Boerne Housing Authority

Housing Choice Voucher Program
Administrative Plan

Effective July 1, 2026

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Chapter 1 – HCV Program Overview

A. Introduction and HOTMA Compliance Date.

The U. S. Department of Housing and Urban Development (HUD) provides funding to Public Housing Authorities (PHAs) for the Housing Choice Voucher (HCV) program. PHAs are bodies of local government, created and authorized by state law to develop and operate housing programs for eligible program participants. PHAs enter into an Annual Contributions Contract with HUD to administer federal housing program(s). PHAs pledge to comply with federal laws and regulations and establishes policies and procedures to ensure proper program operation.

The main purpose of this Administrative Plan is to comply with HUD requirements for the HCV program and to state the Boerne Housing Authority's (BHA) policies on matters for which PHAs have discretion to establish local policies. The 2026 update to the BHA's Administrative Plan includes updates to address regulation changes with HUD's Housing Opportunity Through Modernization Act of 2016 (HOTMA).

HOTMA Compliance Date. (Notice PIH 2024-38 and Notice PIH 2026-15)
HUD requires public housing authorities to change policies and procedures to meet certain requirements in a federal law known as the Housing Opportunity Through Modernization Act of 2016 (HOTMA). The BHA's compliance date will align with HUD's compliance date. Also, HOTMA policy requirements will be completed once HUD provides further instruction.

B. The BHA's Organization and Structure.

The BHA's board officials are known as commissioners or, collectively, as the Board of Commissioners. Commissioners are appointed in accordance with state housing law.

The BHA's formal actions are implemented through written resolutions, adopted by the Board of Commissioners at a properly called public meeting and entered into the BHA's official records. The BHA is responsible for complying with all subsequent changes in HUD regulations and direction.

BHA staff shall develop and maintain operating procedures and forms to ensure that the policies set forth in this Administrative Plan are managed correctly. The BHA's principal staff member is the Executive Director, hired and appointed by the Board of Commissioners. The Executive Director is responsible for adhering to housing program policies and managing the BHA's day-to-day operations.

Mission Statement.
It is the mission of the Boerne Housing Authority (BHA) to serve the needs of low-income, very low-income and extremely low-income families, including the elderly and persons with disabilities, to provide decent, safe and affordable housing for our families in our community, free from discrimination.

Objectives of the Housing Choice Voucher Program.
The purpose of the HCV program is to provide rental assistance to eligible participants. The HCV program regulations are located in Title 24 of the Code of Federal Regulations, Part 982. The BHA's objective in administering the Housing Choice Voucher program is to provide decent, safe and affordable housing to eligible households.

The HCV program provides participants with housing opportunities by subsidizing rental payments to private landlords. Through this program, the PHA assists extremely-low to low-income households to obtain quality housing.

Purpose of the Administrative Plan. (24 CFR §982.54)
The BHA adopts this Administrative Plan to establish local policies for the administration of the HCV program. The Administrative Plan and any revisions of the plan will be formally adopted by the BHA's Board of Commissioners. The BHA is responsible for complying with all changes in HUD regulations pertaining to the HCV program. If such changes conflict with this plan, HUD regulations will have precedence.

BHA Partnerships.
To administer the HCV program, the BHA enters into a contractual relationship with HUD. The BHA also enters into a contract with the property landlord and administers the HCV program for eligible program participants, also known as "families". Please note: HUD and the BHA uses the term "Family" throughout this Plan to identify HCV program participant(s).

All parties involved with the HCV program – HUD, the BHA, the Landlord and the Family – have important roles to play. The roles and responsibilities of the parties are defined in federal regulation and in legal documents that the parties execute to participate in the HCV program.

HUD Responsibilities.
- Develops regulations, requirements, handbooks, notices and other guidance for the HCV program legislation passed by Congress.
- Allocates HCV program funds to PHAs.
- Provides technical assistance to PHAs on interpreting and applying HCV program requirements.
- Monitors BPHA compliance and performance with HCV program requirements.

BHA Responsibilities.
- The BHA administers the HCV program under contract with HUD.
- Establishes local policies.
- Maintains a waiting list and selects applicants to determine program eligibility.
- Issue vouchers to eligible applicants and, if needed, assists with locating an approvable housing unit.
- Conducts Landlord outreach with special attention to areas outside of poverty or minority concentration.
- Approves the rental unit, the Landlord and the tenancy.
- Makes housing assistance payments to the Landlord in a timely manner.
- Ensures that participants and their rental units continue to qualify under the program.
- Complies with all fair housing and equal opportunity requirements.

Landlord Responsibilities.
- The primary responsibility for tenant screening rests with the Landlord.
- The Landlord considers certain factors when approving an application to rent, such as rent/bill-paying history, history of caring for property, respecting the rights of others, conducts criminal background checks, etc.
- Complies with the terms of the Housing Assistance Payments contract.
- Complies with and enforces the dwelling lease.
- Complies with all applicable fair housing laws.
- Maintains the housing unit by making necessary repairs in a timely manner.
- Collects the appropriate rent due from the HCV participant.

HCV Participant Responsibilities.
- Provides the BHA with complete and accurate information.
- Makes their best and most timely efforts to locate a suitable housing unit,
- Cooperates in attending all appointments scheduled by the BHA,
- Allows the BHA to inspect the unit at reasonable times and after reasonable notice,
- Complies with the terms of their lease, to include taking care of their assisted housing unit.
- Complies with the Family obligations of the HCV program (see page 4-2).
- Notifies the BHA of any changes in Family composition within 10 days of the date of change.

Applicable Regulations
- 24 CFR Part 5: General Program Requirements
- 24 CFR Part 8: Nondiscrimination on the basis of Disability
- 24 CFR Part 100: Fair Housing
- 24 CFR Part 982: HCV Tenant-Based Assistance: Housing Choice Voucher Program
- 24 CFR Part 985: HCV Management Assessment Program

C. **Conflict of Interest.** (24 CFR §982.161)

Neither the BHA nor any of its contractors or subcontractors may enter into any contract or arrangement in connection with the HCV program in which any of the following classes of persons has any interest, directly or indirectly, during tenure or for one year thereafter:

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

Any member of the classes described in above paragraph must disclose their interest or prospective interest to the BHA and HUD. The conflict-of-interest prohibition may only be waived by the HUD field office for good cause.

D. **Privacy Rights of Families.**

At admission to the HCV program, all adult members are required to sign the *Authorization for the Release of Information / Privacy Act Notice*, Form HUD-9886-A. This form must also be signed when minors in the Family turn 18 years of age, and when adults are added to the Family.

E. **Release of Information.**
The BHA's policy regarding the release of information is:

1. To release pertinent information only in accordance with a signed authorization.
2. To release information on amounts owed to any PHA.
3. To furnish prospective Landlords with the following information, as shown in the BHA records:
   a. the Family's current and prior address; and
   b. the name and address of the Landlord at the Family's current and prior address.
4. To release information only by authorization of BHA management and written consent of the affected party or by court subpoena.
5. To release information for approved public information requests.
6. Information which would lead one to determine the nature and/or severity of a person's disability will be kept in a separate folder and marked "confidential", returned to the Family member after use or disposed of by shredding.

Chapter 2 – Fair Housing and Equal Opportunity

A. Fair Housing.

Federal laws require PHAs to treat all applicants and participants equally, regardless of Family characteristics and background. Federal law prohibits discrimination in housing on the basis of race, color, religion, sex, national origin, age, familial status, sexual orientation, gender identity, marital status and disability. The BHA will fully comply with all federal, state and local nondiscrimination laws, to include:

1. Title VI of the Civil Rights Act of 1964
2. Title VIII of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974 & the Fair Housing Amendments Act of 1988)
3. Executive Order 11063—Equal Opportunity in Housing
4. Section 504 of the Rehabilitation Act of 1973
5. The Age Discrimination Act of 1975
6. Title II of the Americans with Disabilities Act (to the extent that it applies)
7. Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations Under the Fair Housing Act
8. Violence Against Women Reauthorization Act (VAWA) of 2013 and VAWA Final Rule of 2016
9. Affirmatively Furthering Fair Housing requirements
10. HUD's Equal Access to Housing Final Rule
11. Equal Access in Accordance with Gender Identity Final Rule (published in the Federal Register – September 21, 2016)

When more than one fair housing law applies, the laws will be read and applied together when possible. However, the law with the greatest protection shall take precedence.

Providing Information to Participants and Landlords.
The BHA will take steps to ensure that participants and Landlords are fully aware of all applicable civil rights laws. As part of the briefing process, the BHA provides information to HCV applicants about civil rights requirements and the opportunity to rent in a broad range of neighborhoods. The Housing Assistance Payments (HAP) contract informs Landlords of the requirement not to discriminate against any person because of race, color, religion, sex, national origin, age, familial status, sexual orientation, gender identity, marital status or disability in connection with the contract.

Assistance with Discrimination Complaints.
Applicants or participants who believe that they have been subject to unlawful discrimination may notify the BHA either orally or in writing. The BPHA will attempt to remedy discrimination complaints. The BHA will provide a copy of a discrimination complaint form and provide applicants and/or participants with information on how to complete and submit the form to HUD's Office of Fair Housing and Equal Opportunity (FHEO).

B. Reasonable Accommodation. (24 CFR, Part 8 and 24 CFR, Part 8, §8.3 Definitions)

The BHA will seek to identify situations or procedures that create a barrier to equal housing opportunity for all. In accordance with federal and state anti-discrimination laws, the BHA will make such procedural and administrative changes as required to provide reasonable accommodation(s) for persons with disabilities. The BHA will inform applicants/participants of their right to request reasonable accommodation and process requests received in accordance with applicable regulations and/or BHA policy.

Before approving a reasonable accommodation, the BHA will determine if the person meets the definition of a person with a disability, the type of accommodation that is needed and that there is an identifiable relationship between the requested accommodation and an individual's disability.

If a person's disability is obvious or otherwise known to the BHA and if the need for the requested accommodation is also readily apparent or known, no further verification will be required.

If a Family indicates that a reasonable accommodation is required for a disability that is not obvious or otherwise known, the BHA must verify that the person meets the definition of a person with a disability and that the limitations imposed by the disability require the requested accommodation. To begin this process, the applicant or participant must first make a request for reasonable accommodation. Upon request, staff will assist with preparing a written form. The information requested is as follows:

1. Name of the household member with a disability,
2. The specific change in the BHA's policy, procedure, or rule,
3. The specific accommodation that is needed and,
4. The name of healthcare provider or medical practitioner identified by the Family that can verify that the individual meets the definition of an "individual with a disability" and that the requested accommodation is needed because of the disability
5. If approved, the BHA will provide such accommodation(s) in accordance with the prescribed details included in the certification received from third party verification.
6. After a request for a reasonable accommodation is presented and verified, the BHA will make an effort to render a decision within 30 days. To expedite processing, staff will request more information if needed. If the BHA denies a request for a reasonable accommodation because the request would impose an undue financial or administrative burden or the requested accommodation represents a fundamental alteration in the nature of the BHA's program, the BHA will notify the applicant/participant of the decision and of their right to request an Informal Review/Hearing.
7. To provide such accommodation, the BHA will not:
   a. Take any action that would result in a fundamental alteration in the nature of the BHA's program or services, (including the obligation to comply with HUD requirements and regulations) or
   b. Take any action that would result in an undue financial and administrative burden on the BHA.
8. Examples of reasonable accommodations are located at 24 CFR §8.4.

