escrow on a monthly basis remain on the program for an extended period of time
PH and HCV-7 Waiting List	Regulatory Authority § 982.206(a)(2) PIH Notice 2012-34	• Waives public notice requirements for opening and closing waiting list • Requires alternative process	12/31/2020	05/01/2020	Comments: The PHA will adopt this waiver with the following guidelines • The PHA will post information regarding the opening and closing of the waiting list on its website • The PHA will inform our community partners An automatic reply will be added to all PHA staff member's e- mails, providing information regarding the opening and closing of the waiting list. • Waitlist opening announcement on PHA's auto attendant.

UPCS-V-1 Initial inspection	Statutory Section 8(o)(8)(C) Regulatory § 982.305(a), 982.405	Changes initial inspection requirements, allowing for owner certification that there are no life-threatening deficiencies Where self-certification was used, PHA must inspect the unit no later than 1-year anniversary of date of owner's certification.	12/31/2020 1 year anniversary date of certification	05/01/2020 previously adopted	Comments: The PHA will adopt this waiver with the following guidelines • Inspections of vacant units will occur as usual • Inspections of occupied units will be handled in the following order 1. Pictures/video/video calls and self-certification, subject to section 1001 penalties 2. A list of all self-certified inspections will be maintained to ensure that physical inspections are completed at the end of the waiver period 3. Any self-certified inspections must be signed by both the landlord and the tenant Impacts: • Potential for fraud • Potential for improper payments
UPCS-V-2: PBV Pre-HAP	Statutory Authority: Section	Changes inspection requirements, allowing for owner certification that there are no life-threatening deficiencies Where self-certification was used, PHA must inspect the unit no later than 1-year anniversary of date of owner's certification.	12/31/2020	05/01/2020 -	Comments: The PHA will adopt this waiver with the following guidelines • Inspections of vacant units will occur as usual • Inspections of occupied units will be handled in the following order 1. Pictures/video/videos calls and self-certification, subject to section 1001 penalties 2. A list of all self-certified inspections will be maintained, to ensure that physical inspections are completed at the end of the waiver period Any self-certified inspections must be signed by both the landlord and the tenant Impacts: • Potential for fraud Potential for improper payments

Item	Statutory and Regulatory Waivers	Summary of alternative requirements	Availability Period Ends	Date of Adoption	Comments and Impacts
UPCS-V-3 Non-Life Threatening UPCS-V - Initial Unit Approval	Statutory Section Regulatory HOTMA HCV Register Notice 2017	• Allows for extension of up to 30 days for owner repairs of non-life threatening conditions	12/31/2020	05/01/2020	Comments: The PHA will adopt this waiver complete non-life threatening Impacts: Inspector will need to amend
UPCS-V-4 Initial UPCS-V - Alternative Inspections		Under Initial UPCS-V Alternative Inspection Option - allows for commencement of assistance payments based on owner certification there are no life-threatening deficiencies Where self-certification was used, PHA must inspect the unit no later than 1-year anniversary of date of owner's	12/31/2020 1 year anniversary of date of owner's certification	05/01/2020	PHA will adopt this waiver.
UPCS-V-5 Biennial Inspections	Statutory Section 8(o)(D) Regulatory §§ 982.405(a),	• Allows for delay in biennial inspections • All delayed biennial inspections must be completed as soon as reasonably possible but by no later than 1 year after the date on which the biennial inspection would have been required absent the waiver	12/31/2020 1 year after the date on which the biennial inspection would have been required absent the waiver	05/01/2020 – previously adopted	Comments: The PHA will adopt this waiver and will maintain a list of impacted units to ensure that physical inspections are completed within three months of the waiver period Impacts: • Potential for improper payments • Potential for clients living in sub-standard housing

Item	Statutory and Regulatory Waivers	Summary of alternative requirements	Availability Period Ends	Date of Adoption	Comments and Impacts
UPCS-V-6: UPCS-V Interim Inspections	Statutory Authority: Section 8(o)(8)(F) of the USHA of 1937 Regulatory Authority: 24 CFR §§ 982.405(g), 983.103(e)	• Waives the requirement for the PHA to conduct interim inspection and requires alternative method • Allows for repairs to be verified by alternative methods	12/31/2020	05/01/2020 – previously adopted	Comments: The PHA will adopt this waiver with the following guidelines • Inspections of occupied units will be handled in the following order 1. Pictures/video/video calls and self-certification, subject to section 1001 penalties 2. A list of all self-certified inspections will be maintained, to ensure that physical inspections are completed at the end of the waiver period 3. Any self-certified inspections must be signed by both the landlord and the tenant Impacts: • Potential for fraud • Potential for improper payments

