

# 5-Year PHA Plan (for All PHAs)

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing

OMB No. 2577-0226  
Expires: 03/31/2024

**Purpose.** The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families

**Applicability.** The Form HUD-50075-5Y is to be completed once every 5 PHA fiscal years by all PHAs.

<b>A.</b>	<b>PHA Information.</b>																				
<b>A.1</b>	<p><b>PHA Name:</b> Choanke Area Development Association of NC Inc. <b>PHA Code:</b> NC 139</p> <p><b>PHA Plan for Fiscal Year Beginning:</b> (MM/YYYY): 7-2024</p> <p><b>The Five-Year Period of the Plan (i.e. 2019-2023):</b> 2025</p> <p><b>PHA Plan Submission Type</b> <input checked="" type="checkbox"/> 5-Year Plan Submission <input type="checkbox"/> Revised 5-Year Plan Submission</p> <p><b>Availability of Information.</b> In addition to the items listed in this form, PHAs must have the elements listed below readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. Additionally, the PHA must provide information on how the public may reasonably obtain additional information on the PHA policies contained in the standard Annual Plan, but excluded from their streamlined submissions. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on their official websites. PHAs are also encouraged to provide each resident council a copy of their PHA Plans.</p> <p><b>Choanoke Area Development Association of NC, inc</b> Post Box 530 120 Sessoms Drive Rich Square, NC 27869 (252) 539-4155</p> <p><b>Choanoke Area Development Association of NC, Inc</b> Hertford County Communnity Services Center Bldg. B 105 North Academy St Ahoskie, NC 27910 (252) 332-2682</p> <p><b>Choanoke Area Development Association of NC, Inc.</b> Bertie County Community Services Bldg. B 128 East Granville St Windsor, NC 27910 (252) 794-3107</p> <p><a href="http://www@nccada.org">www@nccada.org</a></p> <p><input type="checkbox"/> PHA Consortia: (Check box if submitting a Joint PHA Plan and complete table below.)</p> <table border="1"><thead><tr><th rowspan="2">Participating PHAs</th><th rowspan="2">PHA Code</th><th rowspan="2">Program(s) in the Consortia</th><th rowspan="2">Program(s) not in the Consortia</th><th colspan="2">No. of Units in Each Program</th></tr><tr><th>PH</th><th>HCV</th></tr></thead><tbody><tr><td>Lead PHA: N/A</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td></tr></tbody></table>	Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program		PH	HCV	Lead PHA: N/A											
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<b>B.</b>	<b>Plan Elements. Required for <u>all</u> PHAs completing this form.</b>					
<b>B.1</b>	<p><b>Mission.</b> State the PHA's mission for serving the needs of low-income, very low-income, and extremely low-income families in the PHA's jurisdiction for the next five years. CADA,, with its many partners will assist disadvantage citizens achieve a better quality of life through education, training and economic development</p> <ol style="list-style-type: none"> <li>1. CADA will continue to issue voucher to families while supporting them to obtain safe and affordable housing.</li> <li>2. ADA is strive to give families what they need. Self-Sufficiency through the homeownership is a hugh part of it . The Housing Choice Voucher Program allows famiiles to receive mortgage payments</li> </ol>					
<b>B.2</b>	<p><b>Goals and Objectives.</b> Identify the PHA's quantifiable goals and objectives that will enable the PHA to serve the needs of low-income, very low-income, and extremely low-income families for the next five years. With the corporation coming in to buy housing in our area as well as high rental cost, we hope to have at least ½ of the one that have going off of the program one reason or another leased. We hope more families are incline to try homeownership.</p>					
<b>B.3</b>	<p><b>Progress Report.</b> Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan.</p> <ol style="list-style-type: none"> <li>1. Improving the marketing material by being on facebook for homeownership as well as other programs CADA has such as Weatherization, Head Start, Urgent Repair, First Time Homebuyer, Parents as Teachers and other</li> <li>2. Partnering with Disaster Recovery Coalitions to eligible applicants.</li> <li>3. Ahoskie Apartments leased up</li> <li>4. Collabrating with other program within the CADA family to reach out and while securing houses for families.</li> </ol>					
<b>B.4</b>	<p><b>Violence Against Women Act (VAWA) Goals.</b> Provide a statement of the PHA's goals, activities, objectives, policies, or programs that will enable the PHA to serve the needs of child and adult victims of domestic violence, dating violence, sexual assault, or stalking. The VAWA is attend to provide a safe place women, men or children protection from becoming further abused by an assailant. Our goal is to provide safe housing for the family live.</p>					
<b>C.</b>	<b>Other Document and/or Certification Requirements.</b>					
<b>C.1</b>	<p><b>Significant Amendment or Modification.</b> Provide a statement on the criteria used for determining a significant amendment or modification to the 5-Year Plan. There are areas that we need to be addressed. They are the National Standard for the Physical Inspection of Real Estate (NSPIRE) and the Housing Opportunity through Modernization Act (HOTMA). It effective date for NSPIRE is October 1, 2024 and for HOTMA is January 1, 2025. The Ahoskie High School Apts. LLC which Chonaoke Area Development Association of NC, Inc. owns wants to have Choanoke Area Development Association of NC, Inc. to have a wait separate from our current waiting list.</p>					
<b>C.2</b>	<p><b>Resident Advisory Board (RAB) Comments.</b></p> <p>(a) Did the RAB(s) have comments to the 5-Year PHA Plan?</p> <p>Y   N  <input type="checkbox"/> <input checked="" type="checkbox"/> X</p> <p>(b) If yes, comments must be submitted by the PHA as an attachment to the 5-Year PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.  N/A</p>					
<b>C.3</b>	<p><b>Certification by State or Local Officials.</b></p> <p>Form HUD-50077-SL, <i>Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>					

<b>C.4</b>	<p><b>Required Submission for HUD FO Review.</b></p> <p>(a) Did the public challenge any elements of the Plan?</p> <p>Y N <input type="checkbox"/> <input type="checkbox"/> X NO</p> <p>(b) If yes, include Challenged Elements.</p>
<b>D.</b>	<b>Affirmatively Furthering Fair Housing (AFFH).</b>

**D.1**

**Affirmatively Furthering Fair Housing.** (Non-qualified PHAs are only required to complete this section on the Annual PHA Plan. All qualified PHAs must complete this section.)

Provide a statement of the PHA's strategies and actions to achieve fair housing goals outlined in an accepted Assessment of Fair Housing (AFH) consistent with 24 CFR § 5.154(d)(5). Use the chart provided below. (PHAs should add as many goals as necessary to overcome fair housing issues and contributing factors.) Until such time as the PHA is required to submit an AFH, the PHA is not obligated to complete this chart. The PHA will fulfill, nevertheless, the requirements at 24 CFR § 903.7(o) enacted prior to August 17, 2015. See Instructions for further detail on completing this item.

**Fair Housing Goal:**

*Describe fair housing strategies and actions to achieve the goal*

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**Instructions for Preparation of Form HUD-50075-5Y - 5-Year PHA Plan for All PHAs**

A. PHA Information. All PHAs must complete this section. (24 CFR § 903.4)

- A.1** Include the full **PHA Name, PHA Code, PHA Fiscal Year Beginning (MM/YYYY), Five-Year Period** that the Plan covers, i.e. 2019-2023, **PHA Plan Submission Type**, and the **Availability of Information**, specific location(s) of all information relevant to the hearing and proposed PHA Plan.

**PHA Consortia:** Check box if submitting a Joint PHA Plan and complete the table.

**B. Plan Elements.**

- B.1 Mission.** State the PHA's mission for serving the needs of low- income, very low- income, and extremely low- income families in the PHA's jurisdiction for the next five years. (24 CFR § 903.6(a)(1))
- B.2 Goals and Objectives.** Identify the PHA's quantifiable goals and objectives that will enable the PHA to serve the needs of low- income, very low- income, and extremely low- income families for the next five years. (24 CFR § 903.6(b)(1))
- B.3 Progress Report.** Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5- Year Plan. (24 CFR § 903.6(b)(2))
- B.4 Violence Against Women Act (VAWA) Goals.** Provide a statement of the PHA's goals, activities objectives, policies, or programs that will enable the PHA to serve the needs of child and adult victims of domestic violence, dating violence, sexual assault, or stalking. (24 CFR § 903.6(a)(3)).

**C. Other Document and/or Certification Requirements.**

- C.1 Significant Amendment or Modification.** Provide a statement on the criteria used for determining a significant amendment or modification to the 5-Year Plan. For modifications resulting from the Rental Assistance Demonstration (RAD) program, refer to the 'Sample PHA Plan Amendment' found in Notice PIH-2012-32, REV 2.

**C.2 Resident Advisory Board (RAB) comments.**

- (a) Did the public or RAB have comments?
- (b) If yes, submit comments as an attachment to the Plan and describe the analysis of the comments and the PHA's decision made on these recommendations. (24 CFR § 903.17(b), 24 CFR § 903.19)

**C.3 Certification by State or Local Officials.**

Form HUD-50077-SL, Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan, must be submitted by the PHA as an electronic attachment to the PHA Plan.

**C.4 Required Submission for HUD FO Review.**

Challenged Elements.

- (a) Did the public challenge any elements of the Plan?
- (b) If yes, include such information as an attachment to the Annual PHA Plan or 5-Year PHA Plan with a description of any challenges to Plan elements, the source of the challenge, and the PHA's response to the public.

**D. Affirmatively Furthering Fair Housing.**

(Non-qualified PHAs are only required to complete this section on the Annual PHA Plan. All qualified PHAs must complete this section.)

**D.1 Affirmatively Furthering Fair Housing.** The PHA will use the answer blocks in item D.1 to provide a statement of its strategies and actions to implement each fair housing goal outlined in its accepted Assessment of Fair Housing (AFH) consistent with 24 CFR § 5.154(d)(5) that states, in relevant part: "To implement goals and priorities in an AFH, strategies and actions shall be included in program participants' ... PHA Plans (including any plans incorporated therein) .... Strategies and actions must affirmatively further fair housing ...." Use the chart provided to specify each fair housing goal from the PHA's AFH for which the PHA is the responsible program participant – whether the AFH was prepared solely by the PHA, jointly with one or more other PHAs, or in collaboration with a state or local jurisdiction – and specify the fair housing strategies and actions to be implemented by the PHA during the period covered by this PHA Plan. If there are more than three fair housing goals, add answer blocks as necessary.

Until such time as the PHA is required to submit an AFH, the PHA will not have to complete section D.; nevertheless, the PHA will address its obligation to affirmatively further fair housing in part by fulfilling the requirements at 24 CFR 903.7(o)(3) enacted prior to August 17, 2015, which means that it examines its own programs or proposed programs; identifies any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement; and maintain records reflecting these analyses and actions. Furthermore, under Section 5A(d)(15) of the U.S. Housing Act of 1937, as amended, a PHA must submit a civil rights certification with its Annual PHA Plan, which is described at 24 CFR 903.7(o)(1) except for qualified PHAs who submit the Form HUD-50077-CR as a standalone document.

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This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced the 5-Year PHA Plan. The 5-Year PHA Plan provides the PHA's mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families and the progress made in meeting the goals and objectives described in the previous 5-Year Plan.

Public reporting burden for this information collection is estimated to average 1.64 hours per year per response or 8.2 hours per response every five years, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

**Privacy Act Notice.** The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality.

**The National Standards for the Physical Inspection of Real Estate  
(NSPIRE)**

## **Introduction**

The US Department of Housing and Urban Development (HUD) NSPIRE was to be changed as of October 1, 2023 however it is changing is to take place October 1, 2024 for HCVP which was formally known as the Section 8 Program. NSPIRE is replacing the old HQS and PBV program with the NSPIRE-V. It will include the Ground Fault Current Protected, Guardrails, Water Stoppers, Fire Detectors, Carbon Monoxide Detectors, Bathrooms, Kitchens, Call-for-Aid Assistance, Ceilings, Chimney, Clothes Dryer Exhaust, Cook Appliances, Doors, Egress, Fire Escapes, Fire Extinguisher, Floors, Combustible Items, Food Preparation Area, Foundation, Garage Door, Grab Bars, Handrails, Debry, Sewage, Lighting, Mold like substance, Lead-Based Paint, Roads and Driveways, Refrigerators, Retaining Walls, Roofs, Sharp edges, Sidewalks, Walkways, Sinks, Smoke Alarms, Sprinklers, Steps and Stairs, Switch or Outlet, Infestation, Overgrown Vegetation, Exit Signs, Window and Cabinets.

The Housing Authority (HA) will inspect each unit under contract at least annually. The HA will also have the supervisor perform quality control inspections on at least 5 percent of all unit under contact annually to maintain the HA's procedures for performing NSPIRE and other types of inspection, along with the timeline for the HA the timeline of repairs. The deficiency list also explains what are the requirements for both the family and the owner. The unit will be inspected on the inside and the outside. NSPIRE the term used in this Administrative Plan

### **A. GUIDLINES/TYPES OF INSPECTIONS**

There are five types of inspection. They are as follows.

1. Initial/Move-In: Conducted upon receipt of Request for Tenancy Approval.
2. Annual: Must be conducted prior to the HAP contract anniversary date.
3. Move-Out: conducted by request only

4. Special/Complaint: Conducted by request of owner, family, an agency or third-party
5. Quality Control

## **B. INITIAL NSPIRE INSPECTION**

The initial process of the approval starts at the time of the inspection

The HA's tenancy approval process is conducted to see if the property meets requirements as defined in this plan.

Document the current condition of the unit as assist in future evaluations exceed normal wear and tear. The owner will be given up to 30 days to correct the items noted as designed "FAIL" items also that the inspector discretion, depend on the complexity of work.

## **C. ANNUAL INSPECTIONS**

The HA conducts an inspection in accordance with NSPIRE, 90 days prior to the anniversary month of the contract. Special inspections may be schedule between anniversary dates. Note: To meet SEMAP requirements, the annual inspection must be complete within twelve months of the previous inspection.

The deficiencies which cause a unit to fail, must be corrected by the landlord unless it is a designated as tenant responsible.

The family must allow the HA to inspect to the unit at a reasonable time with reasonable notice.

Inspections will be conducted on business days only.

Reasonable hours to conduct an inspection is between 8:30 am and 5:00 pm

The HA will notify the family in writing at least 5 days prior to an inspection



Inspection: The family and owner will be notified of the date and time of the inspection appointment so that the inspection is completed within 15 days or have person present 18 years of age.

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

### **Re-inspection:**

The family and the landlord is sent an appointment letter via mail. Enclosed are letters one copy for the landlord and one copy for the tenant the letters must be signed by the end of thirty days before or by the end of the thirty 30 days. The letter purpose is to let the inspector know whether to go back and to conduct a re-inspection. In cases they do return the letters that will abated.

### **Time Standard for Repairs**

1. Life Threaten – are items which endangers the family's health and safety
2. Sever – are items that are Non-life Threaten
3. Moderate – are items which concerns the unit or outside.

### **Rent Increases**

An increases can be established at anytime the unit is under contract, as long as the program has funds to remit.

The owner must notify to HA in writing of the increase at least 60 days before the change is to come effective.

### **Move Out/Vacate Units**

A move out inspection will be conducted only at the request of the landlord.

### **Special/Complaint Inspection**

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

The HA will inspect only the items which are reported, But if the inspector notices additional deficiencies that would cause the unit to fail, the responsible party will be required to make the necessary repairs. A notice of abatement will be effective the day after the date of the failed inspection. The notice will be effective generally for 30 days, depending on the nature of the repair/s needed.

### **Quality Control Inspection**

Quality Control inspections will be performed by the HCVP Director on at least 5 percent of the units. The purpose of Quality Control inspections is to ascertain the inspector is conducting accurate and complete inspections, and to ensure that there is consistency.

## **D. Acceptability of Criteria and Exceptions**

Damages to the unit or premises caused by a household member or guest beyond normal wear and tear. Normal wear and tear - is defined as items which would be charged against the tenant's security under state and/or court practice.

The owner is responsible for all other repairs.

The owner is responsible for vermin infestation even if it caused by the family's living habits. However, if such infestation is serious and repeated violation. The HA may determine the family's assistance on that basis.

## **E. REDUCTION of PAYMENTS**

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

The family and owner will be notified of the re-inspection date.

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

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

The owner has a good history of NSPIRE compliance.

There is a delay in completing repairs due to difficulties in obtaining parts or contracting for services.

The owner has good faith efforts to make the repairs

The repairs are expensive (such as exterior painting or roof repairs) and the owner needs time to obtain the funds.

The repairs must be delayed due to climate conditions.

The extension will be made for a period of time as warranted by the repair work needed. If the work is not completed or substantially completed, the HA will begin the abatement process of assistance.

#### **F. TERMINATION of CONTRACT**

If the owner is responsible for repairs and fails to correct all the deficiencies cited prior to the end of the abatement period, which is thirty 30 days, the owner will be sent a HAP Contract Termination Notice effective the end of the tenants annual re-certification.

#### **G. DETERMINATION of RESPONSIBILITY**

Certain NSPIRE deficiency responsibility will be the family's and they are as follows:

Tenant-paid utilities will be responsibility of the tenant and they must have those utilities turned on in the head of household's name. If the head of household have provide the appliances and damage is applied by either the tenant or a guest of the tenant the tenant will be responsible for the appliances.

#### **H. CONSEQUENCES OF THE FAMILY'S RESPONSIBILITIES**

If a life- threatening or a non-life-threatening is the violates the terms of NSPIRE as determined by the responsibility of the family, the HA will require the family to make any repair/s or corrections within thirty 30 days. If it is life-threatening then the time will be decreased to 24 hours as designate by NSPIRE. In cases where an extension can be approved by the HCVP Manager. The owner's rent will not be abated for those items which are the family's responsibility.

If the tenant is responsible and correction have not been made, the HAP Contract will terminate when assistance is terminated.

**AHOSKIE SCHOOL APARTMENT, LLC**  
**Waiting List**

## **Introduction**

**The waiting list establishes the order in which offers are made, to qualified applicants. It mechanism utilize the preference list and program regulation civil rights and program regulations and policies. The waiting list is a source of data about supply and demand. The waiting list shall be a separate into two parts. The PBA waiting list shall consist of a site based waiting list and the HVCP consist a community waiting list be composes of two waiting list Bertie and Hertford jurisdiction. The other waiting list shall consist of the community wide services of Hertford and Bertie. The waiting lists shall adherd to the rules involving fair house laws and regulations.**

**The online waiting list will be soley for families can get on the waiting list and choose what list they would like to be on the Housing Choice Voucher (HCV), Ahoskie School Housing or both**

**The following example would be Hertford and Bertie or Hertford County and Ahoskie School Housing.**

**Types of dwelling \_\_\_\_ house \_\_\_\_ apartment \_\_\_\_ mobile home**

**Ahoskie School Housing \_\_\_\_ Ahoskie High School Apartments ONLY**

**HOUSING OPPORTUNITY THROUGH MODERNIZATION ACT  
2016  
(HOTMA)**

## **Introduction**

To show the difference between HUD calculations and the calculations of Housing Opportunity Through Modernization Act. (HOTMA) some of the things that have definition of annual income. The income exclusion and inclusion. The Office of Public and Indian Housing (PIC) which was used by HUD will be referred to as the Housing Information Portal (HIP) used by the HOTMA.