C. **Accessibility and User-Friendly Language/Communication**.

The BHA's policies concerning physical accessibility are readily available to applicants and participants. The BHA complies with regulations pertaining to physical accessibility, including:

1. Section 504 of the Rehabilitation Act of 1973
2. The Americans with Disabilities Act of 1990
3. Title VIII of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974 & the Fair Housing Amendments Act of 1988)

Documents and procedures used by applicants and participants will be accessible for those with vision, hearing or other sensory impairments. Also, all documents will be written simply and clearly to enable applicants with learning or cognitive disabilities to understand as much as possible. (24 CFR §8.6)

When issuing a voucher to an applicant/participant whose household includes an individual with disabilities, the BHA will include a current list of available accessible units known to the BHA and provide assistance in locating an available accessible unit, if necessary.

D. **Providing Information for Persons with Limited English Proficiency (LEP).**

For persons with Limited English Proficiency (LEP), language can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities or understanding other information provided by the HCV program.

In certain circumstances, failure to ensure that LEP persons can effectively participate in or benefit from federally assisted programs and activities may violate the prohibition under Title VI against discrimination on the basis of national origin.

The BHA will take affirmative steps to communicate with people who need services or information in a language other than English.

1. All forms, written materials and recorded voicemail messages used to communicate with applicants and residents shall be available in any language spoken by the lower of 1000 eligible participants or five percent of the eligible population of Kendall County. This includes documents related to intake, marketing, outreach, certification, reexamination and inspections.
2. Applicants and residents with low English comprehension may furnish an interpreter to assist in communication with the BHA. When interpretation services are needed and a PHA staff member speaks the language needed, the staff member will provide translation services.
3. In a courtroom, a hearing or situations in which health, safety or access to important benefits and services are at stake, the BHA will generally offer or ensure that the Family is offered through other sources, competent services free of charge to the LEP person.
4. PHA will provide written translations of other vital documents for each eligible LEP language group that constitutes 5 percent or 1,000 persons, whichever is less, of the population of persons eligible to be served. Translation of other documents, if needed, can be provided orally.

Chapter 3 - Waiting List Management

A. Income Limits.

At time of waiting list selection, the BHA must receive information verifying that an applicant is income-eligible for the HCV program. An applicant's annual income must not exceed HUD's established income limits for the household size. Applicants with an annual income that exceeds the income limit will be denied admission and offered an Informal Review - see Chapter 13.

B. Income Targeting – 75 Percent Selection Rule.

HUD requires that extremely low-income (ELI) applicants make up at least 75% of the participants admitted to the HCV program during the calendar year. ELI applicants are those with an annual income at or below 30% of the area median income. To ensure this requirement is met, non-ELI applicants may be skipped on the waiting list.

Low-income participants admitted to the program that are "continuously assisted" under the 1937 Housing Act, as well as low-income or moderate-income participants admitted to the program that are displaced as a result of the prepayment of a mortgage or voluntary termination of an insurance contract on eligible low-income housing, are not counted for this requirement.

C. Waiting List Order and Selection.

The BHA's waiting list order is by date and time of application. No local preferences are used. The PHA will send written notification of the applicant's placement on the waiting list. Placement on the waiting list does not indicate the applicant is, in fact, eligible for assistance. A final determination of eligibility is made when the applicant is selected from the waiting list.

D. Updates to the Waiting List.

From time to time, the BHA will contact applicants to determine if they are still interested in receiving assistance and/or to update information on their application.

Reporting Changes.
While an applicant is on the waiting list, the BHA must be informed of changes in contact information, including current residence, mailing address and phone number. The changes must be submitted in writing, or by telephone or other method used by applicants with disabilities.

E. Waiting List Removal.

If at any time it is determined that an applicant is not eligible for assistance, the BHA will send a notice of denial. A notice will be sent to the applicant's mailing address of record stating the reason for denial and how to request an Informal Review. (see Chapters 12 and 13)

For returned notices from the post office.
1. if a notice is returned by the post office with a forwarding address, the notice will be re-sent to the address indicated.
2. If a notice is returned by the post office with no forwarding address, the BHA will send a notice of waiting list removal and provide an opportunity for an Informal Review.
3. An applicant removed from the waiting list for failure to respond may be reinstated, if the lack of response was due to circumstances beyond the applicant's control.

The decision to withdraw an applicant that includes a person with disabilities from the waiting list is subject to reasonable accommodation.

F. Opening and Closing the Waiting List.

The BHA's waiting list will remain closed until the BHA determines that the number of applicants remaining on the list is insufficient to provide all the applicants needed for the next twelve months.

The reopening of the waiting list will be announced by public notice (published in a local newspaper of general circulation, minority media and/or other suitable media outlets) at least thirty (30) days prior to the date applications will first be accepted. If the list is only being reopened for certain categories, this information will be contained in the notice. The notice will comply with all fair housing requirements.

G. HCV Funding Sources

Special Admissions: Continuously Assisted Participants.
HUD may award funding for specific categories of participants living in specified types of units (e.g. a Family that is displaced by demolition of public housing, a non-purchasing Family residing in a HOPE 1 or 2 projects). In these cases, participants that are not on the waiting list may be admitted to the program and/or participants may be admitted to the program without considering the Family's position on the waiting list. Records will be maintained showing that such participants were admitted with special program funding.

Targeted Funding.
The BHA currently does not administer vouchers with targeted funding (e.g. HUD-Veterans Affairs Supportive Housing, Mainstream, Non-Elderly Disabled vouchers, etc.).

Regular HCV Funding.
Regular HCV funding is used to assist eligible applicants from the BHA's waiting list. Applicants are selected from the waiting list according to the policies below.

H. Notification of Selection.

Applicants will be notified by first class mail when they are selected from the waiting list. The notice will inform the applicant of the following:

1. Date, time and location of the scheduled application interview, including the procedures for rescheduling the interview.
2. Who is required to attend the interview.
3. The documents that must be provided at the interview,

If a notification letter is returned with no forwarding address, the BHA will send Notice of Denial letter, with an opportunity for an Informal Review.

If an applicant is unable to attend a scheduled interview, the BHA should be informed as soon as possible. Applicants who fail to attend two scheduled interviews without approval will be sent a Notice of Denial letter.

I. Return to the Waiting List.

If it is determined that the applicant is ineligible, a written notice will be mailed to the applicant. The notice will specify the reasons for ineligibility and will inform the applicant of their right to request an Informal Review.

The applicant will be notified in writing that they have been returned to the waiting list and provided an explanation.

Chapter 4 – Program Eligibility Determinations

Eligibility Factors. The BHA will review the following factors in determining HCV program eligibility:

A. Waiting List Status.

The BHA will verify an applicant's date/time of application and eligibility for assistance under HUD's 75 Percent Selection Rule.

B. Family Definition. Applicants must meet the definition of a "Family" (24 CFR §5.403).

Family includes, but is not limited to, the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

1. A single person, who may be:
   a. An elderly, displaced, disabled, near-elderly, or any other single person;
   b. An otherwise eligible youth who has attained at least 18 years of age and not more than 24 years of age and who has left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act (42 U.S.C. 675(5)(H)), and is homeless or is at risk of becoming homeless at age 16 or older; or
2. A group of persons residing together, and such group includes, but is not limited to:
   a. A Family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the Family);
   b. An elderly Family;
   c. A near-elderly Family;
   d. A disabled Family;
   e. A displaced Family; and
   f. The remaining member of a tenant Family.

Family Relationships.
Applicants and program participants are required to identify the relationship of each household member to the head of household. Family relationships are verified only to the extent necessary to determine a Family's eligibility and level of assistance.

Under this Administrative Plan Family members are not required to be related by birth, marriage, adoption or guardianship if they live together and share resources. This means that unrelated individuals who choose to live together and share resources qualify as a Family.

C. Income Limits. An applicant's annual income must be at or below HUD's established income limits for the Family size. Please note: An additional review is required for college students.

Full-Time College Students of Non-Parental/Guardian Households. (Notice PIH 2005-16)
Independent full-time college students who meet the following criteria may qualify for the HCV program. An applicant must be legal age or an emancipated minor under state law.

1. Each college student within a household must provide a written/signed certification that the student does or does not anticipate receiving financial support from the student's parent(s) or guardian(s) and the amount of support,
2. The college student must have established a household separate from his/her parents or legal guardians for at least one year prior to applying to housing choice voucher program and must provide evidence of separate households by supplying the address information that predates the student's application by a minimum of one year,
3. The college student must not be claimed as a dependent by parent(s) or legal guardian(s) on their Internal Revenue Services (IRS) tax return and
4. The college student must be income eligible.

D. Section 214 Non-Citizen Rule. All applicants must qualify on the basis of citizenship or eligible immigration status. (24 CFR, Part 5, Subpart E)

Each Family member must declare whether the individual is a citizen, a national or an eligible non-citizen, except those members who elect not to contend that they have eligible immigration status. Those who elect not to contend their status are considered to be ineligible non-citizens.

If it is determined that an applicant does not include any citizens, nationals or eligible non-citizens, following the verification process, the BHA will send a Notice of Denial letter. The notice will explain the reasons for the denial of assistance and will advise of the right to request an Informal Hearing.

The notice will also inform: (1) the applicant of their right to file an appeal to the U.S. Citizenship and Immigration Services (USCIS); (2) that assistance may not be delayed until the conclusion of the USCIS appeal process, and (3) it may be delayed pending the completion of the Informal Hearing.

E. Family Obligations. (24 CFR §982.551)

- All Family members must sign and comply with the BHA's Family Obligations.
- The Family must not have violated a Family obligation within the last three (3) years.
- When a Family is required to provide notice to the BHA, the notice must be in writing or other method needed by a person with a disability.