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Item	Statutory and Regulatory Waivers	Summary of alternative requirements	Availability Period Ends	Date of Adoption	Comments and Impacts
UPCS-V-9	Regulatory Authority	Provides for a suspension of the requirement for QC sampling inspections	12/31/2020	05/01/2020 –	• Potential for improper payments • Potential for tenants living in sub-standard conditions
UPCS-V-10 UPCS-V Space and Security	Regulatory Authority § 982.401(d)	• Waives the requirement that each dwelling unit have at least 1 bedroom or living/sleeping room for each 2 persons.	Remains in effect one year from lease term or date of notice, whichever is longer	05/01/2020	Comments: The PHA will adopt this waiver and will resume enforcing Occupancy Standards at the end of the lease term or one year from the date of PIH Notice 2020-05, whichever is longer Impacts: • Potential for tenants living in overcrowded conditions
HCV-1 Administrative Plan	Regulatory Authority § 982.54 (a)	• Establishes an alternative requirement that policies may be adopted without board approval • Any provisions adopted informally must be adopted formally NLT December 31, 2020	9/30/2020 12/31/2020	05/01/2020	Comments: • This document will be reviewed and revised as necessary • Will need to convene a special Board meeting prior to 7/31/2020 in order to approve any changes Impacts: This document had already been completed and will be submitted to HUD via the Agency Plan. If any other changes are required, additional staff time will need to be dedicated to performing these tasks
HCV-2 PHA Oral Briefing	Regulatory Authority § 982.301(a)(3) § 983.252(a)	• Waives the requirement for an oral briefing • Provides for alternative methods to conduct required voucher briefing	12/31/2020	05/01/2020 – previously adopted	Comments: • Packets will be distributed to potential clients prior to briefings • Briefings will be handled via MS Teams, telephone Impacts: • Increased staff time being spent on briefings • Increase postage costs for briefing material that cannot be e- mailed

Item	Statutory and Regulatory Waivers	Summary of alternative requirements	Availability Period Ends	Date of Adoption	Comments and Impacts
HCV-3 Term of Voucher - Extensions of Term	Regulatory Authority § 982.303(b)(1)	• Allows PHAs to provide voucher extensions regardless of current PHA policy	12/31/2020	05/01/2020 – previously adopted	Comments: Requests for extensions of vouchers that expired after February 29, 2020 will be granted whether these requests are in writing or over the phone Impacts: • Potential delays in clients leasing up in a unit • Clients will have a greater opportunity to find a suitable unit
HCV-5 Absence from unit	Regulatory Authority § 982.312	• Allows for PHA discretion on absences from units longer than 180 days • PHAs must not make HAP payments beyond 12/31/20 for units vacant more than 180 consecutive days	12/31/2020	05/01/2020	Comments: The PHA will continue to make HAP payments through 12/31/2020, unless an annual reexamination is needed, at which time, all payments will stop Impacts: • Potential for increased HAP costs • Potential for increased fraud • Preservation of housing for families
HCV-6 Automatic Termination of the HAP Contract	Regulatory Authority § 982.455	• Allows PHA to extend the period of time after the last HAP payment is made before the HAP contract terminates automatically	12/31/2020	05/01/2020	Comments: Upon written notice to the owner and family, the PHA will allow zero HAP families to remain on the program until 12/31/2020 or six months from the time the last HAP payment was made, whichever comes first Impacts: • Greater flexibility at this time of uncertainty • Provides a safety net for families facing potential job loss • Preservation of housing for families

Item	Statutory and Regulatory Waivers	Summary of alternative requirements	Availability Period Ends	Date of Adoption	Comments and Impacts
HCV-7 Increase in Payment Standard	Regulatory Authority § 982.505(c)(4)	• Provides PHAs with the option to increase the payment standard for the family at any time after the effective date of the increase, rather than waiting for the next regular reexamination to do so.	12/31/2020	07/01/2020	Comment: • Applicable when rent increase request is received with a different effective date than annual recertification Impacts: • Increased HAP costs • Preservation of housing for families
HCV-8 Utility Schedule	Regulatory § 982.517	• Provides for delay in updating utility allowance schedule	12/31/2020		Comments: 2020 Utility charts have been Impacts: • Potential for inaccurate HAP/URP payments
12a Form HUD	Regulatory 24 CFR Part 908, Sub-regulatory PIH Notice 2011-	• Waives the requirement to submit 50058 within 60 days • Alternative requirement to submit within 90 days of the effective date of action	12/31/2020	05/01/2020	Comments: The PHA will make every attempt of the effective date, however making this difficult Impacts: • Potential for inaccurate PIC/EIV reports

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