HOTMA was entered into in 2016. It is tenant driven and reduces administrative burdens for into the participating public housing agencies including the Housing Choice Voucher Program as well as the

The HUD 9886-A must be signed at initial and has no expiration date.

## **Annual Income**

All amount received for all sources by each member of the family 18 years or older or is the head of household or spouse. Exclusion ABLE accounts which are Tax Advantage investment accounts that help the qualified individual with and their families save for disability related expenses.

Earned Income is earnings from wages, tips, salaries, employment (including bonuses) and net income from self-employment.

Unemployment income is excluded

Childcare Expense are counted only for 90 days if a parent becomes unemployed this is for hardships

## **Income**

Instead of the \$400.00 we used to give the elderly HUD will provide figures to use \$525.00 is the figure to be utilized

Income not resulting in permanent income meaning last no longer than 180 days

Income adoption assistance not count except \$480.00 per child.

Self-employment - the Gross income through will be utilized during self-employment or operation of business



**Adoption of children count the earned except the \$480.00 per child**

**Earned income of dependent students count all of the money dependent student get with exception of \$480.00**

**State Payments to Allow Individuals with Disabilities to Live at Home**

**Only count Medicaid-managed care system, other state agency or authorized entity.**

**Medical Expenses is a new definition it is any costs incurred in the diagnosis, cure, mitigation, treatment or prevention of disease or payments to treatment affecting any structure or function of the body**

**Higher Education**

**Title IV higher education count income if that person is head of household or spouse**

**Income Exclusions (provisions to change)**

**Veterans, Lawsuit Settlements, Reparations for Persecution, Tribal Claims Payments, Civil Rights Settlement and Judgement, Reimbursement for other public assisted programs, Employment training, FSS Accts., Housing Gap Payments, Deffered S.S.I. and S. S. income, Property taxes rebates or Loan Preceeds.**

**Assets Exclusions (provisions to change)**

**Safe Harbor, Earned Income Disregard, Mandatory Deduction, Health and Medical Expense Deduction, Hardship Exemption to the Health and Medical Deduction, Child Care, Limitation on Assets \$50,000 worth of property is not to exceed the amount.**

**The HA does not have to conduct an interim decrease or increase if the family unless the family is ten percent raised or lowed.**

**Calculation a family with Mobile Home Spaces**

**The family is currently receiving HCVP assistance under the manufactured housing special housing type. Their current HAP calculation is the following:**

## HCVP Calculation

### Example Only

<b>Rent to Owner</b>	<b>\$500.00</b>
<b>Utility Allowance</b>	<b>150.00</b>
<b>Gross Rent</b>	<b>650.00</b>
<b>Lower of spaces PS or gross rent</b>	<b>600.00</b>
<b>Family TTP</b>	<b>450.00</b>
<b>Total HAP</b>	<b>150.00</b>
<b>////////Family Housing Cost////////</b>	
<b>Space rent and owner maintenance and management</b>	<b>520.00</b>
<b>Family loan Payment</b>	<b>475.00</b>
<b>Utility Allowance</b>	<b>180.00</b>
<b>Total</b>	<b>1,175.</b>
<b>Space rent payment standard</b>	<b>550.00</b>
<b>PHA Payment Standard</b>	<b>1,200.</b>
<b>Family TTP</b>	<b>450.00</b>
<b>////////HOTMA HAP Calculation////////</b>	
<b>Rent to Owner</b>	<b>520.00</b>
<b>Loan Payment</b>	<b>475.00</b>

### Housing Assistance Payment Calculation

<b>Rent to owner</b>	<b>520</b>
<b>Loan payment</b>	<b>425</b>
<b>Utility Allowance</b>	<b>180</b>
<b>Gross Rent</b>	<b>1175</b>
<b>Lower of Payment Standard or Gross Rent</b>	<b>450</b>
<b>TTP</b>	<b>450</b>
<b>Total HAP</b>	<b>750</b>
<b>Total family share</b>	<b>450.00 gross rent total HAP</b>

**If the family is over the income then the family has a 24 month grace period if they stay in the dwelling they must sign the lease with the owner and will be terminated from the program.**

**The ones that are provisions to change is if a family is facing a hardship**

**HOUSING CHOICE VOUCHER  
SECTION 8  
ADMINISTRATIVE PLAN**

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## **Chapter 1**

### **STATEMENT OF POLICIES AND OBJECTIVES**

#### **INTRODUCTION**

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

Administration of the Section 8 Tenant-Based Program and the functions and responsibilities of the Housing Agency (HA) staff shall be in compliance with the HA's Personnel Policy and the Department of Housing and Urban Development's (HUD) Housing Choice Voucher Section 8 Regulations as well as all Federal, State, and local Fair Housing Laws and Regulations, Equal Opportunity Plan, and CADA Financial Management, Policies and Procedures.

#### **Jurisdiction**

The jurisdiction of the HA is Hertford County and Bertie County, North Carolina.

#### **A. LOCAL OBJECTIVES 24CFR 982.11**

The Section 8 Tenant-Based Program is designed to achieve these major objectives:

1. To provide decent, safe, and sanitary housing for very low income families while maintaining their rent payments at an affordable level.
2. To ensure that all units meet Housing Quality Standards and families pay fair and reasonable rents.
3. To promote fair housing and the opportunity for very low-income families of all ethnic backgrounds to experience freedom of housing choice.
4. To promote a housing program which maintains quality service and integrity while providing an incentive to private property owners to rent to very low-income families.

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

1. To assist the local economy by increasing the occupancy rate and the amount of money flowing into the community.

2. To encourage self-sufficiency of participant families and assist in the expansion of Family opportunities, which address educational, recreational and other human services needs.
3. To create positive public awareness and expand the level of family, owner, and community support in accomplishing the HA's mission.
4. To attain and maintain a high level of standards and professionalism in our day-to-day management of all program components.
5. To administer an efficient, high-performing agency through continuous improvement of the HA's support systems and commitment to our employees and their development.

**B. PURPOSE OF THE PLAN [24CFR 982.54]**

The purpose of the Administrative Plan is to establish policies for carrying out the programs in a manner consistent with HUD requirements and local objectives. The Plan covers both admission and continued participation of the Housing Choice Voucher program.

The HA is responsible for complying with all changes in HUD regulations pertaining to these programs. If such changes conflict with this Plan, HUD regulations will have precedence. The original Plan and any changes must be approved by the Board of Directors of the Choanoke Area Development Association, Inc. of North Carolina, known as CADA and a copy provided to HUD.

**C ADMINISTRATIVE FEE RESERVE [24CFR 982.54(d)(22)]**

All expenditures from the administrative fee reserve will be approved by the HA Board of Directors and made in accordance with the approved budget.

**D. RULES AND REGULATIONS [24CFR 982.52]**

This Administrative Plan is set forth to define the HA's local policies for operation of the housing programs in the context of Federal laws and Regulations. Federal regulations, HUD Memos, Notices and guidelines, or other applicable law governs all issues related to the Section 8 Tenant-Based Program not addressed in this document.

**E. TERMINOLOGY**

Choanoke Area Development Association, Inc. is referred to as "HA" or "Housing Agency" throughout this document.

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**E. TERMINOLOGY**

Choanoke Area Development Association, Inc. is referred to as "HA" or "Housing Agency" throughout this document.

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

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

"Landlord" and "owner" are used interchangeably. "Disability" is used where

"handicap" was formerly used.

"Non-citizens Rule" refers to the regulation effective June 19, 1995 restricting assistance to U.S. citizens and eligible immigrants.

"NSPIRE" means the National Standards Physical Inspection for the Real Estate required by regulations as enhance by the HA. This was formally none as "HQS" by HUD which means Housing Quality Standard..

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

See Glossary for other terminology.

#### **F. FAIR HOUSING POLICY [24CFR 982.54(d)(6)]**

It is the policy of the Housing Agency (HA) to comply fully with all Federal, State, and local nondiscrimination laws and with the rules and regulations governing Fair Housing and Equal Opportunity in housing and employment.

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

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

Except as otherwise provided in 24 CFR 8.21(c)(1), 8.24 (a), 8.25 and 8.31, no individual with disabilities shall be denied the benefits of, be excluded from participation in, or otherwise be subjected to discrimination.

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



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

The HA's office located at 120 Sessoms Drive, Rich Square, 102 S. Third Street Murfreesboro, and 128 Granville St., Windsor, are accessible to persons with disabilities.

**G. ACCOMMODATIONS POLICY [24CFR 700.245(c)(3)]**

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

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

**Persons with Disabilities [24CFR 982.153(b)(6)]**

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

**Federal Americans with Disabilities Act of 1990**

1. With respect to an individual, the term "disability" means:  
  
A physical or mental impairment that substantially limits one or more of the major life activities of an individual; - A record of such impairment; or  
Being regarded as having such an impairment
2. Individuals with contagious diseases who do not pose a direct threat to others are covered by the Act. AIDS victims and those who test positive for the HIV virus are considered to have a disability.
3. Rehabilitated alcohol and drug users are considered to be persons with disabilities for purposes of the Act. However, current alcohol and drug users can be held to the same qualification standards for job performance as other employees.

## Undue Hardship

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

### **MINIMUM RENT**

- \$50.00 Minimum Rent
- Hardship exception if permanent
  - HA must notify families of right to request (as of 10/21/98)
  - Informal hearing procedures applicable

### **Hardship Exceptions**

- Lost eligibility/awaiting determination for Federal, State or local assistance program
- Would be evicted as result of requirement
- Family income decrease because of changed circumstances (unemployed)
- Death in family
- Other circumstances determined (HA/HUD)

### **Minimum Rent Process**

- Family requests exception
- HA suspends payment beginning of next month
  - Family not required to pay during period HA pays higher HAP
- HA may request reasonable documentation of hardship
- HA must promptly determine If hardship exists
  - Whether temporary (90 days) or long term
- If HA determines no hardship under statute, minimum rent is imposed retroactively
- If HA determines hardship is temporary, no minimum rent during 90 day suspension period
  - Minimum rent imposed retroactively
  - Reasonable repayment agreement offered
- If hardship is of long-term duration, minimum rent is exempted retroactively to date of family's request for exception
- Exemption continues until hardship no longer exists
- Policies are retroactive to 10/21/98
- If family was qualified for mandatory exceptions and was charged minimum rent, HA must reimburse family or offset future rent payment

## **H. MANAGEMENT ASSESSMENT OBJECTIVES**

The HA operates its housing assistance program with efficiency and can demonstrate to HUD auditors that the HA is using its resources in a manner that reflects its commitment to quality and service. The HA policies and practices are consistent with the goals and objectives of the following proposed HUD SEMAP indicators.

1. Selection from the Waiting List
2. Reasonable Rent
3. Determination of Adjusted Income
4. Utility Allowance Schedule
5. NSPIRE Quality Control Inspection
6. NSPIRE Enforcement
7. Expanding Housing Opportunities
8. FMR/exception rent & Payment Standards
9. Annual Re-examinations
10. Correct Tenant Rent Calculations
11. Pre-Contract HQS Inspections
12. Annual HQS Inspections
13. Lease-up
14. Bonus Indicator (Deconcentration)

#### L RECORDS FOR MONITORING HA PERFORMANCE

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

Records and reports will be maintained for the purpose of:

Demonstrating that families were selected from the waiting list in accordance with the Administrative Plan policies and met the correct selection criteria.

Determining that randomly selected tenant files indicate that the HA approved reasonable rents to owner at the time of initial lease-up and before any increase in rent.

Monitoring HA practices for obtaining income information, proper calculation of allowances and deductions, and utility allowances used to determine adjusted income for families.

Demonstrating that the HA has analyzed utility rates locally to determine if there has been change of 10% or more since the last time the utility schedule was revised.

Determining that during the fiscal year the HA performs supervisory NSPIRE control inspections for at least 5% of all units under contract.

Determining that a review of selected files indicate that for at least 98% of failed inspections, the HA ensures timely correction of HQS deficiencies or abates HAPs or takes vigorous action to enforce family obligations.

Demonstrating that the HA promotes the deconcentration of assisted families in low-income neighborhoods.

Demonstrating that at least 90% of units newly leased have an initial gross rent that does not exceed the FMR and Voucher payment standards are not less than 80% of the current FMR/exception rent limit unless otherwise approved by HUD.

Demonstrating that 96-100% of reexams are processed on time.

Demonstrating that less than 2% of all tenant files have rent calculation discrepancies.

Demonstrating that newly leased units passed NSPIRE inspections before HAP contract date.

Demonstrating that the HA performs annual NSPIRE inspections on time for 100% of all units under contract.

In addition to the SEMAP factors listed above to ensure quality control, supervisory staff will audit the following functions:

5% of reexaminations 5%  
of new applications

## **J.     PRIVACY RIGHTS [24 CFR 982.5511**

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

The HA's practices and procedures are designed to safeguard the privacy of applicants and program participants. All applicant and participant files will be stored in a secure location that is only accessible by authorized staff. HA staff will not discuss family information contained in files unless there is a business reason to do so. Inappropriate discussion of family information, or improper disclosure of family information by staff will result in disciplinary action.

**K. FAMILY OUTREACH [24 CFR 982.153(b)(1)]**

The HA will publicize and disseminate information to make known the availability of housing assistance and related services for very low income families on a regular basis.

To reach persons who cannot read the newspapers, the HA will initiate personal contacts with members of community service personnel. The HA will also utilize public service announcements.

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

**L. OWNER OUTREACH [24 CFR 982.54(d)(5), 982.153(b)(1)]**

The HA encourages owners of decent, safe and sanitary housing units to lease to Housing Choice Voucher families. The HA maintains a listing of available units from interested landlords for the Housing Choice Voucher Program and updates this list as notified of availability by landlords. When listings from owners are received, they will be compiled by the HA staff by bedroom size.

The Housing Agency will maintain lists of available housing submitted by owners in all neighborhoods within the HA jurisdiction to ensure greater mobility and housing choice to very low income households. The lists of units will be provided at briefings, and upon request.

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

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

## Chapter 2

### ELIGIBILITY FOR ADMISSION

[24 CFR Part 5, Subparts B, D&E; Part 982, Subpart E]

#### INTRODUCTION

This Chapter defines both HUD's and the HA's criteria for admission and denial of admission to the program. The policy of this HA is to strive for objectivity and consistency in applying these criteria to evaluate the eligibility of families who apply. The HA staff will review all information provided by the family carefully and consistently. Families will be provided the opportunity to explain their circumstances, to furnish additional information, if needed, and to receive an explanation of the basis for any decision made by the HA pertaining to their eligibility.

#### Eligibility Factors

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

These are four factors, which affect eligibility:

An applicant must be a "family" as defined by the HA

An applicant's household annual income may not exceed the applicable income limit as established by HUD

An applicant must not have been evicted from public housing or any Section 8 program for drug-related criminal activity at least three years from the date of the eviction.

**An applicant must furnish documentation requirements of Citizenship/Eligible Immigrant Status. (Certified Birth Certificate, United States passport, Resident alien card, Registration card, social security card or other appropriate documentation)**

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

The Family's initial eligibility for placement on the waiting list will be made in accordance with the eligibility factors.

#### **A. FAMILY COMPOSITION [24CFR 5.403, 982.201 ]**

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

A group of persons may be:

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

Two or more elderly or disabled persons living together, or one or more elderly, near elderly or disabled persons living with one or more live-in aides is a family.

A household with or without children. A child who is temporarily away from home because of placement in foster care is considered a member of the family. **This provision only pertains to the foster child's temporary absence from the home, and is not intended to artificially enlarge the space available for other family members.**

A single person may be:

An elderly person (62 and over) A  
displaced person A person with a  
disability

Any "other single" person who is not elderly, displaced, disabled, or the remaining member of a tenant family.

#### Head of Household

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

#### Spouse of Head

Spouse means the husband or wife of the head.

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

#### Live-in Attendants

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

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

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

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

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

1. Income of the live-in aide will not be counted for purposes of determining eligibility or level of benefits.
2. Live-in aides may not be considered as a remaining member of the tenant family.

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

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

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

- (1) The person commits fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program;
- (2) The person commits drug-related criminal activity or violent criminal activity; or
- (3) The person currently owes rent or other amounts to the HA or to another HA in connection with Housing Choice Voucher Program or public housing assistance under the 1937 Act.

#### Split Households Prior to Voucher Issuance

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

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

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



### Multiple Families in the Same Household

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

### **B. INCOME LIMITATIONS [24CFR 982.201, 982.353] In**

order to be eligible for assistance, an applicant must be either:

A very low-income family; or

A low-income family that is continuously assisted under the 1937 Housing Act. An applicant is continuously assisted if the family has received assistance under any 1937 Housing Act program within 120 days of voucher issuance.

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

**Families whose Annual Income exceeds the income limit will be denied admission.**

**For admission to the program (initial lease-up), the family must be within the income limit of the jurisdiction where they want to live.**

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

### Income Targeting

- HA must reserve a minimum of 75% of Housing Choice Voucher new admissions each FY for families whose income doesn't exceed 30% of area median (extremely low income).
- Income targeting does not apply to families continuously assisted under 1937 Housing Act.
- HA's preference system results in compliance with income targeting requirements.

### **C. MANDATORY SOCIAL SECURITY NUMBERS [24CFR 52.2181]**

Families are required to provide a Social Security Card for all family members age 6 and older prior to admission, if the Social Security Administration has issued them a number. This requirement also applies to persons joining the family after admission to the program. Failure to furnish verification of social security numbers is grounds for denial

or termination of assistance.

**D. CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS** [24 CFR Part 5, Subpart E]

In order to receive assistance, a family member must be a U.S. citizen or eligible immigrant.

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

**Mixed Families**

A family is eligible for assistance as long as at least one member is a citizen or eligible immigrant. Families that include eligible and ineligible individuals are called "mixed".

**All members ineligible**

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

**E. OTHER CRITERIA FOR ADMISSIONS** [24 CFR 982.202(b)(1)]

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

The family must be in good standing regarding any current payment agreement made with another HA for a previous debt incurred, before this HA will allow participation in its Housing Choice Voucher Program.

No family member may have been evicted from public housing for any reason during the last 3 years prior to final eligibility determination.

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

The HA will screen Housing Choice Voucher applicants for drug, violent criminal, and sexual offender convictions. We will be assessing public information from Bertie County and Hertford County and the websites as part of the application process. Please note that screening of this type of behavior does not guarantee the suitability of an applicant for a prospective tenancy. Owners are strongly encouraged to screen prospective tenants on their own behalf for criminal behavior and rental history by obtaining landlord references and other relevant personal information.

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

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

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

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

**II. INELIGIBLE FAMILIES**

Families who are determined to be ineligible will be notified in writing of the reason for denial and given an opportunity to request an informal review.

**I. CONSIDERATION OF CIRCUMSTANCES CFR 982.552(c)(2)**

When deciding to deny admission because of action or failure to act by members of the family, the HA will consider the circumstances including:

- The seriousness of the case;
- The extent of participation or culpability of family members;
- Mitigating circumstances relating to the disability of family member; and
- The effect the denial of admission would have on other members of the family if they were not involved in the action or failure to act.

For an admission decision based on illegal use of drugs or alcohol abuse by a family member who no longer engages in such behavior, the HA may consider whether the member:

- Has successfully completed a rehabilitation program
- Is currently participating in a rehabilitation program
- Has otherwise been successfully rehabilitated.