1. ***Supplying required information***.
   - The Family must supply any information that the BHA 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 5). "Information" includes any requested certification, release or other documentation.
   - The Family must supply any information requested by the BHA or HUD for use in a regularly scheduled reexamination or interim reexamination of Family income and composition in accordance with HUD requirements.
   - The Family must disclose and verify social security numbers (as provided by part 5, subpart B, of this title) and must sign and submit consent forms for obtaining information in accordance with part 5, subpart B, of this title.
   - Any information supplied by the Family must be true and complete.
   - Income and household composition changes must be reported with ten days of the change.
2. ***HQS breach caused by Family.*** The Family is responsible for an HQS breach caused by the Family as described in 24 CFR §982.404(b).
3. ***Allowing BHA inspection.*** The Family must allow the BHA to inspect the unit at reasonable times and after reasonable notice.
4. ***Violation of lease.*** The Family may not commit any serious or repeated violation of the lease. Under 24 CFR §5.2005(c), incident(s) of actual or threatened domestic violence, dating violence, sexual assault, or stalking will not be construed as a serious or repeated lease violation by the victim, or threatened victim, of the domestic violence, dating violence, sexual assault, or stalking, or as good cause to terminate the tenancy, occupancy rights, or assistance of the victim.
5. ***Family notice of move or lease termination.*** The Family must notify the PHA and the Landlord before the moving out of the unit or terminating the lease. 24 CFR §982.354(d).
6. ***Landlord eviction notice.*** The Family must promptly give the BHA a copy of a Landlord eviction notice.
7. ***Use and occupancy of unit***:
   - The Family must use the assisted unit as their residence and the unit must be the Family's only residence.
   - The composition of the assisted Family residing in the unit must be approved by the BHA. The Family must promptly inform the BHA of the birth, adoption or court-awarded custody of a child. The Family must request BHA approval to add any other Family member as an occupant of the unit. No other person [i.e., nobody but members of the assisted Family] may reside in the unit (except for a foster child or live-in aide.
   - The Family must notify the BHA within ten (10) days of any changes, if a Family member no longer resides in the unit.

- With BHA approval, a foster child or a live-in-aide may reside in the unit. The BHA has the discretion to adopt reasonable policies concerning residence by a foster child or a live-in-aide and define when BHA consent may be given or denied.
- Members of the household may engage in legal profitmaking activities in the unit, but only if such activities are incidental to primary use of the unit for residence by members of the Family.
- The Family must not sublease or sublet the unit.
- The Family must not assign the lease or transfer the unit.

8. ***Absence from unit.*** The Family must supply any information or certification requested by the BHA to verify that the Family is living in the unit, or relating to Family absence from the unit, including any BHA-requested information or certification on the purposes of Family absences. The Family must cooperate with the BHA for this purpose. The Family must promptly notify the BHA of absence from the unit.
9. ***Interest in unit.*** The Family must not own or have any interest in the unit.
10. ***Fraud and other program violation.*** The members of the Family must not commit fraud, bribery or any other corrupt or criminal act in connection with the programs.
11. ***Crime by household members.*** The members of the household may not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety, or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises (24 CFR §982.553). Under 24 CFR §5.2005(b)(2), criminal activity directly related to domestic violence, dating violence, sexual assault, or stalking, engaged in by a member of a tenant's household, or any guest or other person under the tenant's control, shall not be cause for termination of tenancy, occupancy rights, or assistance of the victim, if the tenant or an affiliated individual of the tenant, as defined in 24 CFR §5.2003, is the victim.
12. ***Alcohol abuse by household members.*** The members of the household must not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents or persons residing in the immediate vicinity of the premises.
13. ***Other housing assistance.*** An assisted Family, or members of the Family, may not receive Section 8 tenant-based assistance while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative (as determined by HUD or in accordance with HUD requirements) federal, State or local housing assistance program.

F. Authorizations, Identification and Other Screening. All Family members must sign the BHA's authorization forms and provide documentation to show legal identity.

1. **Authorizations.** Form HUD-9886-A, Criminal History Declaration and reexamination forms.

2. **Identification.**
   - **Legal Identity.** Applicants/Participants are required to furnish verification of legal identity for each household member. Below is a chart that shows the acceptable forms of verification**.**

Verification of Legal Identity for Adults	Verification of Dependents
Current, valid state driver's license	Certificate of birth
Current, valid state identification card	Adoption papers
U.S. military discharge form - DD 214	Custody agreement
U.S. Passport	Health and Human Services ID
Employer identification card	School records
VA issued photo identification card	

   If a document submitted by a Family is illegible or otherwise questionable, more than one of the above documents may be required. If no documents can be provided, a third party who knows the person may attest to the person's identity. The certification must be provided in an acceptable format and be signed in the presence of a BHA representative.
   - **Social Security Numbers.** Verification of social security numbers will be done through a social security card issued by the Social Security Administration or other communication from the Social Security Administration. If document(s) are provided in lieu of a social security card, the applicant is also required to certify in writing that the submitted information is accurate.

- **Date of Birth.** A birth certificate or other official record of birth is the preferred form of age verification for all Family members. If an official record of birth or evidence of social security retirement benefits cannot be provided, the Family will be required to submit other documents that support the reported birth date of the Family member (e.g. school records, driver's license if birth year is recorded) and to provide self-certification.

3. **Background Checks.** All adult members must pass the BHA's criminal background check and HUD-required background checks.

4. **Screening for Eligibility.** Screening for eligibility includes obtaining criminal records from law enforcement agencies to screen applicants for admission to the HCV program. In order to obtain access to records, all adult members are required to complete a release form.

   Criminal background checks are necessary to determine whether a household member is subject to a lifetime registration requirement under a state sex offender program. In addition, a check is conducted on the Dru Sjodin National Sex Offender website.

   If assistance is denied based on a criminal record or on lifetime sex offender registration information, the household will be notified of the proposed action and will be provided information on how to obtain a copy of the record(s). The household will be given an opportunity to dispute the accuracy and relevance of the information prior to a denial of admission to the HCV program and provided an opportunity for an Informal Review/Hearing.

5. **Net Family Asset Limitations. Effective with HUD's HOTMA Implementation date.**
   - **For applicants: do not own Net Family Assets worth more than $100,000.**
   - **For participants:** _____

6. **Asset - Home Ownership Limitations. Effective with HUD's HOTMA Implementation date.**
   Do not own a home they could live in. This means a home you have the right to sell, that is not in substandard condition, is not too far from any adult's job to make commuting impractical, that is large enough for the Family, and is suitable for any disabled Family member's disability.
   - **For applicants: do not own a suitable home for residence.**
   - **For participants:** _____

Chapter 5 – Income and Deductions

A. **Annual Income.** (24 CFR §5.609(a))
Annual income includes, with respect to the Family:

1. All amounts not specifically excluded in the list of excluded income in section (b), received from all sources by each member of the Family who is 18 years of age or older or is the head of household or spouse, plus unearned income by or on behalf of each dependent who is under 18 years of age; and
2. When the value of net Family assets exceeds $50,000 (which amount HUD will adjust in accordance with the Consumer Price Index) and the actual returns from a given asset cannot be calculated, imputed returns on the asset based on the current passbook savings rate, as determined by HUD.

Excluded Income. (24 CFR §5.609(b))
Income received by all Family members must be counted unless specifically excluded by regulation. It is the responsibility of the head of household to report changes in Family composition within 10 days of the change. The rules on which sources of income are counted vary somewhat by Family member. The chart below summarizes how Family composition affects income determinations.

Summary of Income Included and Excluded by Person	
Head, spouse or co-head Other adult Family members	All sources of income not specifically excluded by regulations are included.
Children under 18 years of age	Employment income is excluded. All other sources of income, except those specifically excluded by regulations, is included.
Full-time students 18 years of age or older (not head/spouse/co-head)	Employment income above the dependent deduction is excluded. All other sources of income, except those specifically excluded by regulations, are included.
Foster child or foster adult	Income from all sources is excluded.
Live-in aides	Income from all sources is excluded.

Current circumstances will be used to determine anticipated income for the upcoming 12-month period. When income cannot be readily anticipated, historical data will be reviewed. The results of this review will be used to establish annual income. When current circumstances are not used to project annual income, a clear rationale for the decision will be documented. In all such cases the Family may present information and documentation to show why the historic pattern does not represent the Family's anticipated income.

If an upcoming increase or decrease in income is verified, annual income will be calculated by applying each income amount to the appropriate part of the 12-month period. The Family may present information that demonstrates that implementing a change before its effective date would create a hardship. In such cases annual income will be calculated using current circumstances and an interim reexamination will be required when a change occurs.

Using Electronic Income Verification (EIV) to Project Income.
Procedures for anticipating annual income include the use of HUD's Electronic Income Verification (EIV) system. "HUD Guidelines for Projecting Annual Income When Up-Front Income Verification (UIV) Data Is Available" will be used in handling differences between UIV and Family-provided income data. The guidelines depend on whether a difference is substantial or not. HUD defines a substantial difference as a difference of $200 or more per month.

<u>No Substantial Difference</u>.
If UIV information for a particular income source differs from the information provided by a Family by less than $200 per month, the BHA will use the following guidelines:

- If the UIV figure is less than the Family's figure, the Family's information will be used.
- If the UIV figure is more than the Family's figure, the UIV data will be used unless the Family provides documentation of a change in circumstances to explain the discrepancy (e.g. a reduction in work hours). Upon receipt of acceptable Family-provided documentation of a change in circumstances, the Family-provided information will be used.

Substantial Difference.
If UIV information for a particular income source differs from the information provided by a Family by $200 or more per month, the BHA will use the following guidelines:

- Written third-party verification will be requested from the discrepant income source.
- When income cannot be readily anticipated, historical income data will be reviewed for patterns of employment, paid benefits and receipt of other income.
- The most current verified income data will be used and, if appropriate, historical income data to calculate anticipated annual income.

Welfare Assistance.
Welfare assistance is counted in annual income. Welfare assistance includes Temporary Assistance for Needy participants (TANF) and any payments based on need that are made under programs funded separately or jointly by federal, state or local governments.

Sanction Resulting in the Reduction of Welfare Benefits.
A special calculation of annual income must be made when the welfare agency imposes sanctions. The requirements are summarized in HUD regulations and/or PIH Notices. This rule applies only if a Family was receiving HCV assistance at the time the sanction was imposed.

B. **Mandatory Deductions.** In determining adjusted income, the following deductions will be used:

1. Dependent deduction. A dependent is a person other than the Family head, spouse or co-head who is:
   - under age 18, or
   - 18 years of age or older and a full-time student, or
   - 18 years of age or older and meets HUD's definition of a person with a disability,

Effective the latter of January 1, 2027, or HUD's HOTMA Implementation date, this deduction will be adjusted by HUD, in accordance with the Consumer Price Index.

2. Elderly/Disabled deduction: An elderly or disabled Family is a Family whose head, spouse, co-head or sole member is a person over age 62 or a person with a disability,

Effective the latter of January 1, 2027, or HUD's HOTMA Implementation date, this deduction will be adjusted by HUD, in accordance with the Consumer Price Index.

3. Medical expense deduction. The deduction is reduced by a percentage of annual income:
   a. Unreimbursed medical expenses of any member of an elderly Family or disabled Family,
   b. Unreimbursed reasonable attendant care and auxiliary apparatus expenses to enable any member of the Family to be employed. This deduction may not exceed the earned income received who are able to work because of such attendant care or auxiliary apparatus; and

Effective the latter of January 1, 2027, or HUD's HOTMA Implementation date, the reduction percentage will be 10%. A Family may be eligible for a hardship exemption.

4. Any reasonable childcare expenses for dependents under age 13 necessary to enable a member of the Family to be employed or to further his or her education.

Anticipating Expenses.

Current circumstances will be used to anticipate expenses. When possible, for costs that are expected to fluctuate during the year (e.g. childcare during school and non-school periods and cyclical medical expenses), costs will be estimated based on historic data and known future costs.

Medical Expenses Deduction.

The medical expense deduction is permitted only for participants in which the head, spouse or co-head is at least 62 years of age or is a person with disabilities. If a Family is eligible for a medical expense deduction, the medical expenses of all Family members are counted. The following chart provides a summary of allowable expenses.

Summary of Allowable Medical Expenses from IRS Publication 502	
Services of medical professionals: doctors, nurses, practical nurses, therapists, Surgery and medical procedures that are necessary, legal, non-cosmetic Services of medical facilities Hospitalization, long-term care and in-home nursing services Prescription medicines, but nonprescription medicines only if prescribed by a doctor Improvements to housing directly related to medical needs (e.g. ramps, handrails, etc.) The amount of unpaid medical bills to be paid during the certification year.	Substance abuse treatment programs Psychiatric treatment Ambulance services and some costs of transportation related to medical expenses The cost of necessary equipment related to a medical condition (e.g. eyeglasses, hearing aids, crutches and artificial teeth) Cost and continuing care of necessary assistance animals Medical insurance premiums or the cost of a health maintenance organization (HMO)
Note: This chart provides a summary of eligible medical expenses only. Detailed information is provided in IRS Publication 502. Medical expenses are considered only to the extent they are not reimbursed by another source.	

When expenses anticipated by a Family could be defined as either medical or disability assistance expenses, they will be considered medical expenses, unless it is clear that the expenses are incurred exclusively to enable any adult to work.

A third-party verification form will be sent directly to the medical provider requesting the needed information for medical expenses. Medical expenses will be verified through:

- Third-party verification form signed by the provider, when possible.
- If third-party is not possible, copies of cancelled checks used to make medical expense payments and/or printouts or receipts from the source will be used. In this case, the best effort will be made to determine what expenses from the past are likely to continue to occur in the future. Evidence of monthly payments or total payments that will be due for medical expenses during the upcoming 12 months will also be accepted.
- If third-party or document review is not possible, written Family certification as to costs anticipated to be incurred during the upcoming 12 months.
- In addition, the BHA must verify that:
  - The household is eligible for the deduction.
  - The costs to be deducted are qualified medical expenses.
  - The expenses are not paid for or reimbursed by any other source.
  - Costs incurred in past years are counted only once.

Disability Assistance Expenses Deduction.

A Family can qualify for the disability assistance expense deduction only if at least one Family member (who may be the person with disabilities) is actually working. The disability expense deduction is capped by the amount of “earned income received by Family members who are 18 years of age or older and who are able to work” because of the expense.

The Family member(s) enabled to work as a result of the disability assistance expenses must be identified. In evaluating the Family’s request, factors such as how the work schedule of the relevant Family members relates to the hours of care provided, the time required for transportation, the relationship of the Family members to the person with disabilities and any special needs of the person with disabilities that might determine which Family members are enabled to work will be considered.

When it is determined that the disability assistance expenses enable more than one Family member to work, the expenses will be capped by the sum of the working Family members’ incomes.

Third-party verification will be sought from a Rehabilitation Agency or knowledgeable medical professional indicating that the person with disabilities requires attendant care or an auxiliary apparatus to be employed or that the attendant care or auxiliary apparatus enables another Family member or members, to work.

If third-party and document review verification has been attempted and is either unavailable or proves unsuccessful, the Family must certify that the disability assistance expense frees a Family member or members (possibly including the Family member receiving the assistance), to work.

An attendant care provider will be asked to certify that, to the best of the provider's knowledge, the expenses are not paid by or reimbursed to the Family from any source. The Family will be required to certify that attendant care or auxiliary apparatus expenses are not paid by or reimbursed to the Family from any source.

Eligible Auxiliary Apparatus.

Expenses incurred for maintaining or repairing an auxiliary apparatus is eligible. In the case of an apparatus that is specially adapted to accommodate a person with disabilities (e.g. a vehicle or computer), the cost to maintain the special adaptations is an eligible expense. The cost of service animals trained to give assistance to persons with disabilities, including the cost of acquiring the animal, veterinary care, food, grooming and other continuing costs of care, will be included.

Expenses for auxiliary apparatus will be verified through:

- Third-party verification of anticipated purchase costs of auxiliary apparatus,
- If third-party is not possible, billing statements for the purchase of auxiliary apparatus or other evidence of monthly payments or total payments that will be due during the upcoming 12 months or
- If third-party or document review is not possible, written Family certification will be accepted.

Eligible Attendant Care.
The Family determines the type of attendant care that is appropriate for the person with disabilities. Attendant care includes, but is not limited to, reasonable costs for home medical care, adult day care, nursing services, in-home or center-based care services, interpreters for persons with hearing impairments and readers for persons with visual disabilities.

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

A third-party verification form will be sent directly to the care provider requesting the information needed for attendant care. If third party is not possible, copies of cancelled checks and/or receipts from care source. If third-party or document review is not possible, written Family certification as to costs anticipated to be incurred for the upcoming 12 months.

Payments to Family Members.
No disability assistance expenses may be deducted for payments to a member of an assisted Family. However, expenses paid to a relative who is not a member of the assisted Family may be deducted if they are not reimbursed by an outside source.

Necessary and Reasonable Expenses.
The Family determines the type of care or auxiliary apparatus to be provided and must describe how the expenses enable a Family member to work. The Family must certify that the disability assistance expenses are necessary and are not paid or reimbursed by any other source.

Child Care Expenses.
The Family must identify the Family member(s) enabled to pursue an eligible activity, i.e. seeking work, pursuing an education or being gainfully employed.

In evaluating the Family's request, factors such as how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the relationship of the Family member(s) to the child and any special needs of the child that might help determine which Family member is enabled to pursue an eligible activity will be considered.

- Seeking Work – the Family must provide evidence of the Family member's efforts to obtain employment. The deduction may be reduced or denied if the Family member's job search efforts are not commensurate with the childcare expense being allowed.
- Furthering Education – If the childcare expense being claimed is to enable a Family member to further his or her education, the member must be enrolled in an academic or vocational school or participate in a formal training program.
- Being Gainfully Employed – If the childcare expense being claimed is to enable a Family member to be gainfully employed, the Family must provide evidence of the Family member's employment.

Earned Income Limit on Child Care Expense Deduction.
When a Family member looks for work or furthers his or her education, there is no cap on the childcare deduction amount. However, the care must still be necessary and reasonable. When childcare enables a Family member to work, the deduction is capped by "the amount of employment income that is included in annual income". When more than one Family member works during a given period, the allowable childcare expenses include the earned income of all workers.

Eligible Child Care for Unreimbursed Expenses.
The type of care to be provided is determined by the assisted Family. The BHA will not refuse to give a Family a childcare expense deduction because there is an adult Family member in the household that may be available to provide childcare.

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

Childcare expenses will be considered for the time required for the eligible activity plus reasonable transportation time. For reasonableness of childcare costs, the schedule of childcare costs from the local welfare agency will be used. Participants may present justification for costs that exceed these amounts for consideration.

Verification Methods.
All information used to establish the Family's eligibility and level of assistance must be verified. The BHA will follow HUD's rules as set forth in 24 CFR parts 5, 982 and the BHA's verification procedures to accomplish this objective.

Chapter 6 – Voucher Briefings and Issuance

A. Voucher Issuance.

Applicants determined eligible for the HCV program will be issued a Voucher. In order for HCV program assistance to begin, a Request for Tenancy Approval (RTA) form must be submitted to the BHA during the Voucher term and all of the following program requirements must be met:

- The prospective unit must be deemed eligible, to include passing a housing inspection.
- The Landlord must be eligible to participate with the HCV program.
- The Landlord's lease must be approved by the BHA and must include the HUD Tenancy Addendum.
- The contract rent must be determined reasonable, in comparison to unassisted units in the vicinity.
- For initial leases: when the gross rent of the unit exceeds the applicable payment standard, the share of rent to be paid by the Family must not exceed 40 percent of the Family's monthly adjusted income.
- The Family and the Landlord have executed an approved lease.

Voucher Term. Upon issuance, applicants will be given 90 days to locate a unit and submit an RTA.

Voucher Extensions. One 30-day extension may be approved when requested due to reasons beyond the voucher holder's control, under the following circumstances:

- Serious illness or death in the Family,
- Other Family emergency,
- Obstacles due to employment,
- If the Family submitted requests for tenancy approval that were not approved,
- Whether Family size or disability requirements make finding a unit difficult.

Requests for a voucher extension must include the reason for the request and documentation to support the request. All requests for extensions to the voucher term must be made in writing and submitted prior to the voucher expiration date. Acceptable documentation includes, but is not limited to: previously submitted RTAs, the applicant's illness and/or circumstances that were beyond the applicant's control. A voucher holder whose household includes a person with a disability may be granted more than one extension, if the extension request relates to special needs of the disabled Family member.

Voucher Expiration.
If an applicant or participant's voucher expires before an approvable Request for Tenancy Approval (RTA) is submitted to the BHA, the opportunity to participate with the HCV program will be lost. In addition, the applicant/participant will not be eligible for an Informal Review/Hearing.

Oral Briefing.
Applicants will be notified of their eligibility for assistance at the time they are invited to attend a voucher briefing. The notice will identify who is required to attend the briefing, as well as the date and time of the scheduled briefing. Applicants may be briefed individually or in groups.

If the notice is returned by the post office with no forwarding address, a Notice of withdrawal will be sent to the applicant's address of record, as well as to any alternate address provided on the initial application. Applicants who fail to attend a scheduled briefing will automatically be scheduled for a second scheduled briefing. Applicants who fail to attend two scheduled briefings will be sent a Notice of Denial letter.

Each Voucher briefing will provide the following information:

- How the Housing Choice Voucher Program works,
- Family and Landlord responsibilities,
- Where the Family can lease a unit, including renting a unit inside or outside the jurisdiction,
- List of participating Landlords,
- For applicants/participants eligible under portability, an explanation of portability,
- For applicants/participants living in high-poverty census tracts, an explanation of the advantages of moving to areas outside of high-poverty concentrations.