The family is required to submit evidence of such rehabilitation.

**J. DENIAL OF ADMISSION FOR CRIMINALS AND ALCOHOL ABUSERS  
CFR 982.54(d)(4)(iii); CFR 982.553(a)(1), (2), and (3)**

The HA has established standards that prohibit admission of a household to the program if:  
The HA determines that any household member is currently engaging in illegal use of a drug.

### **K. Information Shared with Prospective Landlords**

CADA will supply to landlords/owners the following information regarding families seeking rental units and have determined eligible for the Section 8 Housing Choice Voucher Program.

1. The family's current and prior address as shown in our records.
2. Current and prior landlord name and address [Note: an exception to this requirement will be made if the family's whereabouts must be protected due to domestic abuse or witness protection].
3. Prior landlord information as it relates to unpaid rent and tenant damages
4. Landlords/owners will be informed of their responsibility to determine suitability of prospective tenants. Owners will be encouraged to screen applicants for rental history, eviction history, damage to unit, and other factors related to the family's suitability as a tenant.
5. The information provided to a landlord/owner under this policy may be in writing or orally.
6. Criminal or drug-related activity.

### **L. Special Purpose Section 8 Assistance Programs**

Program availability is communicated directly to agencies serving the special needs populations. Information is provided to these organizations on a regular basis and any changes in program requirements or availability of additional units of assistance are communicated immediately.

## **Chapter 3**

### **APPLYING FOR ADMISSION**

[24CFR 982.204]

#### **INTRODUCTION**

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

#### **A. OVERVIEW OF THE APPLICATION TAKING PROCESS**

The purpose of application taking is to permit the HA to gather information and determine placement on the waiting list. The application will contain questions designed to obtain pertinent program information.

Families who wish to apply for the HA Voucher program must input their pre-application online when application-taking is open. Applications will be made available in an accessible format upon request from a person with a disability.

When the waiting list is open, any family asking to be placed on the waiting list for Housing Choice Voucher rental assistance will be given the opportunity to complete an application.

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

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

#### **B. OPENING/CLOSING OF APPLICATION TAKING**

[24 CFR 982.206, 982.54(d)(1)]

The HA will utilize the following procedures for opening the waiting list. When the HA opens the waiting list, the HA will advertise through public notice.

The notice will contain:

The dates, times, and the locations how families may apply. The programs for which applications are taken. A brief description of the program.

The notice will provide potential applicants with information that includes the HA address and telephone number.

Upon request from a person with a disability, additional time will be given as an accommodation for submission of an application after the closing deadline.

#### Closing the Waiting List

The HA may stop applications if there are enough applicants to fill anticipated openings for the next 12 months.

The open period shall be long enough to achieve a waiting list adequate to cover projected turnover and new allocations over the next 12 months. The HA will add the new applicants to the list by:

Preference Date  
and Time

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

The HA will utilize a (pre-application form) and a Personal Declaration Form. The information on the Personal Declaration form is to be filled out by the applicant whenever possible. To provide specific accommodation for persons with disabilities, a staff person may complete the information.

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

Names of adult members and age of all members  
Sex and relationship of all members  
Street Address and phone numbers  
Mailing Address (If PO Box or other permanent address)  
Amount(s) and sources(s) of income received by household members  
Information regarding disabilities to determine qualifications for allowances and deductions  
Information related to qualification for preferences  
Social Security Cards  
Race/ethnicity

will be verified. Verifications may not be more than 60 days old at the time of issuance of Voucher.

**G. FINAL DETERMINATION AND NOTIFICATION OF ELIGIBILITY [24 CFR 982.201]**

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

Citizenship/eligible immigration status-Certified Birth Certificate/Green cards  
Convictions for Drug Related or Violent Criminal Activity  
Program integrity questions regarding previous participation in HUD programs

Ineligible families will not be placed on the waiting list.

**D. APPLICANT STATUS WHILE ON WAITING LIST** [CFR 982.204]

Applicants are required to inform the HA within 30 days of changes in address. Applicants are also required to respond to requests from the HA to update information on their application and to determine their interest in assistance.

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

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

**E. TIME OF SELECTION** [24 CFR 982.204, 5.410]

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

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

If the HA determines that additional information or document(s) are needed, the HA will request the document(s) or information in writing. The family will be given 10 days to supply the information.

If the information is not supplied in this time period, the HA will provide the family a notification of denial for assistance.

**F. VERIFICATION** [24 CFR 982.201(e)]

Information provided by the applicant will be verified, using the verification procedures in Chapter seven. Family composition, income, allowances and deductions, assets, full-time student status, eligibility and rent calculation factors, and other pertinent information



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## **Chapter 4**

### **ESTABLISHING PREFERENCES AND MAINTAINING THE WAITING LIST**

[24 CFR Part 5, Subpart D; 982.54(d)(1); 982.204, 982.205, 982.206]

#### **INTRODUCTION**

It is the HA's objective to ensure that families are placed in the proper order on the waiting list and selected from the waiting list for admissions in accordance with the policies in this Administrative Plan.

By maintaining an accurate waiting list, the HA will be able to perform the activities which ensure that an adequate pool of qualified applicants will be available so that program funds are used in a timely manner.

#### **A. WAITING LIST [24 CFR 982.204]**

Except for Special Admissions, applicants will be selected from the HA waiting list in accordance with policies and preferences defined in this Administrative Plan.

The HA will maintain information that permits proper selection from the waiting list. The waiting list contains the following information for each applicant listed:

- Applicant Name
- Family Unit Size (number of bedrooms family qualifies for under HA subsidy standards)
- Date and time of application
- Qualification for any local preferences for which the family may be eligible
- Racial or ethnic designation of the Head of Household

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

1. The application will be a permanent file.
2. Applications equal in preference will be maintained by date and time.
3. All applicants must meet "Very Low Income" or "Extremely Low Income" eligibility requirements as established by HUD. The HUD Field Office must have approved any exceptions to these requirements, other than those outlined in Chapter 2, "Eligibility for Admission," previously.

**B. WAITING LIST PREFERENCES [24 CFR 982.207]**

1. CADA Housing Choice Voucher HAPP elected to list applicants on the waiting list by date and time of application with preferences as follows:

**Domestic Violence:**

Applicant vacated unit because of domestic violence. Applicant lives in unit with person who engages in violence. Applicant certifies that the person engaged in the violence will not reside with the applicant family unless the HA has given advance written approval. Documentation includes copies of police reports or verified through an abuse organization. The domestic violence should have occurred recently or been of a continuing nature.

**Involuntarily Displaced:**

A family in which each member or sole member is a person displaced by governmental action. (Code enforcement or neighborhood development program)

A family displaced by a disaster recognized by the Federal government, which extensively damaged or destroyed their dwelling. (Fire, flood)

Housing owner action (Closure of unit-rehab, owner wants unit for personal or family use, Unit sold with applicant's agreement to vacate upon sale, any legally-authorized act that results in owner's taking unit off rental market.

**Homelessness:**

A family or person who is homeless, lacks a stable or permanent residence, or threatened with homelessness. Documentation must be verified through public or private organizations.

**Displacement of unit inaccessibility:**

A member of the family has mobility or other impairment that makes the person unable to use critical elements of the unit, AND The owner did not make changes to the unit.

**Economic Hardships:**

Due to company closing or layoff, a family is unable to meet the obligations of maintaining a household.

**\*All preferences must be verified by documentation submitted from a reputable public or private organization to support claim.**

Elderly - Disabled - Families By date and time

2. A preference overrides date and time of application. The more preferences a PHA has, the less impact date and time will have.

The PHA in each fiscal year will comply with not less than 75% of all new admissions to the program must have incomes at or below 30% of the area median income. ELI incomes are and will be posted in the HUD yearly income limits publication.

**C. LOCAL PREFERENCES [24 CFR 5.410]**

Families who reside inside or whose head or spouse is employed within the jurisdiction of Hertford and Bertie Counties, North Carolina, will be selected for housing assistance prior to families residing outside the jurisdiction of Hertford and Bertie Counties, North Carolina.

**D. PREFERENCE ELIGIBILITY [24 CFR 5.410]**

**Changes in Circumstances**

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

**E. ORDER OF SELECTION [24 CFR 5.415, 982.207(e)]**

The order of selection is based on preference and the date and time of application.

**Local Preferences**

**The HA has selected the following system to apply local preference:**

Families who reside inside or whose head or spouse is employed within the jurisdiction of Hertford and Bertie Counties, North Carolina, will be selected for housing assistance prior to families residing outside the jurisdiction of Hertford and Bertie Counties.

**Among Applicants with Equal Preference Status**

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

## **F. REMOVAL FROM WAITING LIST AND PURGING [24 CFR 982.204(c)]**

An extension of 10 days to respond will be granted, if requested and needed as a reasonable accommodation for a person with a disability.

Any mailings to the applicant that require a response will state that failure to respond within 10 days will result in the applicant's name being dropped from the waiting list.

If a letter is returned by the Post Office without a forwarding address, the applicant will be removed without further notice, and the envelope and letter will be maintained in the file.

If an applicant is removed from the waiting list for failure to respond, they will not be entitled to reinstatement unless a documented emergency prevented them from responding.

### **Purging of the Waiting List**

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

## Chapter 5

### SUBSIDY STANDARDS

[24 CFR 982.54(d)(9)]

#### INTRODUCTION

HUD will not support established rules guidelines require that HA's establish subsidy standards for the determination of OFTO Tenancy, and Voucher bedroom size. The standards used for the OFTO Tenancy, or Voucher size also must be within the minimum unit size requirements of HUD's HQS. This Chapter explains the subsidy standards which will be used to determine the voucher size for various sized families when they are selected from the waiting list, as well as the HA's procedures when a family's size changes, or a family selects a unit size that is different from the Voucher.

#### A. **DETERMINING VOUCHER SIZE** [24 CFR 982.402]

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

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

All standards in this section relate to the number of bedrooms on the Voucher, not the family's actual living arrangements.

The unit size on the Voucher remains the same as long as the family composition remains the same, regardless of the actual unit size rented.

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

Persons of different generations, persons of the opposite sex only if they will be in the unit for more than 12 months under the age of 4 years old.

Foster children will be included in determining unit size only if they will be in the unit for more than 12 months.

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

Space may be provided for a child who is away at school but who lives with the family during school recesses.

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

Adults of different generations will have separate bedrooms.

Single person families shall be allocated one bedroom.

#### GUIDELINES FOR DETERMINING VOUCHER SIZE

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

#### **B. EXCEPTIONS TO SUBSIDY STANDARDS** [24 CFR 982.403(a)&(b)]

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

The HA will grant an exception upon request as an accommodation for persons with disabilities. Circumstances may dictate a larger size than the subsidy standards permit when persons cannot share a bedroom because of a need, such as a:

Verified medical or health reason; or  
Elderly persons or persons with disabilities who may require a live in attendant.

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

A doctor must verify requests based on health related reasons.

#### Changes for Applicants

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

### Changes in Participants

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

### Underhoused and Overhoused Families

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



## Chapter 6-1

### FACTORS RELATED TO TOTAL TENANT PAYMENT DETERMINATION

[24 CFR Part 5, Subparts E and F; 982.153, 982.317, 982.551]

#### INTRODUCTION

The HA will use the methods as set forth in this Administrative Plan to verify and determine that family income at admission and reexamination is correct. The accurate calculation of Annual Income and Adjusted Income will ensure that families are not paying more or less money for rent than their obligation under the Regulations.

This Chapter defines the allowable expenses and deductions to be subtracted from Annual Income and how the presence or absence of household members may affect the Total Tenant Payment (TTP). Income and TTP are calculated in accordance with 24 CFR Part 5, Subparts E and F, and further instructions set forth in HUD Notices and Memoranda. The formula for the calculation of TTP is specific and not subject to interpretation. The HA's policies in this Chapter address those areas which allow the HA discretion to define terms and to develop standards in order to assure consistent application of the various factors that relate to the determination of TTP.

#### **A. INCOME AND ALLOWANCES** [24 CFR 5.609]

Income: Includes all monetary amounts, which are received on behalf of the family. For purposes of calculating the Total Tenant Payment HUD defines what is to be calculated and what is to be excluded in the federal regulations. In accordance with this definition, all income, which is not specifically excluded in the regulations, is counted.

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

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

HUD has five allowable deductions from Annual Income:

1. Dependent Allowance: \$480 each for family members (other than the head or spouse) who are minors, and for family members who are 18 and older who are full-time students or who are disabled.
2. Elderly/Disabled Allowance: \$400 per family for families whose head or spouse is 62 or over or disabled.

3. Allowable Medical Expenses: Deducted for all family members of an eligible elderly/disabled family.
4. Child Care Expenses: Deducted for the care of children under 13 when childcare is necessary to allow an adult member to work, attend school, or actively seek employment.
5. Allowable Disability Assistance Expenses: Deducted for attendant care or auxiliary apparatus for persons with disabilities if needed to enable the individual or an adult family member to work.

**Earned Income Disallowance for Persons with Disabilities** [24CFR5.617]

A "qualified family" is a disabled family receiving Section 8 assistance whose annual income increases due to one of the following reasons.

1. Employment of a family member who is a person with disabilities, and was previously unemployed for one or more years prior to employment.
2. Increased earnings by a family member who is a person with disabilities, AND is a participant in any economic self-sufficiency or job-training program.
3. New employment or increased earnings by a family member who is a person with disabilities, AND within the past 6 months, has received assistance, benefits or services under any state program for temporary assistance (TANF, Welfare-to-Work)
  - Not limited to cash assistance
  - Includes one-time payments, wage subsidies, transportation assistance
  - Total amount over a six-month period must be at least \$500.

**The initial 12-Month Full Exclusion**

1. Begins on the date the family member (with disabilities):
  - Is employed; or
  - First experiences an increase in income due to employment
2. The full amount of increase is excluded, and the exclusion extends for a total Of twelve cumulative months.

**Second 12-Month Exclusion and Phase-In**

Begins when the family member has received 12 cumulative months of full exclusion. Fifty percent of the exclusion extends for a total of twelve cumulative months.

The family member may start and stop employment and the exclusion may start and stop during a 48-month period beginning on the date of the initial exclusion.

No exclusion may be given after the 48-month period, regardless of whether the family member has received the full exclusion for a total of 12 months.

### Minimum Rent

"Minimum Rent" refers to the minimum family contribution and in the voucher program the amount is \$50. Minimum rent includes the combined amount (TTP) a family pays toward rent and/or utilities.

A family may request an exemption from the minimum rent in case of hardship for the following reasons:

1. The family has lost eligibility for and is awaiting eligibility determination for a Federal, State or local assistance program;
2. The family would be evicted as a result of the imposition of the minimum rent requirement;
3. The income of the family has decreased because of changed circumstance, including loss of employment;
4. A death in the family has occurred; or
5. The Authority may determine other situations as.

### Total Tenant Payment

In the Certificate program the formula for Total Tenant Payment is the greater of:

30% of the adjusted monthly income

10% of the monthly income

The minimum rent is \$50 as established by the Board of Directors

#### **a DEFINITION OF TEMPORARILY/PERMANENTLY ABSENT**

[24 CFR 982.54(d)(10), 982.317, 982.551]

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

Income of persons permanently absent will not be counted. If the spouse is temporarily absent and in the military, all military pay and allowance (except hazardous duty pay

of the spouse or the head of the household if that person is temporarily absent, even if that person is not on the lease.

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

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

#### Absence of Any Member

Any member of the household will be considered permanently absent if s/he is away from the unit for 3 consecutive months except as otherwise provided in this Chapter.

#### Absence due to Medical Reasons

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

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

#### Absence due to Full-time Student Status

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

#### Absence due to Incarceration

If the sole member is incarcerated for more than 180 consecutive days, s/he will be considered permanently absent. Any member of the household, other than the sole member, will be considered permanently absent if s/he is incarcerated for 6 consecutive months.

#### Absence of Children due to Placement in Foster Care

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

If the time period is to be greater than 6 months from the date of removal of the child/ren, the Certificate/Voucher size will be reduced. If all children are removed from the home permanently, the certificate or voucher size will be reduced in accordance with the HA's subsidy standards.

### Absence of Entire Family

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

Families are required both to notify the HA before they move out of a unit and to give the HA information about any family absence from the unit (with 30 days notice.)

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

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

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

In order to determine if the family is absent from the unit, the HA may write letters to the family at the unit, telephone the family at the unit, interview neighbors, verify if utilities are in service and check with the post office.

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

### Caretaker for Children

If neither parent remains in the household and the appropriate agency has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period, the HA will treat that adult as a visitor for the first **120** days.

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

If the appropriate agency cannot confirm the guardianship status of the caretaker, the HA will review the status at 90 day intervals.

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

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

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

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

### Visitors

Any adult not included on the HUD 50058 who has been in the unit more than 30 consecutive days without HA approval, or a total of 60 days in a 12-month period, will be considered to be, living in the unit as an unauthorized household member.

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

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

Minors and college students who were part of the family but who now live away from home during the school year and are no longer on the lease may visit for up to 90 days per year without being considered a member of the household.

In a joint custody arrangement, if the minor is in the household less than 181 days per year, the minor will be considered to be eligible visitor and not a family member.

### Reporting Additions to Owner and HA

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

The family obligations require the family to request HA approval to add any other family member as an occupant of the unit and to inform the HA of the birth, adoption or court-

awarded custody of a child. The family must request prior approval of additional household members in writing.

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

In addition, the HA will require the family to obtain prior approval from the owner when there are changes in family composition other than birth, adoption or court awarded custody.

#### Reporting Absences to the HA

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

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

#### **C. AVERAGING INCOME**

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

Average known sources of income that vary to compute an annual income.

If there are bonuses or overtime that the employer cannot anticipate for the next twelve months, bonuses and overtime received the previous year will be used.

If by averaging, an estimate can be made for those families whose income fluctuates from month to month, this estimate will be used so as to reduce the number of interim adjustments.

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

#### **MINIMUM INCOME**

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

#### **E. INCOME OF PERSON PERMANENTLY CONFINED TO NURSING HOME [24, CFR 982.32(d)(10)]**

If a family member is permanently confined to a hospital or nursing home and there is a family member left in the household, the HA will calculate the income by using the previous methodology and use the income figure which would result in a lower payment by the family:

1. (a) Exclude the income of the person permanently confined to the nursing home and give the family no deductions for medical expenses of the confined family member.

**F. REGULAR CONTRIBUTIONS AND GIFTS [24 CFR 5.609]**

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

Any contribution or gift received every 4 months or more frequently will be considered a "regular" contribution or gift, unless the amount is less than \$ 100 per year. This includes rent and utility payments made on behalf of the family and other cash or non-cash contributions provided on a regular basis. It does not include casual contributions or sporadic gift. (See Chapter 7, "Verification Procedures," for further definition.)

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

**G. ALIMONY AND CHILD SUPPORT [24 CFR 5.609]**

Regular alimony and child support payments are counted as income for calculation of Total Tenant Payment.

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

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

- The HA receives verification from the agency responsible for enforcement or collection, or
- 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.