Briefing Packet.
Documents and information provided include the following:

1. The term of the voucher and policies on any extensions or suspensions of the term. If extensions are allowed, the packet must explain how the Family can request an extension.
2. A description of the method used to calculate the housing assistance payment for a Family, including how the payment standard for a Family is determined, how the total tenant payment for a Family is determined and information on the payment standard and utility allowance schedule.
3. An explanation of how the maximum allowable rent for an assisted unit is determined.
4. Where the Family may lease a unit. For a Family that qualifies to lease a unit outside the jurisdiction under portability procedures, the information must include an explanation of how portability works.
5. The HUD-required tenancy addendum, which must be included in the lease.
6. The form the Family must use to request approval of tenancy **and** a description of the procedure for requesting approval for a tenancy.
7. A statement of the policy on providing information about participants to prospective Landlords.
8. The subsidy standards, including when and how exceptions are made.
9. The HUD brochure on how to select a unit.
10. The HUD pamphlet on lead-based paint entitled *Protect Your Family from Lead in Your Home.*
11. Information on federal, state and local equal opportunity laws and a copy of the housing discrimination complaint form.
12. Notice that if the Family includes a person with disabilities, the Family may request a list of known available accessible units.
13. The Family obligations under the HCV program.
14. The grounds on which assistance may be terminated due to the Family's action or failure to act.
15. Informal hearing procedures, including when the participant Family should be offered an opportunity for an Informal Hearing and how to request the hearing.
16. Maps showing areas with housing opportunities outside areas of poverty or minority concentration, including information about job opportunities, schools, transportation and other services.
17. An explanation of how portability works, including a list of portability contact persons for neighboring Housing Authorities including names, addresses and telephone numbers.
18. When the PHA-owned units are available for lease, a written statement will be provided that explains that the Family has the right to select any eligible unit available for lease and is not obligated to choose a PHA-owned unit.
19. Information on how to fill out and file a housing discrimination complaint form.
20. The publication *Things You Should Know (HUD-1140-OIG)* that explains the types of actions a Family must avoid and the penalties for program abuse.
21. Screening for Suitability as a Tenant. The BHA will provide information that it is the landlord's responsibility to conduct tenant screening to determine a voucher holder's suitability for tenancy.
22. The BHA may provide prospective landlords with the name and address (if known) of the Landlord for the voucher holder's current and prior addresses.

Encouraging Participation in Areas of Low Poverty Concentration.
To expand the number of rental property Landlords participating in the Housing Choice Voucher program, brochures are mailed or emailed to property management companies and landlord briefings are conducted. Statistics on the concentration of low-income residents are periodically reviewed, and when such areas are identified, additional outreach is conducted to property Landlords outside those areas.

Chapter 7 – Subsidy Standards, Payment Standards, Tenant Rent & HAP Calculation

A. Subsidy Standards and Voucher Size.

The PHA determines the appropriate number of bedrooms under the subsidy standards and enters the bedroom size on the Voucher issued. The unit size on the Voucher does not dictate the size of unit the Family must select, nor does it determine who within a household will share a bedroom or sleeping room.

The following requirements apply for the BHA to determine the Voucher size:

1. Every bedroom must be occupied by at least one person and no more than two persons (although an infant may be added),
2. The subsidy standards provide for the smallest number of bedrooms needed to house a Family without overcrowding.
3. The subsidy standards are consistent with space requirements under the HQS/NSPIRE standards.
4. The subsidy standards are applied consistently for all participants of like size and composition.
5. A child who is temporarily in foster care is considered a Family member in determining Voucher size with verification from a child-placing agency that the child will return to the home.
6. A Family that consists of a pregnant woman (with no other persons) is treated as a two-person Family.
7. Any live-in aide must be counted in determining the Voucher size.
8. Unless a live-in-aide resides with a Family, the unit size for any Family consisting of a single person must be either a zero or one-bedroom unit.
9. One bedroom will be assigned for the head of household or spouse or co-head (also known as significant other).
10. An additional bedroom will be assigned for each two additional persons within the household,

The following chart is used in determining the appropriate voucher size for a Family:

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

Exceptions to the Subsidy Standards.

An exception to the subsidy standards will be considered if it is determined that the exception is justified as a reasonable accommodation. If a Family with a disabled member requests an extra bedroom for medical equipment, the PHA will inspect the equipment before granting the request. The request must explain the need or justification for a change in voucher size and must include appropriate documentation.

Requests based on health-related reasons will be verified by a knowledgeable professional, unless the disability/disability–related request is readily apparent or otherwise known. If a reasonable accommodation request is denied, the notice to the Family will inform of the right to request an Informal Hearing.

B. Payment Standards.

Payment standards are used to calculate the HAP for a Family. In accordance with HUD regulations and at the BHA's discretion, the Voucher Payment Standard (VPS) amount is set by the BHA between 90 and 110% of the HUD published Small Area Fair Market Rents (SAFMR). This is considered the basic range. The BHA reviews the appropriateness of the VPS annually when the SAFMRs are published.

In determining whether a change is needed to the payment standards, the BHA will ensure that the VPS is within the range of 90 percent to 110 percent of the new SAFMR. The BHA will establish a single VPS amount for each SAFMR zip code area in the BHA's jurisdiction.

Updating the Payment Standards.
To ensure the payment standards are always within the "basic range" the following factors will be considered when determining whether an adjustment should be made to the payment standard schedule:

- **Funding Availability**: The budget will be reviewed to determine the impact projected subsidy adjustments will have on funding available for the program and the number of participants served. The number of participants who could be served under revised payment standard amounts will be compared with the number assisted under current payment standard amounts.
- **Rent Burden of Participating participants:** Rent burden will be determined by identifying the percentage of participants, for each unit size, that are paying more than 30 percent of their monthly adjusted income as the Family share. When 40 percent or more of participants, for any given unit size, are paying more than 30 percent of adjusted monthly income as the Family share, an increase to the payment standard will be considered. In evaluating rent burdens, participants renting a larger unit than their Family unit size will not be included.
- **Quality of Units Selected**: The quality of units selected by program participants will be reviewed when making the determination of the percent of income participants are paying for housing, to ensure that payment standard increases are only made when needed to reach the mid-range of the market.
- **Changes in Rent to Landlord**: A sample of the units may be reviewed to determine how often Landlords are increasing or decreasing rents and the average percent of increases/decreases by bedroom size.
- **Unit Availability:** The availability of units for each unit size, particularly in areas with low concentrations of poor and minority participants will be reviewed.
- **Lease-up Time and Success Rate**: The percentage of participants that are unable to locate suitable housing before the voucher expires and whether participants are leaving the jurisdiction to find affordable housing will be reviewed.

The effective date of the BHA's new payment standards will be no later than January 1st, following implementation of the federal fiscal year's Fair Market Rents as issued by HUD.

Exception to the Payment Standards.
At HUD's sole discretion, HUD may approve a payment standard amount that is higher than the basic range. HUD may approve an exception payment standard amount (in accordance with program requirements) for all units or for all units of a given size. Any Housing Authority with jurisdiction in the exception area may use the HUD-approved exception payment standard amount. The total population of all HUD-approved exception areas in an FMR area may not include more than 50 percent of the population of the FMR area. The PHA may approve a higher VPS within the basic range, if required as a reasonable accommodation for a Family that includes a person with disabilities.

Unit-by-Unit Exceptions
A Family that requires a reasonable accommodation may request a higher payment standard at the time the Request for Tenancy Approval (RTA) is submitted. The Family must document the need for the exception. In order to approve an exception or request an exception from HUD, it must be determined that:

- There is a shortage of affordable units that would be appropriate for the Family,
- The Family's TTP would otherwise exceed 40 percent of adjusted monthly income and
- The rent for the unit is reasonable.
- The BHA may approve a payment standard up to 120 percent of the FMR without HUD approval as a reasonable accommodation for a person with a disability who needs changes to the unit to accommodate the disability.

"Success Rate" Payment Standard Amounts.
If a substantial percentage of participants have difficulty finding a suitable unit, a "success rate payment standard" that applies to the entire jurisdiction may be requested. If approved by HUD, a success rate payment standard allows payment standards to be set at 90-110 percent of a higher FMR (the 50th, rather than the 40th percentile FMR). To support the request, the PHA must demonstrate the following for the most recent 6-month period:

- Fewer than 75 percent of participants who were issued vouchers became participants,
- The payment standards for all unit sizes and for the entire jurisdiction had been established at 110 percent of the published FMR and
- The Housing Authority had a policy of allowing voucher holders at least 90 days to search for a unit.

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

Payment Standard Decreases Below the Basic Range.
HUD approval may be requested to establish a payment standard amount that is lower than the basic range. At HUD's sole discretion, HUD may approve establishment of a payment standard lower than the basic range. HUD will not approve a lower payment standard if the Family share for more than 40 percent of program participants exceeds 30 percent of adjusted monthly income.

The BHA will change to the lower VPS based on the SAFMRs to calculate the Family's HAP. This change will begin at the effective date of the Family's second regular reexamination following the effective date of the decrease in the VPS.

C. **Tenant Rent Calculation.**

Minimum Rent and Financial Hardship Exemption.
With the implementation of the Quality Housing and Work Responsibility Act of 1998 (QHWRA), the BHA established a minimum rent of $50.

Financial Hardship Exemption. A Family may request an exemption from the BHA's minimum rent requirement. An exemption may be granted if the Family is unable to pay the minimum rent under the following circumstances:

- When the Family has lost eligibility for or is awaiting an eligibility determination for a Federal, State or local assistance program;
- When the Family would be evicted because of the imposition of the minimum rent requirement;
- When the Family's income has decreased due to a change, including loss of employment;
- When a death has occurred in the Family; and
- Other circumstances determined by the BHA or HUD.

If the BHA denies a hardship exemption, the Family will be provided an opportunity for an Informal Review/Hearing.

Rent and Subsidy Calculations.
The Total Tenant Payment (TTP) is the highest of the following amounts, rounded to the nearest dollar:

- 30% of the Family's monthly adjusted income
- 10% of the Family's monthly gross income
- The $50 minimum rent

The amount that a Family pays for rent and utilities (the Family share) will never be less than the Family's TTP but may be greater than the TTP depending on the rent charged for the unit the Family selects.

Minimum Rent. The BHA's minimum rent is $50.

Family Share for the Housing Choice Voucher Program.
If a Family chooses a unit with a gross rent (rent to Landlord plus an allowance for tenant-paid utilities) that exceeds the applicable payment standard:

1. The Family will pay the TTP plus the amount by which the gross rent exceeds the TTP, and
2. At initial occupancy ONLY, the RTA may not be approved if it requires the Family share to exceed 40 percent of the Family's monthly adjusted income.

D. **HAP Calculation for the HCV Program.**
The BHA will pay a monthly housing assistance payment (HAP) for a Family that is equal to the lower of:

1. The applicable payment standard for the Family minus the Family's TTP or
2. The gross rent for the Family's unit minus the TTP.

If there is a change in the Family unit size that would apply during the HAP Contract term, the new Family unit size will be used to determine the payment standard amount at the first annual reexamination following the change.