**H. LUMP-SUM RECEIPTS [24 CFR 5.609]**

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

Lump-sum payments caused by delays in processing periodic payments such as unemployment or welfare assistance are counted as income. Lump sum payments from Social Security or SSI are excluded from income, but any amount remaining will be



considered as asset. Deferred periodic payments, which have accumulated due to a dispute, will be treated the same as periodic payments, which are deferred due to delays in processing.

#### **L     CHILD CARE EXPENSES [24 CFR 5.6031]**

Childcare expenses for children under 13 may be deducted from annual income if they enable an adult to work or attend school full time, or to actively seek employment.

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

Allowability of deductions for childcare expenses is based on the following guidelines:

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

#### **3.     MEDICAL EXPENSES [24 CFR 5.609(a)(2), 5.603]**

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

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

#### **K.     REDUCTION IN BENEFITS**

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

#### **L.     UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS [24 CFR 982.153, 982.517]**

The same Utility Allowance Schedule is used for OFTO Tenancies, and Vouchers. The HA will maintain an up-to-date utility allowance schedule.

The utility allowance is intended to cover the cost of utilities not included in the rent. The allowance is based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. Allowances are not based on an individual family's actual energy consumption.

The HA will review the utility allowance schedule annually. If the review finds a utility rate has changed by 10 percent or more since the last revision of the utility allowance schedule, the schedule will be revised to reflect the new rate. Revised utility allowances will be applied in a participant family's rent calculation at their next reexamination.

Where the Utility Allowance exceeds the family's Total Tenant Payment, the HA will provide a Utility Reimbursement Payment for the family each month. The check will be made out directly to the tenant.

## Chapter 7

### VERIFICATION PROCEDURES

[24 CFR Part 5, Subparts B, D, E and F; 982.108]

#### INTRODUCTION

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

#### **A. METHODS OF VERIFICATION AND TIME ALLOWED** 24 CFR 982.5161

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

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

For applicants, verifications must not be more than 60 days old at the time of Voucher issuance. For participants, they are valid for 120 days from date of receipt.

#### Third-Party Written Verification

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

Verifications received electronically directly from the source are considered third party written verifications.

Third party verification forms will not be hand carried by the family under any circumstances.

The HA will accept verifications in the form of computerized printouts delivered by the family from the following agencies:

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

### Third-Party Oral Verification

Oral third-party verification will be used when written third-party verification is delayed or not possible. When third-party oral verification is used, staff will be required to complete a Certification or Document Viewed or Person Contacted form, noting with whom they spoke, the date of the conversation, and the facts provided. If oral third party verification is not available, the HA will compare the information to any documents provided by the Family. If provided by telephone, the HA must originate the call.

### Review of Documents

In the event that third-party written or oral verification is unavailable, or the information has not been verified by the third party within 3 weeks, the HA will notate the file accordingly and utilize documents provided by the family as the primary source if the documents provide complete information.

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

The HA will accept the following documents from the family provided that the document is such that tampering would be easily noted:

Printed wage stubs  
Computer printouts from the employer  
Signed letters (provided that the information is confirmed by phone)

Other documents noted in this Chapter as acceptable verification

The HA will accept faxed documents. The

HA will accept photo copies

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

The HA will not delay the processing of an application beyond 30 days because a third party information provider does not return the verification in a timely manner.

#### Self-Certification/Self-Declaration

When verification cannot be made by third-party verification or review of documents, families will be required to submit a self-certification.

Self-certification means a notarized statement/affidavit and must be witnessed. **B.**

#### **RELEASE OF INFORMATION** [24 CFR 5.230]

The family will be required to sign specific authorization forms when information is needed that is not covered by the HUD form 9886, Authorization for Release of Information/Privacy act Notice.

Each member requested to consent to the release of specific information will be provided with a copy of the appropriate forms for their review and signature.

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

#### **C. COMPUTER MATCHING**

The HA will utilize the HUD established Internet sites, Tenant Rental Assistance Characteristics System (TRACS) for obtaining Social Security benefits, Supplemental Security Income, benefit history and tenant income discrepancy reports from the Social Security Administration.

#### **D. ITEMS TO BE VERIFIED** [24 CFR 982.516]

All income not specifically excluded by the regulations.

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

Zero-income status of household.

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

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

Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus for a disabled member of the family that allow an adult family member to be employed.

Disability for determination of preferences, allowances or deductions.

U.S. citizenship/eligible immigrant status

Social Security Cards for all family members over 6 years of age or older who have been issued a social security number.

"Preference" status, based upon Local preferences.

Marital status when needed for head or spouse definition.

Family hardship where the family has requested abatement of the minimum rent.

**E. VERIFICATION OF INCOME [24 CFR 982.516]**

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

**Employment Income**

Verification forms request the employer to specify the:

- Dates of employment
- Amount and frequency of pay
- Date of the last pay increase
- Likelihood of change of employment status and effective date of any known salary increase during the next 12 months
- Estimated income from overtime, tips, bonus pay excepted during next 12 months

Acceptable methods of verification include, in this order:

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

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

Acceptable methods of verification include, in this order:

1. Benefit verification form completed by agency providing the benefits.
2. Award or benefit notification letters prepared and signed by the providing agency.
3. Computer report electronically obtained or in hard copy.
4. Bank Statements from Direct Deposits.

### Unemployment Compensation

Acceptable methods of verification include, in this order:

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

### Alimony or Child Support Payments

Acceptable methods of verification include, in this order:

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

### Net Income from a Business

In order to verify the net income from a business, the HA will view IRS and financial documents from prior years and use this information to anticipate the income for the next 12 months.

Acceptable methods of verification include:

1. IRS Form 1040, including:  
Schedule C (Small Business) Schedule  
E (Rental Property Income) Schedule F  
(Farm Income)

If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules.

2. Audited or unaudited financial statement(s) of the business.
3. Family's self-certification as to net income realized from the business during previous years.

### Child Care Business

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

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

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

### Recurring Gifts

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

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

### Zero Income Status

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

The HA will verify a report if information is received that indicates the family has an unreported income source.

### Full-time Student Status

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



Verification of full-time student status includes:

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

**F. INCOME FROM ASSETS [24 CFR 982.5161**

Acceptable methods of verification include, in this order:

Savings Account Interest Income and Dividends Will be

verified by:

1. Account statements, passbooks, certificates of deposit, or HA verification forms completed by the financial institution.
2. IRS Form 1099 from the financial institution, provided that the HA must adjust the information to project earnings expected for the next 12 months.

Interest Income from Mortgages or Similar Arrangements

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

Net Rental Income from Property Owned by Family

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

## G. VERIFICATION OF ASSETS

### Family Assets

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

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

### Assets Disposed of for Less than Fair Market Value (FMV) During Two Years Preceding Effective Date of Certification or Recertification

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

## H. VERIFICATION OF ALLOWABLE DEDUCTIONS FROM INCOME [24 CFR 982.516]

### Child Care Expenses

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

3. Family's certification as to whether any of those payments have been or will be paid or reimbursed by outside sources.

### Medical Expenses

Families who claim medical expenses or expenses to assist a person(s) with disability will be required to submit a certification as to whether or not any expense payments have been, or will be, reimbursed by an outside source. All expense claims will be verified by one or more of the methods listed below:

1. Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, of (a) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and (b) extent to which those expenses will be reimbursed by insurance or a government agency.
2. Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family.
3. Written confirmation from the Social Security Administration's written Medicare premiums to be paid by the family over the next 12 months. A computer printout will be accepted.
4. For attendant care:
  - a. A reliable, knowledgeable professional's certification that the assistance of an attendant is necessary as a medical expense and a projection of the number of hours the care is needed for calculation purposes.
  - b. Attendant's written confirmation of hours of care provided and amount and frequency of payments received from the family or agency (or copies of canceled checks the family used to make those payments) or stubs from the agency providing the services.
5. Receipts, canceled checks, or pay stubs that verify medical costs and insurance expenses likely to be incurred in the next 12 months.
6. Copies of payment agreements or most recent invoice that verify payments made on outstanding medical bills that will continue over all or part of the next 12 months.
7. Receipts or other record of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. FIA may use this approach for "general medical expenses" such as non-prescription drugs and regular visits to doctors or dentists, but not for one time, nonrecurring expenses from the previous year.

### Assistance to Persons with Disabilities [24 CFR 5.61 l(c)] 1.

In All Cases:

- (a) Written certification from a reliable, knowledgeable professional that the person with disabilities requires the services of an attendant and /or the use

of auxiliary apparatus to permit him/her to be employed or to function sufficiently independently to enable another family member to be employed, (b) Family's certification as to whether they receive reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.

2. Attendant Care:

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

3. Auxiliary Apparatus:

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

L VERIFYING NON-FINANCIAL FACTORS [24 CFR 982.153(bV15)1

Verification of Legal Identity

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

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

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

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

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

#### Verification of Marital Status

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

Verification of a separation by a copy of the court-ordered maintenance or other records.

Verification of marriage status is a marriage certificate. Verification of Permanent Absence

#### of Family Member

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

1. Husband and wife institutes divorce action.
2. Husband and wife institutes legal separation.
3. Order of protection/restraining order obtained by one family member against another.
4. Proof of another home address, such as utility bills, canceled checks for rent, drivers license, or lease or rental agreement, if available.
5. Statements from other agencies such as social-services or a written statement from the landlord or manager that the adult family member is not living at that location.
6. If no other proof can be provided, the HA will accept a self-certification from the head of household or the spouse or co-head, if the head is the absent member.
7. If the adult family member is incarcerated, a document from the Court or prison should be obtained stating how long they will be incarcerated.

#### Verification of Change in Family Composition

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

### Verification of Disability

Verification of disability must be receipt of SSI or SSA disability payments under Section 223 of the Social Security Act or 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7)).

### Verification of Citizenship/Eligible Immigrant Status

To be eligible for assistance, individuals must be U.S. citizens or eligible immigrants. Individuals who are neither, may elect not to contend their status. Eligible immigrants must fall into one of the categories specified by the regulations and must have their status verified by Immigration and Naturalization Service (INS). Each family member must declare his or her status once.

### Failure to Provide

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

### Time for Verification

For applicants, verification of U.S. citizenship/eligible immigrant status occurs at the time of initial application.

For participants, it is done at the first regular recertification after June 19, 1995. For family members added after other members have been verified, the verification occurs at the first recertification after the new member moves in.

Once verification has been completed for any covered program, it need not be repeated except that, in the case of port-in families, if the initial HA does not supply the documents, the HA must conduct the determination.

### Extensions of Time to Provide Documents

The HA will grant an extension of 30 days for families to submit evidence of eligible immigrant status.

### Acceptable Documents of Eligible Immigration

The regulations stipulate that only the following documents are acceptable unless changes are published in the Federal Register.

Resident Alien Card (1-551)

Alien Registration Receipt Card (1-151)

Arrival-Departure Record (1-94)  
Temporary Resident Card (1-688)  
Employment Authorization Card (I-688B)  
Receipt issued by the INS for issuance of replacement of any of the above documents that shows individual's entitlement has been verified

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

If the HA determines that a family member has knowingly permitted another individual who is not eligible for assistance to reside permanently in the family's unit, the family's assistance will be terminated for 24 months, unless the ineligible individual has already been considered in prorating the family's assistance.

Verification of Social Security Numbers 24 CFR 5.216]

Social security cards must be provided as a condition of eligibility for all family members age six and over if they have been issued a number. Verification of Social Security numbers will be done through a Social Security Card issued by the Social Security Administration.

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

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

**J. CONTRACT EXECUTION PROCESS [24 CFR 982.305(c)]**

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

The HA makes every effort to execute the HAP Contract before the commencement of the lease term. The HAP Contract must be executed before any payments will be made.

The Housing Choice Voucher Manager is authorized to execute a contract on behalf of the HA.

Owners must provide an Employer Identification Number or Social Security Number.

The owner must provide a business or home telephone number.

**K. CHANGE IN OWNERSHIP**

See Chapter 16, "Owner Disapproval and Restriction."

**L. CONFLICT OF INTEREST**

A HA must not approve HAP contracts in which any of the following parties have a current interest or will have an interest for one year thereafter.

1. Present or former member or officer of the HA, except a participant Commissioner.
2. Employee of the HA or any contractor, subcontractor, or agent of the HA Formulates policy or influences programs decisions;
3. Public official, member of a governing body, or state or local legislator who exercises functions or responsibilities related to the programs; or
4. Member of the U.S. Congress.

HUD may waive the conflict of interest requirements for good cause. A HAP contract must not be executed until the HUD field office makes a decision on the waiver request.

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

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

#### Briefing Packet[24 CFR 982.301 (b)]

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

The family is provided with the following information and materials:

1. The term of the voucher, and the HA policy for requesting extensions to the term of the voucher or suspensions of the voucher.
2. A description of the method used to calculate the housing assistance payment, information on utility allowances, and Payment Standards.
3. How the maximum allowable rent is determined.
4. Guidance and materials to assist the family in selecting a unit, such as proximity to employment, public transportation, schools, shopping, and the accessibility of services. Guidance will also be provided to assist the family to evaluate the prospective unit, such as the condition of a unit, whether the rent is reasonable, cost of tenant-paid utilities, and energy efficiency of the unit.
5. The boundaries of the geographical area in which the family may lease a unit including an explanation of portability.
6. The HUD tenancy addendum.
7. The Request for Tenancy Approval form, and a description of the procedure for requesting approval for a unit.
8. The HA policy on providing information about families to prospective owners.
9. The Subsidy Standards and how the voucher size relates to the unit size selected.
10. The HUD brochure on how to select a unit or the HUD brochure "A Good Place to Live" on how to select a unit that complies with HQS.
11. The HUD brochure on lead-based paint.

12. Information on federal, State and local equal opportunity laws and a copy of the housing discrimination complaint form (HUD-903), and the phone numbers of the local fair housing agency and the HUD enforcement office.
13. A list of landlords or other parties willing to lease to assisted families or help in the search.
14. If the family includes a person with disabilities, notice that the HA will provide a list of available accessible units known to the HA.
15. Obligations of the family under the housing choice voucher program.
16. Grounds on which the HA may terminate assistance for a participant family because of family action or failure to act.
17. HA informal hearing process and how to request one.

Other Information to be Provided at the Briefing 24 CFR 982.301(a)]

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

The briefing presentation emphasizes:

- Family and owner responsibilities
- Where a family may lease a unit inside and outside its jurisdiction
- How portability works for families eligible to exercise portability
- Explanation of rent reasonableness
- Requirements for notifying the HA of any changes in income
- Explanation of special programs or services offered by the HA, such as family self-sufficient (FSS) and individual development accounts (IDA)
- Checklist of items to consider before signing a lease

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

**C. ENCOURAGING PARTICIPATION IN AREAS WITHOUT LOW INCOME OR MINORITY CONCENTRATION** Proposed SEMAP Indicator]

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

**D. ASSISTANCE TO FAMILIES WHO CLAIM DISCRIMINATION**

The HA will give participants a copy of HUD form 903 to file a complaint. E.

**SECURITY DEPOSIT REQUIREMENTS**^ CFR 982.3131 Leases

Effective Prior to October 2, 1995:

The amount of Security Deposit which could have been collected by owners under contracts effective prior to October 2, 1995 is:

For the Voucher Program, the owner, at his/her discretion, could have collected a Security Deposit in an amount not to exceed the greater of 30% of adjusted monthly income or \$50.

#### Leases Effective on or after October 2, 1995

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

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

#### **F. TERM OF VOUCHERS CFR 982.54(d)( 11)]**

During the briefing session, each household will be issued a Voucher which represents a contractual agreement between the HA and the Family specifying the rights and responsibilities of each party. It does not constitute admission to the program which occurs when the lease and contract becomes effective.

#### **Expirations**

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

If the Voucher has expired, and has not been extended by the HA or expires after an extension, the family will be denied assistance. The family will not be entitled to a review or hearing.

#### **Suspensions**

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

#### **Extensions**

**A family may request an extension of the voucher time period. All requests for extensions must be received 10 days prior to the expiration date of the Voucher, in writing.**

## Chapter 8

### HOUSING CHOICE VOUCHER ISSUANCE AND BRIEFINGS

[24 CFR 982.301, 982.302]

#### **INTRODUCTION**

The HA's goals and objectives are designed to assure that families selected to participate are equipped with the tools necessary to locate an acceptable housing unit. Families are provided information regarding the program and how to achieve maximum benefit while complying with program requirements. When eligibility has been determined, the HA will conduct a mandatory briefing to ensure that families know how the program works. The briefing will provide a broad description of owner and family responsibilities, HA procedures, and how to lease a unit. The family will also receive a briefing packet that provides more detailed information about the program including the benefits of moving outside areas of poverty and minority concentration. This Chapter describes how briefings will be conducted, the information that will be provided to families, and the policies for how changes in the family composition will be handled.

#### **A. ISSUANCE OF THE HOUSING CHOICE VOUCHER 24 CFR 982.204(d), 982.54(d)(2)]**

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

The number of Vouchers issued must ensure that the HA stays as close as possible to 100 percent lease-up. The HA performs a monthly calculation manually to determine whether applications can be processed, the number of Vouchers that can be issued, and to what extent the HA can over-issue (issue more Vouchers than the budget allows).

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

#### **B. BRIEFING TYPES AND REQUIRED ATTENDANCES CFR 982.301 ] Initial**

##### **Applicant Briefing**

A full HUD-required briefing will be conducted for applicant families who are determined to be eligible for assistance. The briefings will be conducted in groups or individual meetings. Families who attend group briefings and still have the need for individual assistance will be referred to a Section 8 staff person.

### Disapproval of RFTA

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

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

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

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

All structure types can be utilized.

Manufactured homes where the tenant leases the mobile home and the pad is included in the Contract Rent.

A landlord can own a rental unit but cannot reside in it while being assisted. Unless a lease was effective prior to June 17, 1998, a family may not lease properties owned by a parent, child, grandparent, grandchild, sister or brother of any family member. The HA will waive this restriction as a reasonable accommodation for a family which includes a person with a disability to rent from a family member.

### **C. LEASE REVIEW [24 CFR 982.308]**

The HA will review the lease to determine compliance with state and local law and may deny the request for tenancy if it determines noncompliance. Responsibility for utilities, appliances and optional services must correspond to those provided on the Request For Tenancy Approval.

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

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

Chapter 10, "Housing Quality Standards and Inspections." **E.**

### **RENT LIMITATIONS [24 CFR 982.503]**

For the Voucher programs, the HA will make a determination as to the reasonableness of the proposed rent in relation to comparable units available for lease on the private unassisted market, and the rent charged by the owner for a comparable unassisted unit.

**F. DISAPPROVAL OF PROPOSED RENT [24 CFR 982.502]**

In any of the programs, if the proposed Gross Rent is not reasonable, at the family's request, the HA will negotiate with the owner to reduce the rent to a reasonable rent.

If the rent can be approved, the HA will continue processing the Request for Tenancy Approval and Lease. If the revised rent involves a change in the provision of utilities, the owner must submit a new Request for Tenancy Approval.

If the owner does not agree on the Contract Rent after the HA has tried and failed to negotiate a revised rent, the HA will inform the family and owner that the lease is disapproved. The term "owner" may include a principal or other interested party.

**G. INFORMATION TO OWNERS [24 CFR 982.307(b), 982.54(d)(7)]**

In accordance with HUD requirements, the HA will furnish prospective owners with the following information:

1. Criminal and drug-related activities.
2. The family's current and prior address as shown in the HA's records.
3. Current and prior landlord name and address [Note: an exception to this requirement will be made if the family's whereabouts must be protected due to domestic abuse and witness protection];
4. Prior landlord information as it relates to unpaid rent and tenant damages;
5. Landlords/owners will be informed of their responsibility to determine suitability of prospective tenants. Owners will be encouraged to screen applicants for rental history, eviction history, damage to units, and other factors related to the family's suitability as a tenant.
6. The information provided to the landlord/owner under this policy may be in writing or orally.

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

The information will be provided for the last 3 years.

Only the Section 8 Housing Manager may provide this information. The HA's policy on providing information to owners is included in the briefing packet and will apply uniformly to all families and owners.

**H. OWNER DISAPPROVAL [24 CFR 982.306]**

See Chapter 16, "Owner Disapproval and Restrictions."

## Chapter 9

### REQUEST FOR TENANCY APPROVAL AND CONTRACT EXECUTION

#### **INTRODUCTION** [24 CFR 982.305(a)]

The HA's program operations are designed to utilize available resources in a manner that is efficient and provides eligible families timely assistance based on the number of units that have been budgeted. The HA's objectives include maximizing HUD funds by providing assistance to as many eligible families and for as many eligible units as the budget will allow.

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

#### **A. REQUEST FOR TENANCY APPROVAL** [24 CFR 982.305(b)]

The family must submit the Request for Tenancy Approval (RFTA) and a copy of the proposed Lease during the term of the voucher.

Both the owner and Voucher holder must sign the Request for Tenancy Approval. The

HA will not permit the family to submit more than one RFTA at a time.

The HA will review the proposed lease and the Request for Tenancy Approval documents to determine whether or not they are approvable.

The Request will be approved if:

1. The unit is an eligible type of housing
2. The unit meets HUD'S NSPIRE (and any additional criteria as identified in this Administrative Plan)
3. The rent is reasonable and appro vable (See Section G).
4. The Security Deposit is approvable in accordance with any limitations in this plan.
5. The proposed lease complies with HUD and HA requirements (See Section C).
6. The owner is approvable, and there are no conflicts of interest (See Section I).



3. The composition of the new family units, and which unit contains elderly or disabled members.

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

If documentation is not provided, the HA will terminate assistance on the basis of failure to provide information necessary for a recertification.

When the breakup of the family also results in a reduction of the size of the Voucher, the family will be required to move to a smaller unit if the current landlord is unwilling to accept the rent level of the smaller sized certificate.

#### **H. REMAINING MEMBER OF TENANT FAMILY-RETENTION OF VOUCHER**

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

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

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

Extensions are permissible at the discretion of the HA up to a maximum of 60 days, primarily for these reasons.

1. The degree to which the family has made an effort to locate an accessible unit by contacting landlords, real estate companies, etc.
2. Extenuating circumstances, such as hospitalization, family emergencies, etc., which affect the family's ability to locate an acceptable unit during the first 60 day period but are not expected to affect their search during the additional period, if granted;
3. Whether the family's size or need for barrier-free housing has affected their success in finding an acceptable house within the initial 60-day period but that a reasonable chance for success would exist if the family was afforded additional time; and
4. Whether the family has submitted any previous Request for Tenancy Approval that, although not suitable, has demonstrated their efforts to locate a unit.
5. If a member of the family is disabled and needs an extension due to the disability; the extension may not exceed a total period of 120 calendar days from the beginning of the initial term.

The HA extends in one or more increments. Unless approved by the Housing Choice Voucher Manager, no more than 1 extension of 30 days or less will be granted and never for a total of more than an additional sixty days.

#### Assistance to Voucher Holders

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

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

#### **G. VOUCHER ISSUANCE DETERMINATION FOR SPLIT HOUSEHOLDS[24 CFR 982.315]**

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

1. Which of the two new family units has custody of dependent children.
2. Which family member was the head of household when the Voucher was initially issued (listed on the initial application).

Document the current condition of the unit as to assist in future evaluations whether the re-condition of the unit exceeds normal wear and tear.  
Document the information to be used for determination of rent-reasonableness.

If the unit fails the initial Housing Quality Standards inspection, the family and owner will be advised to notify the HA once repairs are completed.

On an initial inspection, the owner will be given up to 30 days to correct the items noted as "Fail", at the Inspector's discretion, depending on the amount and complexity of work to be done.

The owner will be allowed up to 2 reinspections for repair work to be completed.

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

**C     ANNUAL HQS INSPECTIONS[24 CFR 982.405(a)]**

The HA conducts an inspection in accordance with Housing Quality Standards at least annually, 90 days prior to the anniversary month of the contract. Special inspections may be scheduled between anniversary dates. Note: to meet SEMAP requirements, the annual inspection must be completed within twelve months of the previous inspection.

HQS deficiencies which cause a unit to fail must be corrected by the landlord unless it is a fail for which the tenant is responsible.

The family must allow the HA to inspect the unit at reasonable times with reasonable notice.  
[24 CFR 982.51(d)]

Inspections will be conducted on business days only.

Reasonable hours to conduct an inspection are between 8:00 a.m. and 5:00 p.m.

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

Inspection: The family and owner will be notified of the date and time of the inspection appointment by mail. If the family is unable to be present, they must reschedule the appointment so that the inspection is completed within 15 days.

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

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

#### Time Standards for Repairs

1. Emergency items which endanger the family's health or safety must be corrected by the owner within 24 hours of notification.
2. For non-emergency items, repairs must be made within 30 days.
3. For major repairs, the Housing Choice Voucher/Section 8 Housing Inspector may approve an extension beyond 30 days.

#### Rent Increases

The HA will conduct an inspection using the Housing Quality Standards at least annually, 90 days prior to the anniversary month of the contract. Rent increase requests in the Voucher program will not be approved if the unit is in a failed condition.

The owner must notify the HA in writing of the increase at least 60 days before the change is to be effective.

#### **D. MOVE OUT/VACATE**

A move out inspection will be performed only at the landlord's request. E.

#### **SPECIAL/COMPLAINT INSPECTION CFR 982.405(c)]**

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

The HA will inspect only the items which were reported, but if the Inspector notices additional deficiencies that would cause the unit to fail HQS, the responsible party will be required to make the necessary repairs. A Notice of Abatement will be sent to the owner, and the abatement will be effective from the day after the date of the failed inspection. The notice is generally for 30 days, depending on the nature of the repair(s) needed.

#### **E. QUALITY CONTROL INSPECTIONS SF24 CFR 982.405(b)]**

Quality Control inspections will be performed by the Section 8 Director on at least 5 percent of the units of the inspector. The purpose of Quality Control inspections is to ascertain that the inspector is conducting accurate and complete inspections, and to ensure that there is consistency in application of the HQS.

#### **F. ACCEPTABILITY CRITERIA AND EXCEPTIONS TO HQS 24 CFR 982.401 (a)]**



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

The family and the owner will be notified of the reinspection date.

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

#### Reduction of Payments

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

The owner has a good history of NSPIRE/HQS compliance.

There is a delay in completing repairs due to difficulties in obtaining parts or contracting for services.

The owner makes a good faith effort to make the repairs.

The repairs are expensive (such as exterior painting or roof repair) and the owner needs time to obtain the funds.

The repairs must be delayed due to climate conditions.

The extension will be made for a period of time as warranted by the repair work needed. If the work is not completed, or substantially completed, the HA will begin the termination of assistance.

#### Termination of Contract

If the owner is responsible for repairs and fails to correct all the deficiencies cited prior to the end of the abatement period, which is thirty 30 days, the owner will be sent a HAP Contract Proposed Termination Notice effective the end of the tenants annual re-certification.

If repairs are completed before the effective termination date, the termination may be rescinded by the HA if the tenant chooses to remain in the unit.

#### **J. DETERMINATION OF RESPONSIBILITY^ CFR 982.404, 982.54(d)(14)]**

Certain HQS deficiencies are considered the responsibility of the family:

Tenant-paid utilities not in service.

Failure to provide or maintain family-supplied appliances

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

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

The owner is responsible for all other NSPIRE/HQS violations.

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

**K, CONSEQUENCES IN FAMILY RESPONSIBLE [24 CFR 982.404(b)]**

If emergency or non-emergency violations of HQS are determined to be the responsibility of the family, the HA will require the family to make any repair(s) or corrections within 30 days. If the repair(s) or correction(s) are not made in this time period, the HA will terminate assistance to the family. Extensions in these cases must be approved by the HCV/Section 8 Housing Manager. The owner's rent will not be abated for items which are the family's responsibility.

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

## Chapter 11

### OWNER RENTS, RENT REASONABLENESS, AND PAYMENT STANDARDS

[24 CFR 982.501, 982.503, 982.504]

#### **INTRODUCTION**

It is the HA's responsibility to ensure that the rents charged by owners are reasonable based upon objective comparables in the rental market. The HA will not approve the lease or execute a payments contract until it has been determined that the unit meets the minimum NSPIRE and that the rent is reasonable. The HA will determine rent reasonableness at initial lease-up, before any increases in rent to owner and at other times as described in this section.

This Chapter explains the HA's procedures for determination of rent-reasonableness, payments to owners, adjustments to the Payment Standards, and rent adjustments.

#### **A. OWNER PAYMENT IN THE REGULAR CERTIFICATE PROGRAM**

[24 CFR 982.507]

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

#### **B. OWNER PAYMENT IN THE VOUCHER PROGRAM 24 CFR 982.505(b)]**

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

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

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

#### **C. MAKING PAYMENTS TO OWNERS [24 CFR 982.4511]**

Once the HAP Contract is executed, the HA begins processing payments to the landlord. A HAP Register will be used as a basis for monitoring the accuracy and timeliness of payments. Checks are processed and distributed by the C ADA finance department to the owner each month.



CADA financial management procedures and policies apply and checks that are not received will not be replaced until a request has been received from the payee and a stop payment has been put on the check or void the check.

**D. RENT REASONABLENESS DETERMINATIONS [CFR 982.503]**

The HA will not approve a lease until the HA determines that the initial rent to owner is a reasonable rent. The HA must redetermine the reasonable rent before any increase in the rent to owner.

The HA also will redetermine rent reasonableness when an owner requests an increase in the rent to owner for a Voucher.

The HA must redetermine rent reasonableness if directed by HUD and based on a need identified by the HA's auditing system, the HA may elect to redetermine rent reasonableness at any other time. At all times during the assisted tenancy, the rent to owner may not exceed the reasonable rent as most recently determined or redetermined by the HA.

For the Voucher Program, the HA 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.

The owner will be advised that by accepting each monthly housing assistance payment s/he will be certifying that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the market.

If requested, the owner must give the HA information on rents charged by the owner for other units in the premises or elsewhere. The HA will only request information on the owner's units elsewhere if needed for rent reasonableness comparables.

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

The following items will be used for rent reasonableness documentation based on an established point system:

- Size (number of Bedrooms/square footage)
- Location
- Quality
- Amenities (bathrooms, dishwasher, air conditioning, etc.)
- Housing Services
- Age of unit
- Unit Type
- Utilities

The HA maintains **notebook** which includes data on unassisted units for use by staff in making rent reasonableness determinations. The data is updated on an ongoing basis.

**E. PAYMENT STANDARDS FOR THE VOUCHER PROGRAM**  
[24CFR982.505(b)(1)]

The Payment Standard is used to calculate the housing assistance payment for a family. The Payment Standard is set by the HA between 90 percent and 110 percent of the FMR/exception rent. The HA reviews the appropriateness of the Payment Standard annually when the FMR is published. In determining whether a change is needed, the HA will ensure that the Payment Standard is within range of 90 percent to 110 percent of the new FMR.

Owners must request a rent increase in writing. Any increase will be effective the later of (1) the anniversary date of the Contract, or (2) at least 60 days after the owner's request is received. To be honored, requests must be at least 60 days prior to the next anniversary date.

The change in rent does not affect the automatic renewal of the lease and does not require a new lease or contract even an executed amendment. A notice of rent change will be sent to the owner and the family.

**F. Disapproval of Requests for Adjustment**

If the HA rejects the owner's request for rent adjustment as exceeding rent reasonableness and the owner rejects the HA's determination, the owner may offer the tenant a new lease (after receiving the HA's approval) with a sixty-day notice to the tenant. If the tenant accepts the offer of a new lease, an RFTA must be submitted and the requested rent subjected to rent reasonableness. If the tenant refuses or the owner does not offer a new lease, the owner may institute court action to terminate tenancy for a business or economic reason in accordance with the lease. The HA will issue a new Voucher to the family.

After the tenant has begun searching for a new housing unit and/or after court action has been initiated, the owner may decide to accept the current lease. If the owner and tenant agree, the lease can continue.

If a new lease is executed, a new Contract must also be executed.

## Chapter 12

### RECERTIFICATIONS

[24 CFR 982.516]

#### INTRODUCTION

In accordance with HUD requirements, the HA will reexamine the income and household composition of all families at least annually. Families will be provided accurate annual and interim rent adjustments. Recertifications and interim examinations will be processed in a manner that ensures families are given reasonable notice of rent increases. All annual activities will be coordinated in accordance with HUD regulation. It is a HUD requirement that families report all changes in household composition. This Chapter defines the HA's policy for conducting annual recertifications and coordinating annual activities. It also explains the interim reporting requirements for families, and the standards for timely reporting.

#### A. ANNUAL ACTIVITIES 24 CFR 982.516, 982.405]

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

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

The HA produces a monthly listing of units under contract to ensure that timely reviews of contract rent, housing quality, and factors related to Total Tenant Payment can be made. Requests for rent adjustments and other monetary changes will be transmitted to the Section 8 Housing Specialist.

Reexamination of the family's income and composition must be conducted at least annually.

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

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

#### B. ANNUAL RECERTIFICATION/REEXAMINATION 24 CFR 982.516]

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

When families move to another dwelling unit:

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

Income limits will be used as a test for continued eligibility at recertification unless the family is moving under portability and changing their form of assistance.

#### Reexamination Notice to the Family

The HA will maintain a reexamination tracking system and the household will be notified by mail of the date and time for their interview at least 90 days in advance of the anniversary date. If requested as an accommodation by a person with a disability, the HA will provide the notice in an accessible format. The HA will also mail the notice to a third party, if requested as reasonable accommodation for a person with disabilities. These accommodations will be granted upon verification that they meet the need presented by the disability.

#### Procedure

The HA's procedure for conducting annual recertifications will be to schedule the date and time of appointments and mail a notification to the family.

#### Completion of Annual Recertification

The HA will have all recertifications for families completed before the anniversary date. This includes notifying the family of any changes in rent before the scheduled date of the change in family rent.

#### Persons with Disabilities

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

#### Collection of Information

The HA representative will interview the family and enter the information provided by the family on the recertification form, **compare the information to the family's most recent reexamination to identify any discrepancies and ask the family to explain them and have them sign the form.**

#### Requirements to Attend

The head of household will be required to attend the recertification interview if at all possible.

If the head of household is unable to attend the interview, the spouse or any responsible adult designated by the Head, may recertify for the family, provided that the head signs pertinent documents within 5 working days.

### **Failure to Respond to Notification to Recertify**

The written notification must state which family members are required to attend the interview. The family may call to request another appointment date up to 1 day prior to the interview.

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

If the family does not appear for the second appointment, and has not rescheduled or made prior arrangements, the HA will send the family a notice of termination and offer them an informal hearing.

Exceptions to these policies may be made by Housing Choice Voucher Manager if the family is able to document an emergency situation that prevented them from canceling or attending the appointment or if requested as a reasonable accommodation for a person with a disability.

### **Documents Required From the Family**

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

- Documentation of income for all family members

- Documentation of all assets

- Documentation of any deductions/allowances

- Other factors that affect the determination of adjusted income**

### **Verification of Information**

The HA will follow the verification procedures and guidelines described in this Plan. Verifications for reexaminations must **be no more than 120 days old on the effective date.**

### **Tenant Rent Increase**

If tenant rent increases, notice is mailed to the family prior to the anniversary date.

The tenant rent increase will be effective on the first of the month following the notice.

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

The Notice of Rent Change is mailed to the owner and the tenant. Signatures are not required by the HA. If the family disagrees with the rent adjustment, they may request an informal hearing.

**E. TIMELY REPORTING OF CHANGES IN INCOME (AND ASSETS)**  
[24 CFR 982.5 l(c)]

Standard for Timely Reporting of Changes

The HA requires that families report interim changes to the HA within **10 days** of when the change occurs. Any information, document or signature needed from the family which is needed to verify the change must be provided within 15 days of the change.

If the change is not reported within the required time period, or if the family fails to provide documentation or signatures, it will be considered untimely reporting.

Procedures when the Change is Reported in a Timely Manner

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

Increases in the Tenant Rent are effective on the first **day of the month after reasonable advance notice to the family. Reasonable notice will be 30 days from the first of the month.**

Decreases in the Tenant Rent are effective the first of the month following that in which the change is reported. **However, no rent reductions will be processed until all the facts have been verified.**

**F. REPORTING OF CHANGES IN FAMILY COMPOSITION**

[24 CFR 982.516(c)]

All changes in family composition must be reported within 10 days of the occurrence.

Increases in Family Size

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

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

The HA will not approve the addition other than birth, adoption or court-awarded custody, or a Live-in-aide.

The HA will issue a larger Voucher.

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

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

Addition of an HA-approved live-in attendant. Addition of any relation of the Head or Spouse. Addition due to birth, adoption or court-awarded custody. Funding availability.

## **Chapter 13**

### **MOVES WITH CONTINUED ASSISTANCE/PORTABILITY**

[24 CFR 982.314]

#### **INTRODUCTION**

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

#### **A. ALLOWABLE MOVES**

A family may move to a new unit if:

1. The assisted lease for the old unit has terminated because the HA has terminated the HAP contract for owner breach, or the lease was terminated by mutual agreement of the owner and the family.
2. The owner has given the family a 30 day written notice to vacate the unit with a copy to the HA.
3. The family has given a proper 30 day written notice of lease termination (if the family has a right to terminate the lease on notice to owner) for owner breach or otherwise, and a copy to the HA.

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

Families will be permitted to move outside the HA's jurisdiction under portability procedures during the initial year of assisted occupancy provided they resided in the HA's jurisdiction when his/her application was submitted.

Families will not be permitted to move more than once in a 12-month period. In emergency situations, the Section 8 Manager will review the matter to determine if a move is warranted.

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



The HA may deny permission to move if:

The family has violated a Family Obligation.

The family owes the HA money.

The family has moved or been issued a Voucher within the last twelve months.

The Section 8 Housing Manager may make exceptions to these restrictions if there is an emergency reason for the move over which the participant has no control.

### **C. PROCEDURES FOR MOVES[24 CFR 982.314]**

#### **Issuance of Voucher**

If the family has not been recertified within the last 120 days, the HA will issue the voucher to move after conducting the recertification.

If the family does not locate a new unit, they may remain in the current unit so long as the owner permits.

The annual recertification date will be changed to coincide with the new lease-up date.

#### **Notice Requirements**

Briefing sessions emphasize the family's responsibility to give the owner and the HA proper written notice of any intent to move.

The family must give the owner the required 30 day written notice of intent to vacate specified in the Administrative Plan and must give a copy to the HA simultaneously.