E. **Utility Allowances.**
The BHA-established utility allowance schedule is used with the HAP calculation. Utility allowances will be authorized based on the unit size approved for the Family. If a larger unit is selected the utility allowance will not be increased to match the unit size. However, if a smaller unit is selected the utility allowance will be decreased to match the smaller unit size. Revised utility allowances will be applied to a Family's rent and subsidy calculations at the first annual reexamination that is effective after the allowance is adopted.

If a Family qualifies for a larger unit as a reasonable accommodation to a Family member's disability, the Family will receive the utility allowance for the larger unit since this is the unit size approved for the Family.

Utility Reimbursement Payments.
When the PHA subsidy for a Family exceeds the rent to Landlord, the BHA will pay the Family utility reimbursement(s).

C. Applying Payment Standards.
The payment standard for a Family is the lower of:

- The payment standard for the Family unit size, which is defined as the appropriate number of bedrooms for the Family under the subsidy standards or
- The payment standard for the size of the dwelling unit rented by the Family.

The PHA is required to pay a monthly housing assistance payment (HAP) for a Family that is the lower of:

- The payment standard for the Family minus the Family's TTP or
- The gross rent for the Family's unit minus the TTP.

If, during the term of the HAP Contract for a Family's unit, the Landlord lowers the rent, the HAP will be recalculated using the lower of the initial payment standard or the gross rent for the unit.

Changes in Payment Standards.
The Family share of the rent and HAP calculations must use the correct payment standard for the Family, taking into consideration the Family unit size, the size of unit and the area in which the unit is located. When the payment standards are changed or if the Family's situation changes, new payment standards are applied at the following times:

- If the payment standard amount changes during the term of the HAP Contract, the date on which the new standard is applied depends on whether the standard has increased or decreased:
  - If the payment standard amount has increased, the increased payment standard will be applied at the first annual reexamination following the effective date of the increase in the payment standard.
  - If the payment standard amount has decreased, the decreased payment standard will be applied at the second annual reexamination following the effective date of the decrease in the payment standard.
- If the Family moves to a new unit or a new HAP Contract is executed due to changes in the lease (even if the Family remains in place) the current payment standard applicable to the Family will be used when the new HAP Contract is processed.
- If the Family unit size increases or decreases during the HAP Contract term, the new Family unit size will be used to determine the payment standard for the Family beginning at the Family's first regular reexamination following the change in Family unit size.

Chapter 8 – HAP Contract, Request for Tenancy Approval and Rent Reasonableness

A. **The Housing Assistance Payments (HAP) Contract.**
After a determination is made by the PHA, a Voucher will be issued. In order for the BHA to execute a Housing Assistance Payments (HAP) contract with a Landlord, all of the following must be met:

- The unit itself must qualify as an eligible unit.
- The unit must be inspected by the PHA and meet housing inspection standards.
- The Landlord must be an eligible Landlord, approved by the PHA, with no conflicts of interest.
- The lease offered by the Landlord must be approved by the PHA and must include the required Tenancy Addendum.
- The proposed rent must be reasonable when compared to unassisted units in the area.
- When initially leasing a unit where the gross rent exceeds the applicable payment standard, the share of rent to be paid by the Family cannot exceed 40 percent of the Family's monthly adjusted income.
- The Family and the Landlord have executed a lease that includes HUD's Tenancy Addendum.

The HAP Contract represents a written agreement between the BHA and the Landlord of the assisted housing unit. The contract spells out the Landlord's responsibilities under the program, as well as the PHA's obligations. Under the HAP Contract, the PHA agrees to make housing assistance payments to the Landlord on behalf of the Family occupying a specific unit.

B. **Request for Tenancy Approval (RTA) Form**.
Upon issuance, applicants will be given 90 days to locate a unit and submit an RTA. When the PHA receives an RTA package, the "clock" will be stopped on the voucher term, also known as "tolling". This tolling will stop if the RTA is disapproved for any reason and the voucher holder will have the time remaining on the Voucher to locate a suitable housing unit.

If it is determined that the tenancy cannot be approved for any reason, the Landlord and the Voucher holder will be notified in writing and will be given the opportunity to address any reasons for disapproval.

When a Family approaches a Landlord to apply for tenancy, the Landlord is responsible for tenancy screening, just as the Landlord would with any other potential tenant. The PHA has no liability or responsibility to the Landlord or other persons for the Family's behavior or suitability for tenancy.

The selected unit must be a type that is eligible for the program. Other types may be assisted under certain conditions. In addition, the Landlord must document legal Ownership of the specified unit. The PHA may <u>not</u> assist a unit under the voucher program if the unit is:

1. A public housing or Indian housing unit,
2. A unit receiving project-based assistance under section 8 of the 1937 Act,
3. Nursing homes, board and care homes or facilities providing continual psychiatric, medical or nursing services,
4. College or other school dormitories,
5. Units on the grounds of penal, reformatory, medical, mental and similar public or private institutions,
6. A unit occupied by its Landlord or by a person with any interest in the unit.

The selected unit must meet HUD's housing inspection standards, along with state or local standards approved by HUD. The BHA will inspect the assisted unit at various stages of HCV program participation, to ensure that the unit continues to meet the standards.

In addition, the BHA must determine that the cost of the unit is reasonable. The rent must be reasonable in relation to comparable unassisted units in the area and must not be in excess of rents charged by the Landlord for comparable, unassisted units on the premises. At initial lease-up of a unit, the BHA will determine that the share of rent to be paid by the Family does not exceed 40 percent of the Family's monthly adjusted income. After initial lease up, if the Family stays in place and the Landlord is approved for a rent increase, the Family is permitted to pay more than 40 percent of adjusted monthly income. The Family's other option is to move to a less expensive unit.

The Family and the Landlord must execute and enter into a written dwelling lease for the assisted unit. This lease is a contract between the Family and the Landlord. The PHA is not a party to this contract.

Lease Execution.
The dwelling lease must comply with all program requirements. If the Landlord uses a standard lease form for rental to unassisted tenants in the locality or the premises, the lease must be in such standard form. If the Landlord does not use a standard lease form for rental to unassisted tenants, the Landlord may use another form of lease, including a model or standard dwelling lease that can be supplied by the PHA. The HAP Contract prescribed by HUD contains the Landlord's certification that if the Landlord uses a standard lease form for rental to unassisted tenants, the lease is in such standard form.

All provisions in the HUD-required Tenancy Addendum must also be added word-for-word to the Landlord's standard lease form, for use with the assisted Family. The Tenancy Addendum includes the tenancy requirements for the program and the composition of the household as approved by the PHA. As a part of the lease, the tenant shall have the right to enforce the Tenancy Addendum against the Landlord and the terms of the Tenancy Addendum shall prevail over any other provisions of the lease.

The assisted dwelling lease must contain all of the required information as listed below:

- The names of the Landlord and the tenant,
- The physical address of the housing unit rented
- The term of the lease (initial term and any provisions for renewal),
- The amount of the monthly rent to Landlord and
- A specification of what utilities and appliances are to be supplied by the Landlord and what utilities and appliances are to be supplied by the Family.

The initial term of the assisted dwelling lease must be for at least one year, be effective during the first of the month and must be stated in the HAP Contract. During the initial term of the lease, the Landlord may not raise the rent to tenant. Any provisions for renewal of the dwelling lease will be stated in the dwelling lease. There are no HUD requirements regarding any renewal extension terms, except that they must be in the dwelling lease if they exist.

The PHA and the Landlord enter into a formal contractual relationship by executing the Housing Assistance Payment (HAP) Contract (Form HUD-52641). The HAP Contract format is prescribed by HUD. The PHA may execute the HAP Contract even if there is less than one year remaining from the beginning of the initial lease term to the end of the last expiring funding increment under the consolidated ACC.

Separate Non-Lease Agreements between Landlord and Tenant.
Landlords may not demand or accept any rent payment (or additional security deposits) from the Family in excess of the rent to the Landlord minus the housing assistance payments to the Landlord. The Landlord may not charge the tenant extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants in the premises.

Any items, appliances or other services that are not customarily provided to unassisted participants as part of the dwelling lease with those participants, are not permanently installed in the dwelling unit and where the Family has the sole option of not utilizing the item, appliance or service, may be included in a separate non-lease agreement between the Landlord and the Family. This could include a garage, a parking space or a separate storage area.

The Family is not liable and cannot be held responsible under the terms of the assisted dwelling lease for any charges pursuant to a separate non-lease agreement between the Landlord and the Family. Non-payment of any charges pursuant to a separate non-lease agreement between the Landlord and the Family cannot be a cause for eviction or termination of tenancy under the terms of the assisted dwelling lease.

Special Housing Types.
Participants will not be permitted to use any special housing types, unless use is needed as a reasonable accommodation so that the program is readily accessible to a person with disabilities.

Changes in Lease or Rent.
If the Family and the Landlord agree to any lease changes, such changes must be in writing and the Landlord must inform the BHA. A new HAP Contract is required under the following circumstances:

- Changes in lease requirements regarding Family/Landlord responsibilities for utilities or appliances,
- Changes in lease provisions governing the term of the lease, or
- The Family moves to a new unit, even if the unit is in the same building or complex

The Landlord must notify the BHA of any changes in rent at least 60 days before the effective date. The BHA will determine whether the requested increase is reasonable. The Landlord will be notified of the determination in writing. No rent increase is permitted during the initial term of the lease.

Rent increases will go into effect on the first of the month following the 60-day period or on the date specified by the Landlord, whichever is later.

Landlord Responsibilities. The basic Landlord responsibilities in the HCV program are outlined as follows:

- Perform all Landlord obligations under the HAP Contract and the lease,
- Perform all management and rental functions for the assisted unit, including selecting a voucher-holder to lease the unit and deciding if the Family is suitable for tenancy of the unit,
- Maintain the unit in accordance with the HQS/NSPIRE standards (HQS/NSPIRE), including performance of ordinary and extraordinary maintenance,
- Comply with equal opportunity requirements,
- Prepare and furnish information required under the HAP Contract,
- Collect from the Family any security deposit (may not be more than one month's contract rent), the tenant's contribution to rent (that part of rent to Landlord not covered by the housing assistance payment) and any charges for unit damage by the Family,
- Enforce tenant obligations under the dwelling lease,
- Pay for utilities and services (unless paid by the Family under the lease).

Landlords Barred from Participation.
The assisted tenancy will not be approved if the Landlord has been debarred, suspended or subject to a limited denial of participation under 24 CFR part 24.

Leasing to Relatives.
An RTA will not be approved if the Landlord is the parent, stepparent, child, stepchild, grandparent, grandchild, sister, stepsister or brother or stepbrother, aunt or uncle of any member of the Family. An exception may be made as a reasonable accommodation for a Family member with a disability.