#### **Time of Contract Change**

In a move, assistance stops at the old unit at the end of the month in which the tenant ceased to occupy. Assistance will start on the new unit on the effective date of the lease and contract. Assistance payments may overlap for the month in which the family moves.

### **D. PORTABILITY[24 CFR 982.353]**

Portability applies to families moving out of or into the HA's jurisdiction within the United States and its territories. Under portability, families are eligible to receive assistance to lease a unit outside of the initial HA's jurisdiction. The unit may be located:

1. In the same state as the initial HA;
2. In the jurisdiction of an HA anywhere within the United States that administers a Section 8 tenant-based program.

**E. OUTGOING PORTABILITY** 24 CFR 982.353, 982.3551

When a family requests to move to outside of the HA's jurisdiction, the request must specify the area to which the family wants to move.

Restrictions on Portability

1. Families will be permitted to exercise portability during the initial 12 month period after admission to the program.
2. If the family is in violation of a family obligation.
3. If the family owes money to the HA.

Outgoing Portability Procedures

The HA will provide pre-portability counseling for those families who express an interest in portability.

The HA will notify the Receiving HA that the family wishes to relocate into its jurisdiction.

The HA will advise the family how to contact and request assistance from the receiving HA.

The HA will notify the receiving HA that the family will be moving into its jurisdiction. The

HA will provide the following documents and information to the Receiving HA:

1. Information on the HUD portability form, including a copy of the family's Voucher with issuance and expiration dates and formal recognition of the family's ability to move under portability.
2. The most recent HUD 50058 form and verifications.

Payment to the Receiving HA

The HA will requisition funds from HUD based on the anticipated lease-ups of portable Vouchers in other HA's jurisdictions. Payments for families in other jurisdictions will be made to other HA's when billed or in accordance with other HUD approved procedures for payment.

When billed, the HA will reimburse the Receiving HA for 100% of the Housing Assistance Payment, and 80% of the Administrative Fee (at the initial HA's rate).

**F. INCOMING PORTABILITY[24 CFR 982.354, 982.355]**

Absorption or Administration

The HA will accept a family with a valid Voucher from another jurisdiction and administer or absorb the Voucher. If administering, the family will be issued a "Portability" Voucher by the HA with the same start date.

When the HA does not absorb the incoming Voucher, it will administer the Initial HA's Voucher and the Initial HA's policies will prevail.

The Receiving HA will issue a "Portability Voucher" according to its own Subsidy Standards. If the Family has a change in family composition which would change the Voucher size, the HA will change to the proper sized based on its own Subsidy Standards.

If a Family decides not to lease-up in the HA's jurisdiction, the Family must request an extension from the Initial HA.

Income and TTP of Incoming Portables

As receiving HA, the HA will conduct a recertification interview but only verify the information provided if the documents are missing or are over 120 days old, whichever is applicable, or there has been a change in the family's circumstances.

If the family's income is such that a \$0 subsidy amount is determined prior to lease-up in the HA's jurisdiction, the HA will refuse to enter into a contract on behalf of the family at \$0 assistance.

Requests for Tenancy Approval

A briefing will be mandatory for all portability families.

When the Family submits a Request for Tenancy Approval, it will be processed using the HA's policies. If the Family does not submit a Request for Tenancy Approval or does not execute a lease, the Initial HA will be notified within 60 days by the HA.

If the Family leases up successfully, the HA will notify the Initial HA within 60 days, and the billing process will commence.

If the HA denies assistance to the family, the HA will notify the Initial HA within 30 days and the family will be offered an informal review or hearing.

The HA will notify the Family of its responsibility to contact the Initial HA if the Family wishes to move outside the HA's jurisdiction under continued portability.

#### Terminations

The HA will notify the Initial HA in writing of any termination of assistance within 60 days of the termination. If an Informal Hearing is required and requested by the Family, the hearing will be conducted by the HA, using the regular hearing procedures included in this Plan. A copy of the hearing decision will be furnished to the Initial HA.

The Initial HA will be responsible for collecting amounts owed by the Family. If the Initial HA notifies the HA that the Family is in arrears or the Family has refused to sign a Payment Agreement, the HA will terminate assistance to the family.

#### Required Documents

As Receiving HA, the HA will require the documents listed on the HUD Portability Billing Form from the Initial HA.

#### Billing Procedures

As Receiving HA, the HA will bill the Initial HA monthly for Housing Assistance Payments. The billing cycle for other amounts, including Administrative Fees and Special Claims will be monthly.

The HA will bill 100% of the Housing Assistance Payment, 100% of Special Claims and 80% of the Administrative Fee (at the Initial HA's rate) for each "Portability" Voucher leased as of the first day of month.

The HA will notify the Initial HA of changes in subsidy amounts and will expect the Initial HA to notify the HA of changes in the Administrative Fee amount to be billed.

## Chapter 14

### CONTRACT TERMINATIONS

#### **INTRODUCTION**

The Housing Assistance Payments (HAP) Contract is the contract between the owner and the HA which defines the responsibilities of both parties. This Chapter describes the circumstances under which the contract can be terminated by the HA and the owner, and the policies and procedures for such terminations.

#### **A. CONTRACT TERMINATIONS CFR 982.3111**

The term of the HAP Contract is the same as the term of the lease. The Contract between the owner and the HA may be terminated by the HA, or by the owner or tenant terminating the lease.

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

If the family continues to occupy the unit after the Section 8 contract is terminated, the family is responsible for the total amount of rent due to the owner.

After a contract termination, if the family meets the criteria for a move with continued assistance, the family may lease-up in another unit. The contract for the new unit may begin during the month in which the family moved from the old unit.

#### **B. TERMINATION BY THE FAMILY: MOVES 24 CFR 982.314(c)(2)]**

The lease stipulates that the family cannot move from the unit until after the first year of the lease. The notice period to the landlord is determined by the lease, but may not exceed 60 days.

#### **C. TERMINATION OF TENANCY BY THE OWNER: EVICTIONS [24 CFR 982.310, 982.455]**

If the owner wishes to terminate the lease, the owner is required to evict, using the notice procedures in the HUD regulations and State/local law. The owner must provide the HA with a copy of the eviction notice.

The owner must provide the tenant with a 30 day written notice specifying the grounds for termination of tenancy, at or before the commencement of the eviction action. The

notice may be included in, or may be combined with, any owner eviction notice to the tenant.

The owner eviction notice means a notice to vacate, or a complaint, or other initial pleading used under State or local law to commence an eviction action.

During the term of the lease the owner may only evict for:

1. Serious or repeated violations of the lease;
2. Violations of federal, state or local law related to occupancy of the unit;
3. Criminal activity by the tenant, any member of the household, a guest or another person under the tenant's control that threatens the health, safety or right to peaceful enjoyment of the premises by the other residents, or persons residing in the immediate vicinity of the premises.
4. Any drug-related criminal activity on or near the premises.
5. Tenant history of disturbance of neighbors, destruction of property, or behavior resulting in damage to the premises.
6. Other good cause, after the first year of the lease, includes:

Business or economic reason for regaining possession;  
Owner's desire to repossess unit for personal use; or  
Tenant's refusal to accept offer of a new lease.

The eviction notice must specify the cause for the eviction

Housing assistance payments are paid to the owner under the terms of the HAP Contract. If the owner has begun eviction and the family continues to reside in the unit, the HA must continue to make housing assistance payments to the owner until the owner has obtained a court judgement or other process allowing the owner to evict the tenant.

The HA will continue housing assistance payments until the family moves or is evicted from the unit.

The HA must continue making housing assistance payments to the owner in accordance with the Contract as long as the tenant continues to occupy the unit and the Contract is not violated. By endorsing the monthly check for the HA, the owner certifies that the tenant is still in the unit, the rent is reasonable and s/he is in compliance with the contract.

If any eviction is not due to a serious or repeated violation of the lease, and if the HA has no other grounds for termination assistance, the HA may issue a new voucher so that the family can move with continued assistance.

**D. TERMINATION OF THE CONTRACT BY HA**  
[24 CFR 982.404(a), 982.453, 982.454, 982.552(a)(3)]

The term of the HAP contract terminates when the lease terminates, when the HA terminates program assistance for the family, and when the owner has breached the HAP contract. (See Chapter 16/Disapproval of Owner)

The HA may also terminate the contract if:

- Funding is no longer available under the ACC.

The contract will terminate automatically if 180 days have passed since the last housing assistance payment to the owner.

Notice of Termination

The HA will provide the owner and family with a least thirty days written notice of termination of the contract.

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## Chapter 15

### DENIAL OR TERMINATION OF ASSISTANCE

#### INTRODUCTION

The HA may deny or terminate assistance for a family because of the family's action or failure to act. The HA will provide families with a written description of the Family Obligations under the program, the grounds under which the HA can deny, or terminate assistance, and the HA's informal hearing procedures. This Chapter describes when the HA is required to deny or terminate assistance, and the HA's policies for the denial of a new commitment of assistance and the grounds for termination of assistance under an outstanding HAP contract.

#### **A. GROUND FOR DENIAL/TERMINATION [24 CFR 982.552, 982.553]**

If denial or termination is based upon behavior resulting from a disability, the HA will delay the denial or termination in order to determine if there is an accommodation which would meet or negate the behavior resulting from the disability.

#### Form of Denial/Termination

Denial of assistance for an applicant may include any or all of the following:

1. Denial for placement on the HA waiting list
2. Denying or withdrawing a voucher
3. Refusing to enter into a HAP contract or approve a lease
4. Refusing to process or provide assistance under portability procedures

Termination of assistance for a participant may include any or all of the following:

1. Refusing to enter into a HAP contract or approve a lease
2. Terminating housing assistance payments under an outstanding HAP contract
3. Refusing to process or provide assistance under portability procedures

#### Mandatory Denial and Termination [24 CFR 982.552(b)(10)(d)]

The HA must deny assistance to applicants, and terminate assistance for participants:

1. If any member of the family fails to sign or submit HUD or HA required consent forms for obtaining information.
2. If no member of the family is a U.S. citizen or eligible immigrant. (See Section D)

## **Grounds for Denial or Termination of Assistance [24 CFR 982.552(b)]**

The HA may at any time deny program assistance for an applicant, or terminate program assistance for a participant, for any of the following reasons:

The family violates any family obligation under the program as listed in 24 CFR 982.551.

**Any member of the family has ever been evicted from public housing.**

If any member of the family commits felony drug-related activity, criminal activity or violent criminal activity within the past five (5) years.

If any member of the family commits fraud, bribery or other corrupt or criminal act in connection with any federal housing program.

**The family currently owes rent or other amounts to the owner, HA or to another HA in connection with Section 8 or public housing assistance under the 1937 Act.**

The family has not reimbursed any HA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.

The family breaches an agreement with an HA to pay amounts owed to an HA, or amount paid to an owner by an HA.

The family has engaged in or threatened abusive or violent behavior toward HA personnel.

"Abusive or violent behavior towards HA personnel" includes verbal as well a physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language, written or oral, that is customarily used to insult or intimidate, may be cause for termination or denial.

"Threatening" refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

Actual physical abuse or violence will always be cause for termination.

Any member of the family whose drug or alcohol abuse interferes with health, safety or peaceful enjoyment of other project residents.

Crime by family member (See Section C "One Strike" Policy)

Refer to Chapter 2, Section E, and "Other Criteria for Admission" for further information.

**B. FAMILY OBLIGATIONS [24 CFR 982.5511**

1. The family must supply any information that the HA or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status (as provided by 24 CFR part 812).
2. The family must supply any information requested by the HA or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.
3. The family must disclose and verify Social Security Numbers (as provided by 24 CFR part 750) and must sign and submit consent forms for obtaining information in accordance with 24 CFR part 760 and 24 CFR part 813.
4. All information supplied by the family must be true and complete.
5. The family is responsible for an HQS breach caused by the family as described in 982.404(b).
6. The family must allow the HA to inspect the unit at reasonable times and after reasonable notice.
7. The family may not commit any serious or repeated violations of the lease.
8. The family must notify the owner and, at the same time, notify the HA before the family moves out of the unit or terminates the lease upon 30 day written notice to the owner.
9. The family must promptly give the HA a copy of any owner eviction notice.
10. The family must use the assisted unit for residence by their family. The unit must be the family's only residence.
11. The composition of the assisted family residing in the unit must be approved by the HA. The family must promptly inform the HA of the birth, adoption or court-awarded custody of a child. The family must request HA approval to add any other family member as an occupant of the unit.
12. The family must promptly notify the HA if any family member no longer resides in the unit.
13. If the HA has given approval, a foster child or a live-in aide may reside in the unit. If the family does not request approval or HA approval is denied, the family may not allow a foster child or live-in aide to reside with the assisted family.
14. Members of the household may engage in legal profit-making activities in the unit, but only if such activities are incidental to primary use of the unit as a residence by members of the family.
15. The family may not sublet the lease.
16. The family must not assign the lease or transfer the unit.
17. The family must supply any information or certification requested by the HA to verify that the family is living in the unit, or relating to family absence from the unit, including any HA-requested information or certification on the purposes of

- family absences. The family must cooperate with the HA for this purpose. The family must promptly notify the HA of absence from the unit.
18. The family must not own or have any interest in the unit.
  19. The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with the programs.
  20. The members of the family must not engage in drug-related criminal activity or violent criminal activity. (See Section C "One Strike" Policy)

### Housing Agency Discretion

In deciding whether to deny or terminate assistance because of action or failure to act by members of the family, the HA has discretion to consider all of the circumstances in each case, including the seriousness of the case. The HA will use its discretion in reviewing, the extent of participation or culpability of individual family members, the length of time since the violation occurred. The HA may also review the family's more recent history and record of compliance, and the effects of denial or termination of assistance on other family members who were not involved in the action or failure to act.

The HA may impose, as a condition of continued assistance for other family members, a requirement that family members who participated in or were culpable for the action or failure will not reside in the unit. The HA may permit the other members of a family to continue in the program.

### Enforcing Family Obligations

#### Explanations and Terms

The term "Promptly" when used with the Family Obligations always means "within 10 days." Denial or termination of assistance is always optional except where this Plan or the regulations state otherwise.

HQS Breach: The inspector will determine if an HQS breach as identified in 24 CFR 982.404(b) is the responsibility of the family. Families may be given extensions to cure HQS breaches by Section 8 Housing Manager.

Lease Violations: The following criteria will be used to decide if a serious or repeated violation of the lease will cause a termination of assistance:

If the owner terminates tenancy through court action for serious or repeated violation of the lease.

If the owner notifies the family of termination of tenancy assistance for serious or repeated lease violations, and the family moves from the unit prior to the completion of court action, and the HA determines that the cause is a serious or repeated violation of the lease based on available evidence.

Notification of Eviction: If the family requests assistance to move and they did not notify the HA of an eviction within 10 days of receiving the Notice of Lease Termination, the move will be denied.

Proposed additions to the family: The HA may deny a family's request to add additional family members who are:

Persons who have been evicted from public housing.

Persons who have previously violated a family obligation listed in 24 CFR 982.51 of the HUD regulations.

Persons who have been part of a family whose assistance has been terminated under the Voucher program.

Persons who commit drug-related criminal activity or violent criminal activity.

Persons who do not meet the HA's definition of family.

Persons who commit fraud, bribery or any other corrupt or criminal act in connection with federal housing program.

Persons who currently owe rent or other amounts to the HA or to another HA in connection with Section 8 of public housing assistance under the 1937 Act.

Persons who have engaged in or threatened abusive or violent behavior toward HA personnel.

Family Member moves out: Families are required to notify the HA if any family member leaves the assisted household. When the family notifies the HA, they must furnish the date the family member moved out and the new address, if known, of the family member.

Limitation on Profit-making Activity in Unit:

If the business activity area results in the inability of the family to use any of the critical living areas, such as a bedroom utilized for a business, which is not available for sleeping, it will be considered a violation.

If the HA determines the business is not legal it will be considered a violation.

Interest in Unit: \_\_\_\_\_ The owner may not reside in the assisted unit regardless of whether s/he is a member of the assisted family.

Fraud: In each case, the HA will consider which family members were involved, the circumstances, and any hardship that might be caused to innocent members.

## **C. ONE STRIKE POLICY**

### **Purpose**

All federally assisted housing is intended to provide a safe and decent place for eligible families to live, free of violent criminal activity and the illegal sale and use of drugs, alcohol and related activity. It is the intention of the CADA Section 8 Housing Agency to fully endorse and implement a policy that is designed to:

1. Keep our program participants free from threats.
2. Help create and maintain a safe and drug-free community.

### **Administration**

1. All screening and eviction procedures shall be administered fairly and in such a way so as not to discriminate on the basis of race, color, nationality, religion, sex, familial status, disability or other legally protected groups, and no to violate ones right to privacy.
2. To the maximum extent possible, and permissible by law, the HA will involve other community and governmental entities, in the promotion and enforcement of this policy.

### **Screening of Applicants**

In an effort to prevent future drug-related and other criminal activity, as well as other patterns of behavior that pose a threat to health, safety or the right to peaceful enjoyment of the premises by other residents, and as required by the Notice 96-27, the HA will endeavor to screen applicants as thoroughly and fairly as possible.

Such screening will apply to any member of the household who is 18 years of age or older or who is an emancipated minor.

### **HUD Definitions**

Drug related criminal activity is the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use a controlled substance. Drug related criminal activity means on or off the premises, not just on or near the premises.

Violent criminal activity includes any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against a person or property, and

The activity is being engaged in by any family member.

### Standard for Violation

The HA will deny participation in the program to applicants and terminate assistance to participants in cases where the HA determines there is reasonable cause to believe that the person is illegally using a controlled substance or if the person abuses alcohol in a way that may interfere with the health, safety or right to peaceful enjoyment of the premises by other residents, including cases where the HA determines that there is a pattern of illegal use of a controlled substance or pattern of alcohol abuse.

The HA will consider the use of a controlled substance or alcohol to be a pattern if there is more than one incident during the previous 3 months.

"Engaged in or engaging in" violent criminal activity means any act within the past 2 years by applicants or participants, household members, or guests which involved criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person of another, which did or did not result in the arrest and/or conviction of the applicant or participant, household members, or guests.

The activity is being engaged in by any Family member.

The existence of the above-referenced behavior by any household member or guest, regardless of the applicant or participant's knowledge of the behavior shall be grounds for denial or termination of assistance.

In evaluating evidence of negative past behavior, the HA will give fair consideration to the seriousness of the activity with respect to how it would affect other residents, and /or likelihood of favorable conduct in the future which could be supported by evidence of rehabilitation.

### Drug Related and Violent Criminal Activity

Drug-related criminal activity is the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use a controlled substance.

Drug-related criminal activity means on or off the premises, not just on or near the premises.

Violent criminal activity includes any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against a person or property, and

The activity is being engaged in by any Family member.

Ineligibility if Evicted for Drug Related Activity: Persons evicted from public housing, Indian Housing, Section 23 or any Housing Choice Voucher/ Section 8 program because of drug-related criminal activity are ineligible for admission to the Housing Choice Voucher Section 8 program for a three-year period



beginning on the date of such eviction under same three year time frame as moving without notice (Occupancy).

Applicants will be denied assistance if they have been arrested/convicted/evicted from a unit assisted under the Housing Act of 1937 due to violent criminal activity within the last 3 years prior to the date of the certification interview.

Participants will be terminated who have been arrested/convicted/evicted from a unit assisted under the Housing Act of 1937 due to drug-related or violent criminal activity within the last 3 years prior to the date of the notice to terminate assistance, and whose activities have created a disturbance in the units or neighborhood.

If the family violates the lease for drug-related or violent criminal activity, the HA will terminate the assistance.

In appropriate cases, the HA may permit the family to continue receiving assistance provided that family members determined to have engaged in the proscribed activities will not reside in the unit. If the violating member is a minor, the HA may consider individual circumstances with the advice of Juvenile court officials.

The HA may waive the requirement regarding drug-related criminal activity (except for methamphetamine conviction) if the person demonstrates successful completion of a credible rehabilitation program approved by the HA.

The HA will permanently deny admission to any applicant that has an individual in the household that has been convicted of manufacturing or producing methamphetamine (speed).

The HA will immediately and permanently terminate tenancy of persons convicted of manufacturing or producing methamphetamine on the premises of any unit subsidized by the Section 8 program.

"Premises" is defined as the building or complex in which the dwelling unit is located, including common areas and grounds.

#### Termination of Assistance for Participants

If the family violates the lease for drug-related or violent criminal activity, the HA will terminate assistance.

#### Notice of Termination of Assistance

In any case where the HA decides to terminate assistance to the family, the HA must give the family written notice which states:

The reason(s) for the proposed termination

The effective date of the proposed termination,

The family's right, if they disagree, to request an Informal Hearing to be held before termination of assistance.

The date by which a request for an informal hearing must be received by the HA.

The HA will simultaneously provide written notice of the contract termination to the owner so that it will coincide with the Termination of Assistance.

#### Required Evidence

Preponderance of evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. The intent is not to prove criminal liability, but to establish that the act(s) occurred. Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

Credible evidence may be obtained from police and/or court records. Testimony from neighbors, when combined with other factual evidence can be considered credible evidence. Other credible evidence includes documentation of drug raids or arrest warrants.

The HA will pursue fact-finding efforts as needed to obtain credible evidence.

#### Confidentiality of Criminal Records

The HA will ensure that any criminal record received is maintained confidentially, not misused or improperly disseminated, and destroyed once the purpose for which it was requested is accomplished.

Misuse of the above information by any employee will be grounds for termination of employment.

### **D. PROCEDURES FOR NON-CITIZENS F24 CFR 5.514, 5.516, 5.5181**

#### Termination due to Ineligible Immigrant Status

Participant families in which all members are neither U.S. citizens nor eligible immigrants are not eligible for assistance and must have their assistance terminated. The HA must offer the family an opportunity for a hearing. (See Chapter 2, Section D.)

Assistance may not be terminated while verification of the participant family's eligible immigration status is pending.

Participant families in which all members are neither U.S. citizens nor eligible immigrants must have their assistance terminated. They must be given an opportunity for a hearing.

#### False or Incomplete Information

When the HA has clear, concrete, or substantial documentation (such as a permanent resident card or information from another agency) that contradicts the declaration of citizenship made by an applicant or participant, an investigation will be conducted and the individual given an opportunity to present relevant information.

If the individual is unable to verify their citizenship, the HA may give him/her an opportunity to provide a new declaration as an eligible immigrant or to elect not to contend their status. The HA will then verify eligible status, deny, terminate, or accept as applicable.

The HA will deny or terminate assistance based on the submission of false information or misrepresentations.

#### **E. OPTION NOT TO TERMINATE FOR MISREPRESENTATION** [24 CFR 982.551, 982.552(c)]

If the family has misrepresented any facts that caused the HA to overpay assistance, the HA may choose not to terminate and may offer to continue assistance provided that the family executes a Repayment Agreement and makes payments in accordance with the agreement or reimburses the HA in full.

#### **F. MISREPRESENTATION IN COLLUSION WITH OWNER** [24 CFR 982.551, 982.552(c)]

If the family intentionally, willingly and knowingly commits fraud or is involved in any other illegal scheme with the owner, the HA will deny or terminate assistance.

#### **G. MISSED APPOINTMENTS AND DEADLINES** [24 CFR 982.551, 982.552(c)]

It is a Family Obligation to supply information, documentation, and certification as needed for the HA to fulfill its responsibilities. The HA schedules appointments and sets deadlines in order to obtain the required information. The Obligations also require that the family allow the HA to inspect the unit and appointments are made for this purpose.

An applicant or participant who fails to keep an appointment, or to supply information required by a deadline without notifying the HA may be sent a Notice of Denial or Termination of Assistance for failure to provide required information, or for failure to allow the HA to inspect the unit.

The family will be given information about the requirement to keep appointments, and the number of time appointments will be rescheduled as specified in this Plan.

Appointment will be scheduled and time requirements will be imposed for the following events and circumstances:

1. Eligibility for Admissions
2. Verification Procedures
3. Voucher Issuance and Briefings
4. Housing Quality Standards and Inspections
5. Recertifications
6. Appeals

Acceptable reasons for missing appointments or failing to provide information by deadlines are medical emergency, Incarceration or Family emergency.

Procedure when Appointment are Missed or Information not Provided

For most purposes in this Plan, the family will be given two (2) opportunities before being issued a notice of termination or denial for breach of a family obligation.

## Chapter 16

### OWNER DISAPPROVAL AND RESTRICTION

#### **INTRODUCTION**

It is the policy of the HA to recruit owners to participate in the Voucher program. The HA will provide owners with prompt and professional service in order to maintain an adequate supply of available housing throughout the jurisdiction of the HA. The regulations define when the HA must disallow an owner participation in the program, and they provide the HA discretion to disapprove or otherwise restrict the participation of owners in certain categories. This Chapter describes the criteria for owner disapproval, and the various penalties for owner violations.

#### **A. DISAPPROVAL OF OWNER**<sup>24</sup> CFR 982.306, 982.54(d)(8)]

The owner does not have a right to participate in the program. For purposes of this section, "owner" includes a principal or other interested party.

The HA will disapprove the owner for the following reasons:

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

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

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

Unless their lease was effective prior to June 17, 1998, the owner may not be a parent, child, grandparent, grandchild, sister or brother of any family member. The HA will waive this restriction as a reasonable accommodation for a family member who is a person with disability.

In cases where the owner and tenant bear the same last name, the HA may, at its discretion, require the family and or owner to certify whether they are related to each other in any way.

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

The owner has violated any obligation under the HAP contract for the dwelling unit, including the owner's obligations to maintain the unit to HQS, including any standards the HA has adopted in this policy.

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

The owner has engaged in drug trafficking.

The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based program or leased under any other federal housing program.

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

**B. OWNER RESTRICTIONS AND PENALTIES**  
[24 CFR 982.302(a)(8), 982.453]

If an owner has committed fraud or abuse or is guilty of frequent or serious contract violations, the HA will restrict the owner from future participation in the program for a period of time commensurate with the seriousness of the offense. The HA may also terminate some or all contracts with the owner.

Before imposing any penalty against an owner the HA will review all relevant factors pertaining to the case, and will consider such factors as the owner's record of compliance and the number of violations.

**C. CHANGE IN OWNERSHIP**

A change in ownership does not require execution of a new contract.

## Chapter 17

### OWNER OR FAMILY DEBTS TO THE HA

#### **INTRODUCTION**

This Chapter describes the HA's policies for the recovery of monies which have been overpaid for families, and to owners. It describes the methods that will be utilized for collection of monies and the guidelines for different types of debts. It is the HA's policy to meet the informational needs of owners and families, and to communicate the program rules in order to avoid owner and family debts. Before a debt is assessed against a family or owner, the file must contain written documentation of the method of calculation, in a clear format for review by the owner, the family or other interested parties.

#### **A. PAYMENT AGREEMENT FOR FAMILIES** [24 CFR 792.103, 982.552(b)(6-8)]

A Payment Agreement as used in this Plan is a document entered into between the HA and a person who owes a debt to the HA. It is similar to a promissory note, but contains more details regarding the nature of the debt, the terms of payment, any special provisions of the agreement, and the remedies available to the HA upon default of the agreement.

The monthly amount of monthly payment for any repayment agreement will be determined by the HA.

If the family's repayment agreement is in arrears, the HA may grant an extension based on the circumstances.

#### **Late Payments**

If the family's payment agreement is in arrears, the HA will require the family to pay the balance in full or terminate the housing assistance.

If the family requests a move to another unit and has a payment agreement in place for the payment of an owner claim, and the payment agreement is not in arrears the family will be required to pay the balance in full prior to the issuance of a voucher.

If the family requests a move to another unit and is in arrears on a payment agreement for the payment of an owner claim, the family must pay the past due amount before they will be permitted to move.

#### **B. DEBTS DUE TO MISREPRESENTATIONS/NON-REPORTING OF** **INFORMATIONS CFR 982.163]**

HUD's definition of program fraud and abuse is a single act or pattern of actions that:

Constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead, and that results in payment of Housing Choice Voucher program funds in violation of Housing Choice Voucher 8 program requirements.

#### Family Error/Late Reporting

Families who owe money to the HA due to the family's failure to report increases in income will be required to repay in accordance with the guidelines in the Payment Agreement Section of this Chapter.

Families who owe money to the HA due to the family's failure to report increases in income will be required to repay in accordance with the payment procedures for program fraud.

#### Program Fraud

Families who owe money to the HA due to program fraud will be required to repay in accordance with the guidelines in the Payment Agreement Section of this Chapter.

#### Program Procedures

Families who commit program fraud [or untimely reporting of increases in income], the amount of the monthly repayment will be determined in accordance with the family's current income.

### **C     GUIDELINES FOR PAYMENT AGREEMENTS [24 CFR 982.453(b)]**

Payment Agreements will be executed between the HA and the head of household.

The family must pay 1/3 of the total amount of retro-rent charged. The balance will be distributed monthly to cover a six-month period.

Monthly payments may be decreased in cases of family hardship and if requested with reasonable notice from the family, verification of the hardship, and the approval of the Housing Choice Voucher Manager.

### **D.     OWNER DEBTS TO THE [24 CFR 982.453(b)]**



If the HA determines that the owner has retained Housing Assistance the owner is not entitled to, the HA may reclaim the amounts from future Housing Assistance owed the owner for any units under contract.

If future Housing Assistance or Claim Payments are insufficient to reclaim the amounts owed, the HA will require the owner to pay the amount in full within 30 days.

**E.     WRITING OFF DEBTS**

Debts will be written off if:

    The debtor is deceased.

    The debtor is confined to an institution indefinitely.

## Chapter 18

### COMPLAINTS AND APPEALS

#### INTRODUCTION

The informal hearing requirements defined in HUD regulation are applicable to participating families who disagree with an action, decision, or inaction of the HA. This Chapter describes the policies, procedures and standards to be used when families disagree with an HA decision. The procedures and requirements are explained for informal review and hearings. It is the policy of the HA to ensure that all families have the benefit of all protections due to them under the law.

#### A. COMPLAINTS TO THE HA

The HA will respond promptly to complaints from families, owners, employees, and members of the public. All complaints will be documented.

##### Categories of Complaints

1. Complaints from families: If a family disagrees with an action or inaction of the HA or owner.
2. Complaints from owners: If an owner disagrees with an action or inaction of the HA or a family.
3. Complaints from staff: If a staff person reports an owner or family either violating or not complying with program rules.
4. Complaints from the general public: Complaints or referrals from persons in the community in regard to the HA, a family or an owner.

The HA hearing procedures will be provided to families in the briefing packet.

All requests for a hearing, supporting documentation, and a copy of the final decision will be retained in the family's file.

#### B. PREFERENCE DENIALS[24 CFR 5.415]

When the HA denies a preference to an applicant, the family will be notified in writing of the specific reason for the denial and offered the opportunity for a meeting with HA staff to discuss the reasons for the denial and to dispute the HA's decision.

The person who conducts the meeting must be:

Any officer or employee of the HA except the person who made or approved the decision.

**C. INFORMAL REVIEW PROCEDURES FOR APPLICANTS**

[24 CFR 982.54(d)(12), 982.554]

Reviews are provided for applicants who are denied assistance before the effective date of the HAP Contract. The exception is that when an applicant is denied assistance for citizen or eligible immigrant status, the applicant is entitled to an informal review.

When the HA determines that an applicant is ineligible for the program, the family must be notified of their ineligibility in writing. The notice must contain:

- The reason(s) they are ineligible,
- The procedure for requesting a review if the applicant does not agree with the decision and
- The time limit for requesting a review.

The HA must provide applicants with the opportunity for an Informal Hearing of decisions denying:

Listing on the HA's waiting list

Informal Reviews are not required for established policies and procedures and HA determinations such as:

1. Discretionary administrative determinations by the HA
2. General policy issues
3. A determination of the family unit size under the HA subsidy standards
4. Refusal to extend or suspend a Certificate or Voucher
5. Disapproval of lease
6. Determination that unit is not in compliance with HQS
7. Determination that unit is not in accordance with HQS due to family size or composition

**Procedure for a Review**

A request for an Informal Review must be received in writing no later than 10 days from the date of the HA's notification of denial of assistance. The informal review will be scheduled within 10 days from the date the request is received.

The Review may be conducted by a staff person who is at the supervisory level or above.

The applicant will be given the option of presenting oral or written objections to the decision. Both the HA and the family may present evidence and witnesses. The family may use an attorney or other representative to assist them at their own expense.

A Notice of the Review findings will be provided in writing to the applicant within 5 days after the review. It shall include the decision of the review, and an explanation of the reasons for the decision.

All requests for a Review supporting documentation, and a copy of the final decision will be retained in the family's file.

**D. INFORMAL HEARING PROCEDURES** 24 CFR 982.555(a-f),982.54(d)(13)]

When the HA makes a decision regarding the eligibility and/or the amount of assistance for applicants or participants, they must be notified in writing. The HA will give the family prompt notice of such determinations which will include:

- The proposed action or decision of the HA;
- The date the proposed action or decision will take place;
- The family's right to an explanation of the basis for the HA's decision;
- The time limit for requesting the hearing.

The HA must always provide the opportunity for an informal hearing before termination of assistance.

Informal Hearings are not required for established policies and procedures and HA determinations such as:

1. Discretionary administrative determinations by the HA
2. General policy issues
3. Establishment of the HA schedule of utility allowances for families in the program
4. An HA determination not to approve an extension or suspension of a certificate or voucher term
5. An HA determination not to approve a unit or lease
6. An HA determination that an assisted unit is not in compliance with HQS.

**Notification of Hearing**

It is the HA's objectives to resolve disputes at the lowest level possible, and to make every effort to avoid the most severe remedies. However, if this is not possible, the HA will ensure that applicants and participants will receive all of the protections and rights afforded by the law and the regulations.

When the HA receives a request for an informal hearing, a hearing shall be scheduled within 10 days. The notification of hearing will contain:

1. The date and time of the hearing
2. The location where the hearing will be held

### -The HA's Hearing Procedures

After a hearing date is agreed to, the family may request to reschedule only upon showing "good cause," which is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family.

Families have the right to:

- Present written or oral objections to the HA's determination.

- Present any information or witnesses pertinent to the issue of the hearing;

- Request that HA staff be available or present at the hearing to answer questions pertinent to the case; and

- Be represented by legal counsel, advocate, or other designated representative at their own expense.

Evidence presented at the hearing may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

No documents may be presented which have not been provided to the other party before the hearing if requested by the other party. "Documents" includes records and regulations.

The Hearing Officer may ask the family for additional information and/or might adjourn the Hearing in order to reconvene at a later date, before reaching a decision.

The Hearing Officer will determine whether the action, inaction or decision of the HA is legal in accordance with HUD regulations and this Administrative Plan based upon the evidence and testimony provided at the hearing. Factual determinations relating to the individual circumstances of the family will be based on a preponderance of the evidence presented at the hearing.

A notice of the Hearing Findings shall be provided in writing to the family within 5 days.

All requests for a hearing, supporting documentation, and a copy of the final decision will be retained in the family's file.

**E. MITIGATING CIRCUMSTANCES FOR APPLICANTS/PARTICIPANTS  
WITH DISABILITIES** 24 CFR 982.204, 982.552(c)]

When applicants are denied placement on the waiting list, or the HA is terminating assistance, the family will be informed that presence of a disability may be considered as a mitigating circumstance during the informal review process.

## CHAPTER 19

### Housing Choice Voucher Home Ownership Program

#### 1) General Provisions

- a) The Housing Choice Voucher Home Ownership Program administered by the Choanoke Area Development Association of North Carolina, Inc., (CADA) which will be referred as the Housing Agency (HA), permits eligible participants in the Housing Choice Voucher program, including participants with portable vouchers, the option of purchasing a home with their assistance rather than renting. The home ownership option is limited to five percent (5%) of the total Housing Choice Voucher program administered by the HA in any fiscal year, provided that disabled families shall not be subject to the 5% limit.
- b) Eligible applicants for the Housing Choice Voucher ownership program must have completed an initial lease term, may not owe the HA or any other Public Housing Authority an outstanding debt, and must meet the eligibility criteria set forth herein.
- c) Housing Choice Voucher home ownership assistance may be used to purchase the following type of homes within Bertie and Hertford counties: new or existing single-family, condominium, planned use developments, cooperatives, lofts, live/work units, or manufactured homes. The HA also will permit portability of Section 8 home ownership assistance to another jurisdiction, provided the receiving jurisdiction operates in jurisdiction home ownership program for which the Housing Choice Voucher home ownership applicant qualifies or authorizes the HA to administer the home ownership assistance in their jurisdiction.

#### 2) Family Eligibility Requirements.

- a) **General.** Participation in the Housing Choice Voucher home ownership program is voluntary. Each Housing Choice Voucher home ownership participant must meet the general requirements for admission to the Section 8 housing choice voucher program as set forth in the HA's Administrative Plan. Such Housing Choice Voucher family also must be "eligible" to participate in the home ownership program. The additional eligibility requirements for participation in the HA's the Housing Choice Voucher home ownership program include that the family must:
  - i) Be a first-time homeowner or have a member who is a person with disabilities;
  - ii) With the exception of elderly and disabled households, meet the requisite employment criteria; monthly income of the family who will own their home must not be less than the Federal minimum hourly wage multiplied by

2,000 hours (currently \$10,300). In the case of a disabled family the monthly Federal Supplemental Security Income for an individual living alone multiplied by twelve. Except in the case of an elderly household or a family with a disabled person, welfare assistance is not counted in determining whether the family meets this requirement.

iii) Have completed an initial term in the Housing Choice Voucher program.

iv) Have fully repaid any outstanding debt owed to the HA or any other Housing Authority;

v) Not defaulted on a mortgage securing debt to purchase a home under the home ownership option; and

vi) A family that has not owned or had ownership interest in the past three years in a residence at the commencement of homeownership assistance ( except for single parents or displaced homemaker who, while married owned a home with a spouse.

vii) The family must attend and satisfactorily complete the HA's pre-assistance homeownership and housing post-counseling program.

viii) Minimum down payment of 3% of purchase price with no less than 1% coming from the family's own resources. (Note: Refer participants to the Individual Development Account program)

b) **First-Time Homeowner.** Each Housing Choice Voucher family, except families with a disabled member, must be a first-time homeowner. A "first-time homeowner" means that no member of the household has had an ownership interest in any residence during the three years preceding commencement of home ownership assistance. However, a single parent or displaced homemaker who, while married, owned a home with a spouse (or resided in a home owned by a spouse) is considered a "first-time homeowner" for purposes of the Housing Choice Voucher homeownership option; and the right to purchase title to a residence under a lease-purchase agreement is not considered an "ownership interest." *A member of a cooperative (as defined in section 982.4) also qualifies as a "first time homeowner".*

**c) Minimum Income Requirement**

i) Amount of Income. At the time the family begins receiving homeownership assistance, the head of household, spouse, and/or other adult household members, who will own the home, must have a gross annual income at least equal to the Federal minimum hourly wage multiplied by 2000 hours. A disabled family must have a gross annual income based on the monthly Federal



Supplemental Security Income (SSI) multiplied by twelve.