Landlord Actions That May Result in Disapproval of a Tenancy Request.
The PHA will refuse to approve a request for tenancy if any of the following are true:

- The Landlord has violated obligations under a HAP Contract under the 1937 Act,
- The Landlord has committed fraud, bribery or any other corrupt or criminal act in connection with a federal housing program,
- The Landlord has engaged in a drug-related criminal activity or violent criminal activity,
- The Landlord has a history or practice of non-compliance with housing inspection standards for units leased under the HCV program or leased under any other federal housing program,
- The Landlord has a history or practice of failing to terminate tenancy under HCV or any other federally assisted housing program for activity engaged in by the tenant, any member of the household, a guest or another person under the control of any member of the household that:
    - Threatens the right to peaceful enjoyment of the premises by other residents,
    - Threatens the health or safety of other residents, of employees of the PHA or of Landlord employees or other persons engaged in management of the housing,
    - Threatens the health or safety of or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises or
    - Is drug-related criminal activity or violent criminal activity.
- The Landlord has a history or practice of renting units that fail to meet state or local housing codes at least three times,

- The Landlord has not paid state or local real estate taxes, fines or assessment.
- The Landlord has required or attempted to require HCV participants to make rent payments above those spelled out in the Lease and HAP Contract.

In considering whether to disapprove Landlords for any of the discretionary reasons listed above, mitigating factors mayl be considered. Such factors may include, but are not limited to, the seriousness of the violation in relation to program requirements, the impact on the ability of participants to lease units under the program, health and safety of participants, among others.

Legal Ownership of Unit.
The PHA will only enter into a contractual relationship with the legal Landlord of a qualified unit. No tenancy will be approved without acceptable documentation of legal ownership. In addition, the Landlord must demonstrate that the real estate taxes on the property are current. When a unit is owned by more than one person the HAP Contract will be in the name of all owners.

Non-Discrimination.
The Landlord must not discriminate against any person because of race, color, religion, sex, national origin, age, familial status, sexual orientation, gender identity, marital status or disability, in connection with any actions or responsibilities under the HCV program and the HAP Contract.

The Landlord must cooperate with the PHA and with HUD in conducting any equal opportunity compliance reviews and complaint investigations in connection with the HCV program and the HAP Contract.

Landlord Recruitment.
The PHA is responsible for ensuring that very low income participants have access to all types and ranges of affordable housing within its jurisdiction, particularly housing outside areas of poverty or minority concentration. A critical element in fulfilling this responsibility is to ensure that a sufficient number of Landlords, representing all types and ranges of affordable housing in the jurisdiction, are willing to participate in the HCV program.

The PHA will conduct Landlord outreach to ensure that Landlords are familiar with the program and its advantages. Property Landlords with property located outside areas of poverty and minority concentration will be actively recruited. These outreach strategies will include:

- Distributing printed material about the program to property Landlords and managers.
- Contacting property Landlords and managers by phone or in-person.
- Holding Landlord recruitment/information meetings at least once a year.
- Participating in community based organizations comprised of private property and apartment Landlords and managers.
- Developing working relationships with Landlords and real estate brokers associations.

Landlord Retention.
All the PHA activities that may affect a Landlord's ability to lease a unit will be processed as rapidly as possible to minimize vacancy losses for Landlords. Landlords will be provided with an information packet that explains the program, including the BHA's policies and procedures.

HAP Contract Payments
During the term of the HAP Contract, the BHA will make monthly rental assistance payments to the Landlord on behalf of the Family. The Landlord and the Family will be notified in writing of any changes in the HAP payment. HAP payments can be made only during the lease term, while the Family is residing in the unit. The monthly HAP payment is credited toward the monthly rent to Landlord under the Family's lease. The total of the rent paid by the tenant, plus the HAP payment is equal to the rent specified in the lease.

The Family is not responsible for payment of the HAP payment and the PHA is not responsible for payment of the Family share of rent. The Family's share of the rent cannot be more than the difference between the total rent to the Landlord and the HAP payment. The Landlord may not charge the tenant extra amounts for items customarily included in rent or provided to unsubsidized tenants in the premises.

If the Landlord receives any excess HAP, the excess amount must prompty be returned to the BHA. In addition, the BHA may deduct overpaid HAP from amounts due to the Landlord, including amounts due under another HCV contract.

Landlord Certification of Compliance.
Unless the Landlord complies with all provisions of the HAP Contract, the Landlord is not entitled to receive housing assistance payments. By accepting the monthly payment from the PHA, the Landlord certifies compliance with the terms of the HAP Contract. This certification includes:

- That the Landlord is maintaining the unit and premises in accordance with HCV inspection standards,
- That the contract unit is leased to the tenant Family and, to the best of the Landlord's knowledge, the Family resides in the unit as the Family's only residence,
- The rent to Landlord does not exceed rents charged by the Landlord for comparable unassisted units on the premises and
- That the Landlord does not receive any additional payments or other consideration during the term of the HAP Contract.

Termination of HAP Payments.
Housing assistance payments will continue to be made to the Landlord in accordance with the HAP Contract as long as the tenant continues to occupy the unit and the HAP Contract is not violated. HAP payments terminate when the HAP Contract terminates or when the tenancy is terminated in accordance with the terms of the lease. The Landlord must:

- Inform the BHA when the Landlord has initiated eviction proceedings against the Family and the Family continues to reside in the unit,
- Inform the BHA when the Landlord has obtained a court judgment or other process allowing the Landlord to evict the tenant and provide a copy of such judgment or determination.

Eviction By Landlord.
After the Landlord has obtained a court judgment or other process allowing the Landlord to evict the tenant, HAP payments will continue to be made to the Landlord until the Family actually moves from the unit or until the Family is physically evicted from the unit, whichever is earlier. The Landlord must inform the PHA of the date when the Family actually moves from the unit or the Family is physically evicted from the unit.

Breach of HAP Contract.
Any of the following actions by the Landlord constitutes a breach of the HAP Contract:

- If the Landlord violates any obligations under the HAP Contract including failure to maintain the unit in accordance with HCV inspection standards,
- If the Landlord has violated any obligation under any other HAP Contract under HCV,
- If the Landlord has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program,
- For projects with mortgages insured by HUD or loans made by HUD, if the Landlord has failed to comply with the regulation ns for the applicable program or if the Landlord has committed fraud, bribery or any other corrupt or criminal act in connection with the mortgage or loan,
- If the Landlord has engaged in drug-related criminal activity,
- If the Landlord has committed any violent criminal activity.

The Landlord will be notified of the determination and will be provided in writing the reasons for the determination. The notice may require the Landlord to take corrective action by an established deadline. The Landlord will be provided with written notice of any reduction in housing assistance payments or the termination of the HAP Contract.

If it is determined that the Landlord has breached the HAP Contract, all of the relevant factors will be considered including the seriousness of the breach, the effect on the Family, the Landlord's record of compliance and the number and seriousness of any prior HAP Contract violations.

HAP Contract Term and Terminations.
The term of the HAP Contract runs concurrently with the term of the dwelling lease, beginning on the first day of the month, which is the initial term of the lease and terminating on the last day of the term of the lease, including any lease term extensions.

The HAP Contract and the housing assistance payments made terminate if:

- The Landlord or the Family terminates the lease or the lease expires.
- The PHA terminates the HAP Contract.
- The PHA terminates assistance for the Family.
- The Family moves from the assisted unit.
- 180 calendar days have passed since the last HAP payment was paid to the Landlord.
- The Family is absent from the unit for longer than 60 days without permission from the PHA.
- The Annual Contributions Contract (ACC) between the PHA and HUD expires.

Change in Ownership/Assignment of the HAP Contract.
A signed, written request must be received from the existing Landlord stating the name and address of the new owner and the effective date of the change.

The current Landlord will be informed in writing within 10 business days of receiving the Landlord's request whether the assignment may take place. The new Landlord must provide a written certification that includes:

- A copy of the escrow statement or other document showing the transfer of title and recorded deed,
- A copy of the Landlord's IRS Form W-9, Request for Taxpayer Identification Number and Certification or the social security number of the new Landlord,
- The effective date of the HAP Contract assignment,
- A written agreement to comply with the terms of the HAP Contract and
- Confirmation that the new Landlord is not a prohibited relative.

If the new Landlord does not agree to an assignment of the HAP Contract or fails to provide the necessary documents, the HAP Contract will be terminated with the old Landlord. If the new Landlord wants to offer the Family a new lease and the Family elects to stay with continued assistance, the leasing will be processed in accordance with policy.

C. **Rent Reasonableness.**
No HAP Contract can be approved until it has been determined that the rent for the unit is reasonable. The purpose of the rent reasonableness test is to ensure that a fair rent is paid for each unit rented under the HCV program. HUD regulations define a reasonable rent as one that does not exceed the rent charged for comparable, unassisted units in the same market area. HUD also requires that Landlords not charge more for assisted units than for comparable units on the premises.

Landlord-Initiated Rent Determinations.
After the initial occupancy period, the Landlord may request a rent adjustment in accordance with the Landlord's lease. For rent increase requests after initial lease-up, Landlords may be requested to provide information about the rents charged for other units on the premises, if the premises include more than 4 units. In evaluating the proposed rents in comparison to other units on the premises the unit size and length of tenancy in the other units will be considered.

The PHA will determine whether the requested increase is reasonable within 15 business days of receiving the request from the Landlord. The Landlord will be notified of the determination in writing. All rents adjustments will be effective the first of the month following 60 days after the receipt of the Landlord's request or on the date specified by the Landlord, whichever is later.

PHA and HUD-Initiated Rent Reasonableness Determinations
The PHA is required to make a determination of rent reasonableness if there is a 5 percent decrease in the Fair Market Rent that goes into effect at least 60 days before the contract anniversary date. HUD also may direct the PHA to make a determination at any other time and/or the PHA may decide that a new determination of rent reasonableness is needed at any time.

In addition to the instances described above, a determination of rent reasonableness will be made at any time after the initial occupancy period if:

1. It is determined that the initial rent reasonableness determination was made in error, or
2. It is determined that the information provided by the Landlord about the unit or other units on the same premises was incorrect. The most common example is when the Landlord claims that he/she will be paying for some or all utilities, but, in fact, the tenant is paying for those utilities.

Establishing Comparability.

Factors to Consider.
The factors listed below will be taken into consideration when determining rent comparability. These factors will be used to make upward or downward adjustments to the rents of comparison units when the units are not identical to the HCV-assisted unit.

- Location and age.
- Unit size, including the number of rooms and square footage of rooms.
- The type of unit, including construction type (e.g. single Family, duplex, garden, low-rise, high-rise).
- The quality of the units including maintenance and improvements made.
- Amenities, services and utilities included in the rent.

Units That Must Not be Used as Comparables.
Comparable units must represent unrestricted market rents. Therefore, units that receive some form of federal, state or local assistance that imposes rent restrictions cannot be considered comparable units. These include units assisted by HUD through any of the following programs:

> HCV project-based assistance, Section 236 and Section 221(d)(3) Below Market Interest Rate projects, HOME or Community Development Block Grant program-assisted units, units subsidized through federal, state or local tax credits, units subsidized by the Department of Agriculture rural housing programs and units which are rent-controlled by local ordinance.