- ii) **Exclusion of Welfare Assistance Income.** With the exception of elderly and disabled families, the HA will disregard any "welfare assistance" income in determining whether the family meets the minimum income requirement. Welfare assistance includes assistance from Temporary Assistance for Needy Families ("TANF"); Supplemental Security Income ("SSI") that is subject to an income eligibility test; food stamps; general assistance; or other welfare assistance specified by HUD. The disregard of welfare assistance income under this section affects the determination of minimum monthly income in determining initial qualification for the home ownership program. It does not affect the determination of income-eligibility for admission to the Section 8 housing choice voucher program, calculation of the family's total tenant payment, or calculation of the amount of homeownership assistance payments.
- d) **Employment History.** With the exception of disabled and elderly households, each family must demonstrate that one or more adult members of the family who will own the home at commencement of home ownership assistance is employed full-time (an average of 30 hours per week) and has been so continuously employed for one year prior to execution of the sales agreement. In order to reasonably accommodate a family's participation in the program, the HA will exempt families that include a person with disabilities from this requirement. Interruption in employment up to 4 weeks is permitted.
- e) **Completion of Initial Lease Term.** Applicants for and new participants in the Section 8 housing choice voucher program shall be ineligible for participation in the Section 8 homeownership program until completion of an initial Section 8 lease term and the participant's first annual recertification in the Section 8 housing choice voucher program. Nothing in this provision will preclude Section 8 participants that have completed an initial lease term in another jurisdiction from participating in the Section 8 home ownership program.
- f) **Repayment of Any Housing Authority Debts.** Participants in the Section 8 housing choice voucher program shall be ineligible for participation in the Section 8 home ownership program in the event any debt or portion of a debt remains owed to the HA or any other Housing Authority. Nothing in this provision will preclude Section 8 participants that have fully repaid such debt(s) from participating in the Section 8 homeownership program.
- g) **Additional Eligibility Factors**
  - i) **Elderly and Disabled Households.** Elderly and disabled families are exempt from the employment requirements set forth in Section 2.C above. In the case of an elderly or disabled family, the HA will consider income from all sources, including welfare assistance in evaluating whether the household meets the

minimum income required to purchase a home through the Section 8 homeownership program.

- ii) Participation in FSS Program. Applicants for the homeownership program are not required to participate in the HA's Family Self Sufficiency ("FSS") program in order to participate in the homeownership program.
- iii) Prior Mortgage Defaults. If a head of household, spouse, or other adult household member who will execute the contract of sale, mortgage and loan documents has previously defaulted on a mortgage obtained through the Section 8 home ownership program, the family will be ineligible to participate in the homeownership program.

### **3) Family Participation Requirements**

- a) **General.** Once a family is determined to be eligible to participate in the program, it must comply with the following additional requirements:
  - i) Complete a home ownership counseling program approved by the HA prior to the commencement of homeownership assistance;
  - ii) Within a specified time, locate the home it proposes to purchase;
  - iii) Submit a sales agreement containing specific components to the HA for approval;
  - iv) Allow the HA to inspect the proposed home ownership dwelling to assure that the dwelling meets appropriate housing quality standards;
  - v) Obtain an independent inspection covering major building systems;
  - vi) Obtain the HA approval of the proposed mortgage (which must comply with generally accepted mortgage underwriting requirements); and
  - vii) Enter into a written agreement with the HA to comply with all of its obligations under the Section 8 program.

#### **b) Homeownership Counseling Program.**

- i) A family's participation in the homeownership program is conditioned on the family attending and successfully completing a homeownership and housing counseling program provided or approved by the HA prior to commencement of homeownership assistance. The homeownership and counseling program will cover home maintenance; budgeting and money management; credit counseling; negotiating purchase price; securing mortgage financing; finding a home; and the advantages of purchasing and locating

homes in areas that do not have a high concentration of low-income families.

- ii) The counseling agency providing the counseling program shall either be approved by HUD or the program shall be consistent with the home ownership counseling provided under HUD's Housing Counseling program. The HA may require families to participate in a HA-approved home ownership counseling program on a continuing basis.

**c) Locating and Purchasing a Home**

- i) Locating a Home. Upon approval for the Housing Choice Voucher homeownership program, a family shall have one hundred eighty (180) days to locate a home to purchase. A home shall be considered located if the family submits a proposed sales agreement with the requisite components to the Housing Agency-CADA. For good cause, the HA may extend a Housing Choice Voucher family's time to locate the home for additional thirty (30) day increments. During a Housing Choice Voucher participant's search for a home to purchase, their Housing Choice Voucher rental assistance shall continue pursuant to the Administrative Plan. If a Housing Choice Voucher participant's family is unable to locate a home within the time approved by the HA, their Section 8 rental assistance through the Housing Choice Voucher program shall continue.
- ii) Type of Home. A family approved for Section 8 homeownership assistance may purchase the following type of homes within Bertie and Hertford counties: a new or existing home, a single-family home, a condominium, a home in a planned use development, a cooperative, aloft or live/work unit, or a manufactured home to be situated on a privately owned lot or on a leased pad in a mobile home park. The home must be already existing or under construction at the time the HA determines the family eligible for home ownership assistance ***stopurchase the unit (§§ 982.628 (a) (2).J.*** The family also may purchase a home in a jurisdiction other than Bertie and Hertford counties, provided the Housing Authority in the receiving jurisdiction operates a Section 8 Homeownership program for which the Section 8 Homeownership applicant qualifies or authorizes the HA to administer the homeownership assistance in their jurisdiction. In the former case, a family's participation in the Housing Choice Voucher /Section 8 home ownership program will be subject to the Housing Choice Voucher/Section 8 Home ownership program and policies of the receiving jurisdiction.
- iii) Purchasing a Home. Once a home is located and a sales agreement approved by the HA is signed by the family, the family shall have up to three (s) months, or such other time as is approved by the HA's Section 8 Manager or set forth in HA's-approved sales agreement, to purchase the home.
- iv) Failure to Complete Purchase. If a Housing Choice Voucher/Section 8 participant is unable to

purchase the home within the maximum time permitted by the HA, the HA shall continue the family's participation in the Section 8 housing choice voucher program. The family may not re-apply for the Section 8 homeownership program until they have completed an additional year of participation in the Housing Choice Voucher Program following the initial determination of their eligibility for the homeownership option.

- v) **Lease-Purchase.** Families may enter into lease-purchase agreements while receiving Housing Choice Voucher rental assistance. All requirements of the housing choice voucher program apply to lease-purchase agreements, except that families are permitted to pay an extra amount out-of-pocket to the owner for purchase related expenses—a "homeownership premium." Any "homeownership premium," defined as an increment of value attributable to the value of the lease-purchase right or agreement, is excluded from the HA's rent reasonableness determination and subsidy calculation, and must be absorbed by the family. When a lease-purchase participant family is ready to exercise their option, they must notify the Housing Specialist at the HA and apply for the homeownership option. If determined eligible for homeownership assistance, the family may be admitted to the home ownership program and must meet all requirements of these policies.
- d) **Sales Agreement.** Prior to execution of the offer to purchase or sales agreement, the financing terms must be provided by the family to the HA for approval. The sales agreement must provide for inspection by the HA and the independent inspection referred to in Section 3(E) and must state that the purchaser is not obligated to purchase unless such inspections are satisfactory to the HA. The contract also must provide that the purchaser is not obligated to pay for any necessary repairs without approval by the HA. The sales agreement must provide that the purchaser is not obligated to purchase if the mortgage financing terms are not approved by the HA pursuant to Section 3(F) a. The sales agreement must also contain a seller certification that the seller is not debarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.
- e) **Independent Initial Inspection Conducted.** To assure the home complies with the by the Housing Choice Voucher (NSPIRE) of the Housing Choice Voucher Program, home-ownership assistance payments may not commence until the HA first inspects the home. An independent inspection of existing homes covering major building systems also must be completed by a professional selected by the family and approved by the HA. The HA will not pay for the independent inspection. The independent inspection report must be provided to the HA. The HA may disapprove the unit due to information contained in the report or for failure to meet federal housing quality standards.
- f) **Financing Requirements.** The proposed financing terms must be sub-

mitted to and approved by the HA prior to close of escrow. The HA shall determine the affordability of the family's proposed financing. In making such determination, the HA may take into account other family expenses, including but not limited to child care, un-reimbursed medical expenses, education and training expenses and the like. Certain types of financing, including but not limited to, balloon payment mortgages, unless convertible to a variable rate mortgage, are prohibited and will not be approved by the HA. Seller-financing mortgages shall be considered by the HA on a case by case basis. If a mortgage is not FHA-insured, the HA will require the lender to comply with generally accepted mortgage underwriting standards consistent with those of HUD/FHA, Ginnie Mae, Fannie Mae, Freddie Mac, North Carolina Housing Finance Agency (NCHFA), USDA Rural Housing Services, the Federal Home Loan Bank, or other private lending institution.

- g) **Compliance with Family Obligations.** A family must agree, in writing, to comply with all family obligations under the Section 8 program and the HA's home ownership policies. These obligations include (1) attending ongoing homeownership counseling, if required by the HA; (2) complying with the mortgage terms; (3) not selling or transferring the home to anyone other than a member of the assisted family who resides in the home while receiving home ownership assistance; (4) not refinancing or adding debt secured by the home without prior approval by the HA; (5) not obtaining a present ownership interest in another residence while receiving home ownership assistance; and (6) annual verification of household income, notice of change in homeownership expenses, notice of move-out, and notice of mortgage default.

**h) Compliance Lien**

- i) Upon purchase of a home, the family must execute documentation as required by HUD and the HA, consistent with State and local law, securing the HA's right to recapture the homeownership assistance in accordance with Section 5.C below. The lien securing the recapture of home ownership subsidy may be subordinated to a refinanced mortgage.

*ii)[Note: moving to another home in the same PHA jurisdiction, as well as buying another home in another PHA jurisdiction, is permitted with continued use of homeownership assistance. See §§ 982.636 & 637.]*

**4) Amount of Assistance**

- a) **General.** The amount of the monthly assistance payment will be based on three factors: the voucher payment standard for which the family is eligible; the monthly homeownership expense; and the family's household income. The HA will pay the lower of either the payment standard minus the total tenant payment

("TTP") or the family's monthly homeownership expenses minus the TTP. The Section 8 family will pay the difference.

- b) **Determining the Payment Standard.** The voucher payment standard is the fixed amount that the HA annually establishes as the "fair market" rent for a unit of a particular size located within the HA's jurisdiction. In the homeownership program, the initial payment standard will be the lower of either (1) the payment standard for which the family is eligible based on family size; or (2) the payment standard which is applicable to the size of the home the family decides to purchase. The payment standard for subsequent years will be based on the higher of: (1) the payment standard in effect at commencement of the homeownership assistance; or (2) the payment standard in effect at the most recent regular reexamination of the family's income and size. The initial payment standard, for purposes of this comparison, shall not be adjusted even if there is a subsequent decrease in family size. The HA will request HUD approval of a higher payment standard, up to 120% of the published Fair Market Rent limit, where warranted as a reasonable accommodation for a family that includes a person with disabilities.
- c) **Determining the Monthly Homeownership Expense.** Monthly home ownership expense includes all of the following: principal and interest on the initial mortgage and any mortgage insurance premium (MIP) incurred to finance the purchase and any refinancing of such debt; real estate taxes and public assessments; homeowner's insurance; maintenance expenses per the HA's allowance; costs of major repairs and replacements per the HA's allowance (replacement reserves); utility allowance per the HA's schedule of utility allowances; principal and interest on mortgage debt incurred to finance major repairs, replacements or improvements for the home including changes needed to make the home accessible; and homeowner association dues, fees or regular charges assessed, if any. Homeownership expenses for the cooperative charged under the cooperative occupancy agreement including payment for real estate taxes and public assessments on the home; principal and interest on initial debt incurred to finance purchase of cooperative membership shares and any refinancing of such debt; home insurance; the allowances for maintenance expenses, major repairs and replacements and utilities; and principal and interest on debt incurred to finance major repairs, replacements, or improvements, including changes needed to make the home accessible.
- d) **Determining the Total Tenant Payment.** The TTP is that portion of the homeownership expense that the family must pay. It is generally 30% percent of the family's adjusted income, plus any gap between the payment standard and the actual housing cost. All family income (including public assistance), will be counted to determine the family's adjusted monthly income for purposes of determining the amount of assistance.
- e) **Payment to Family or Lender.** The HA will provide the lender with the notice

of the amount of the housing assistance payment prior to close of escrow and will pay the HA's contribution towards the family's homeowner expense directly to the family and lender. The family will be responsible to submit the entire mortgage payment to the lender unless the lender requires direct payment of the HA's contribution.

## **5) Termination of Section 8 Homeownership Assistance**

### **a) Grounds for Termination of Homeownership Assistance**

- i) Failure to Comply with the Family Obligations under the Housing Choice Voucher Program or the HA's Homeownership Policies. A family's homeownership assistance may be terminated if the family fails to comply with its obligations under the Housing Choice Voucher Program, the HA homeownership policies, or if the family defaults on the mortgage. If required, the family must attend and complete on-going homeownership and housing counseling classes. The family must comply with the terms of any mortgage incurred to purchase and /or refinance the home. The family must provide the HA with written notice of any sale or transfer of any interest in the home; any plan to move out of the home prior to the move; the family's household income and home ownership expenses on an annual basis; any notices which may be required pursuant to the HA homeownership policies. Except as otherwise provided in this Section, the family may not convey or transfer the home to any entity or person other than a member of the assisted family while receiving homeownership assistance.
- ii) **Occupancy of Home.** Home ownership assistance will only be provided while the family resides in the home. If the family moves out of the home, the HA will not continue ownership assistance commencing with the month after the family moves out. Neither the family nor the lender is obligated to reimburse the HA for home ownership assistance paid for the month the family moves out.
- iii) **Changes in Income Eligibility.** A family's home ownership assistance may be changed in the month following annual reexamination of the household income, but participation in the Housing Choice Voucher Home Ownership program shall continue until such time as the assistance payment amounts to \$0 for a period of six(6) consecutive months.
- iv) **Maximum Term of Homeownership Assistance.** Notwithstanding the provisions of Section 5 (A), subparagraphs 1 through 3, except for disabled and elderly families, a family may receive Housing Choice Voucher homeownership assistance for not longer than ten (10) years from the date of close of escrow unless the initial mortgage incurred to finance purchase of the home has a term that is 20 years or longer, in which case the maximum term is 15 years. Families that qualify as elderly at the commencement of homeownership assistance.

are not subject to the maximum term limitation. Families that qualify as disabled families at the commencement of homeownership assistance or at any time during the provision of homeownership assistance are not subject to a maximum term limitation. If a disabled family or elderly family ceases to qualify as disabled or elderly, the appropriate maximum term becomes applicable from the date homeownership assistance commenced; provided however, that such family shall be eligible for at least six additional months of homeownership assistance after the maximum term becomes applicable. The time limit applies to any member of the household who has an ownership interest in the unit during any time that homeownership payments are made, or is a spouse of any member of the household who has an ownership interest.

- b) **Procedure for Termination of Homeownership Assistance.** A participant in the 8 Housing Choice Voucher Homeownership program shall be entitled to the same termination notice and informal hearing procedures as set forth in the Administrative Plan of the HA for the Section 8/Housing Choice Voucher program.

#### **6. Continued Participation in the Housing Choice Voucher Program.**

- a) **Default on FHA-Insured Mortgage.** If the family defaults on an FHA-insured mortgage, the HA may permit the family to move with continued Section 8 housing choice voucher rental assistance if the family demonstrates that it has (a) conveyed title to the home to HUD or its designee, as required by HUD; and (b) moved from the home within the period established or approved by HUD.
- b) **Default on non-FHA-Insured Mortgage.** If the family defaults on mortgage that is not FHA-insured, the HA may permit the family to move with continued Section 8 housing choice voucher rental assistance if the family demonstrates that it has (a) conveyed title to the home to the lender; and (b) removed from the home within the period established or approved by the lender and/or the HA.

- 7. **The HA's Administrative Fee.** For each month that homeownership assistance is paid by the HA on behalf of the family, the HA shall be paid the ongoing administrative fee described in 24 CFR 982.152(b).

- 8. **Waiver or Modification of Homeownership Policies.** The Executive Director of the HA shall have the discretion to waive or modify any provision of the Housing Choice Voucher homeownership program or policies not governed by statute or regulation for good cause or to comply with changes in HUD regulations or directives.



## Appendix A: Housing Choice Voucher Home Ownership Obligations

This form is to be signed by the buyer(s) in the presence of the Choanoke Area Development Association of NC, Inc. (CADA) Home Ownership Program Manager. The Housing Counselor will explain any and all clauses which you, the home buyer(s), may not understand.

The following paragraphs describe your responsibilities under the Section 8 Home Ownership Program. If you or members of your household do not meet these responsibilities, through your actions or failure to act, you may be terminated from the Section 8 Home Ownership Program.

- 1) **Family Obligations:** You must comply with all Family Obligations of the Section 8 Housing Choice Voucher Program, excepting only the prohibition Against owning or having an interest in the unit. *Family Obligations §§ 982.551 (c), (d), (e), (f), (g), and (j) do not apply to the Section 8 Home or Housing Choice Voucher ownership Program.*
- 2) **Housing Counseling:** All participating family members (i.e. those signing the purchase offer and loan documents) must satisfactorily complete a CADA provided or approved counseling program prior to commencement of home ownership assistance. CADA may require any or all participating family members to attend additional housing counseling classes as a condition of continued assistance.
- 3) **Purchase Contract:** You must include contract conditions in any Offer to purchase that give CADA a reasonable time (a) to inspect the home for compliance with HUD's Housing Quality Standards; (b) to review and approve a professional home inspection report obtained by you from CADA's approved inspector; and (c) approve the terms of your proposed financing. Advise your Realtor of these requirements.
- 4) **Mortgage Obligations:** You must comply with the terms of any mortgage incurred in the purchase of the property and must notify CADA's Homeownership Program Counselor within five (5) days of receipt of any late payment or default notice.
- 5) **Occupancy:** You must occupy the unit as your principal residence. You may not transfer, sell, or assign any interest in the property without CADA's prior written consent. You may not rent or lease any part of the premises without CADA's prior written consent. You must notify CADA in writing at least 30 days prior to moving out of the house for a period of 30 days or longer or prior to any sale, transfer, assignment, lease or other form of alienation of the assisted property.