Rents Charged for Other Units on the Premises.
The Request for Tenancy Approval (HUD-52517) requires Landlords to provide information, on the form itself, about the rent charged for other unassisted comparable units on the premises if the premises include more than four (4) units.

By accepting the HAP payment each month the Landlord certifies that the rent is not more than the rent charged for comparable unassisted units on the premises. If asked to do so, the Landlord must give information regarding rents charged for other units on the premises.

How Market Data is Collected.
Data on market rents in the jurisdiction will be collected and updated as needed. Information sources include newspapers, realtors, market surveys, inquiries of Landlords and other available sources. The data will be maintained by unit type, bedroom size and market areas. Market areas may be defined by zip codes, census tract, neighborhood and identifiable natural or man-made boundaries. The data will be updated on an ongoing basis and rent information that is more than 24 months old will be eliminated from the database.

How Rents are Determined.
The rent for a proposed unit will be compared to the rent charged for comparable units in the same market area. A range of prices will be developed for comparable units by bedroom size within defined market areas. Units proposed for HCV assistance will be compared to the units within this rent range. Because units may be similar, but not exactly like the unit proposed for HCV assistance, adjustments may be made to the range of prices to account for these differences.

The adjustment will reflect the local market. Not all differences in units require adjustments (e.g. the presence or absence of a garbage disposal may not affect the rent in some market areas). Adjustments may vary by unit type (e.g. a second bathroom may be more valuable in a three-bedroom unit than in a two-bedroom unit). The adjustment will reflect the rental value of the difference – not its construction costs.

Chapter 9 – Housing Inspection Standards

Housing Inspection Standards.
In order to be eligible, the dwelling unit must be in decent, safe and sanitary condition. This determination is made using HUD's HQS/NSPIRE Standards and/or equivalent state or local standards approved by HUD. These standards cover the following areas:

- Sanitary facilities
- Food preparation and refuse disposal
- Space and Security
- Thermal Environment
- Illumination and electricity
- Structure and materials
- Interior Air Quality
- Water Supply
- Lead-based paint
- Access
- Site and neighborhood
- Sanitary condition
- Smoke Detectors
- C O Detectors

Tenant Preference Items.
HUD requires enforcement of minimum HQS/NSPIRE but also requires that certain judgments about acceptability be left to the Family. For example, the PHA must ensure that the unit contains the required sanitary facilities, but the Family decides whether the cosmetic condition of the facilities is acceptable.

Life Threatening Conditions.
The responsible party (the Landlord or the Family) must be notified of corrections required to for life threatening conditions. The corrections must be completed within 24 hours of notification.

The following are considered life-threatening conditions:

1. Any condition that jeopardizes the security of the unit,
2. Major plumbing leaks or flooding, waterlogged ceiling or floor in imminent danger of falling,
3. Natural gas or fuel oil leaks,
4. Any electrical problem or condition that could result in shock or fire,
5. Absence of a working heating system from October 1st through March 31st,
6. Utilities not in service, including no running water,
7. Conditions that present the imminent possibility of injury,
8. Obstacles that prevent safe entrance to or exit from the unit,
9. Absence of a functioning toilet in the unit,
10. No gas in the unit when the unit has gas appliances
11. Inoperable smoke detectors and/or CO detectors and
12. No refrigeration or ability to cook (working stove or oven).

If a Landlord fails to correct life threatening conditions as required, the housing assistance payment will be abated for the next month and the HAP Contract will be terminated. If a Family fails to correct a Family caused life threatening condition as required, the Family's assistance may be terminated.

The Landlord will be required to repair an inoperable smoke detector/CO detector unless it is determined that the Family has intentionally disconnected it (by removing batteries or other means). In this case, the Family will be required to repair the smoke detector/CO detector within 24 hours.

Family Responsibilities.
The Family is responsible for correcting the following deficiencies:

- 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 (items which could not be charged against the tenant's security deposit).

Landlord Responsibilities.
The Landlord is responsible for all violations not listed as a Family's responsibility above, even if the violation is caused by the Family's living habits (e.g. vermin infestation). However, if the Family's actions constitute a serious or repeated lease violation the Landlord may take legal action to evict the Family. Upon verification that the unit has a bedbug infestation, the Landlord will be required to provide proof of a full cycle of extermination by a qualified pest treatment company.

Special Requirements for Children with Environmental Intervention Blood Lead Levels.
If the BHA is notified by a public health department or other medical health care provider or verifies information from a source other than a public health department or medical health care provider, that a child of less than 6 years of age, living in an HCV-assisted unit has been identified as having an environmental intervention blood lead level, a risk assessment of the dwelling unit must be completed in accordance with program requirements and the result of the risk assessment must be immediately provided to the Landlord of the dwelling unit. In cases where the public health department has already completed an evaluation of the unit, this information must be provided to the Landlord. If the Family reports a case of lead poisoning, the PHA will verify through the appropriate testing entity and will inform the Landlord of the required procedures.

The Landlord is required to complete the reduction of identified lead-based paint hazards in accordance with the lead-based paint regulations within 30 days after receiving the risk assessment report or the evaluation from the public health department. If the Landlord does not complete the "hazard reduction" as required, the dwelling unit is in violation of housing inspection standards and action will be taken in accordance with policy.

Violation of HQS/NSPIRE Space Standards.
If it is determined that a unit does not meet space standards because of an increase in Family size or a change in Family composition, the Family must be issued a new voucher and the Family must try to find an acceptable unit as soon as possible. If an acceptable unit is available for rental by the Family, the HAP Contract must be terminated in accordance with its terms. HAP payments will continue until the Family leases a larger unit.

The Inspection Process. The PHA conducts the following types of inspections:

- ***Initial Inspections***. Initial inspections are conducted in response to a request from the Family to approve a unit for participation in the HCV program. The unit must pass the HQS/NSPIRE inspection before the effective date of the HAP Contract.
- ***Annual Inspections***. Each unit under lease is inspected annually/biennially to confirm that the unit still meets housing inspection standards. The inspection may be conducted in conjunction with the Family's annual reexamination but also may be conducted separately.
- ***Special (complaint) Inspections***. A special inspection may be requested by the Landlord, the Family or a third party as a result of problems identified with a unit between annual inspections.
- ***Quality Control Inspections***. A sample of units is re-inspected by a supervisor or other qualified individual to ensure that housing inspection standards are being enforced correctly and uniformly by all inspectors.

Notice and Scheduling.
Both the Family and the Landlord will be given reasonable notice of all inspections. Except in the case of a life-threatening emergency, reasonable notice is considered to be not less than 48 hours. In the case of a life-threatening emergency, as much notice as possible will be provided, given the nature of the emergency.

Attendance at Inspections by the Landlord and the Family.
At initial inspection of a vacant unit, the PHA will inspect the unit in the presence of the Landlord or the Landlord's representative. The presence of the Family is permitted but is not required.

Initial Inspection.
The initial inspection will be completed, and the Landlord and the Family will be notified of the determination as to whether the unit satisfies housing inspection standards within 15 days of submission of the Request for Tenancy Approval (RTA).

Inspection Results and Re-Inspections.
If non-life-threatening deficiencies are identified, the Landlord will be notified of the deficiencies and be provided up to 30 days to correct deficiencies. If requested by the Landlord, the time frame for correcting deficiencies may be extended by the BHA for an additional 10 days for good cause.

Annual/Biennial Housing Inspections.
Each unit under HAP Contract must have an annual inspection no more than 12 months after the most recent inspection. If an adult Family member cannot be present on the scheduled date, the Family should request to have the inspection rescheduled. The new inspection date should take place within 5 business days of the originally scheduled date. The inspection may be scheduled by the PHA more than 5 business days after the original date for good cause.

If the Family misses the first scheduled appointment without requesting a new inspection date, a second inspection will be automatically scheduled. If the Family misses two scheduled inspections without approval, the BHA will consider the Family to have violated its obligation to make the unit available for inspection. This may result in termination of the Family's assistance.

Special Inspections.
A special inspection can be conducted, upon request from the Landlord or Family. The BHA may also initiate a special inspection. However, the inspector will record any additional deficiencies that are observed and will require the responsible party to make the necessary repairs.

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

Quality Control Inspections.
HUD requires a PHA supervisor or other qualified person to conduct quality control inspections of a sample of units to ensure that each inspector is conducting accurate and complete inspections and that there is consistency in the application of the HQS/NSPIRE.

Inspection Results and Re-Inspections for Units that are Under HAP Contract.
The Landlord and the Family will be notified in writing of inspection results. The PHA will determine:

1. Whether or not the failure is a life-threatening condition, and
2. Whether the Family or Landlord is responsible.

Extensions.
For conditions that are life-threatening, an extension cannot be granted to the 24-hour corrective action period. For conditions that are not life-threatening, an exception to the required time frames for correcting the violation may be granted if it is determined that an extension is appropriate.

Extensions will be granted in cases where it has been determined that the Landlord has made a good faith effort to correct the deficiencies and is unable to for reasons beyond the Landlord's control. Reasons may include, but are not limited to:

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

The length of the extension will be determined on a case-by-case basis, but will not exceed 60 days, except in the case of delays caused by weather conditions. In the case of weather conditions, extensions may be continued until the weather has improved sufficiently to make repairs possible. The necessary repairs must be made within 15 calendar days, once the weather conditions have subsided.

Re-Inspections.
A re-inspection will be conducted prior to the end of the corrective period or any approved extension. The Family and Landlord will be given reasonable notice of the re-inspection appointment. inspections that were cited with minor deficiencies will be passed via self-certification and other supporting documentation such as photos, contractor receipts, participant Family verification, etc. in lieu of a re-inspection by the PHA.

Enforcing Landlord Compliance.
If the Landlord fails to maintain the dwelling unit in accordance with housing inspection standards, prompt and vigorous action will be taken to enforce the Landlord obligations.

HAP Abatement.
All HAP abatements will be effective the first of the month following the expiration of the specified correction period (including any extension). The abated units will be inspected within five (5) business days of the Landlord's notification that the work has been completed. Payment will resume effective on the day the unit passes inspection. During any abatement period the Family continues to be responsible for their share of the rent. The Landlord must not seek payment from the Family for abated amounts and may not use the abatement as cause for eviction.

HAP Contract Termination.
The maximum length of time that a HAP Contract may be abated is 90 days. However, if the Landlord completes corrections and notifies the PHA before the termination date of the HAP Contract, the termination notice will be rescinded if:

1. The Family still resides in the unit and wishes to remain in the unit, and
2. The unit passes inspection.

Housing Inspection Standards.
Inspection requirements described previously apply to SRO housing except as modified below.

- *Access*: Access doors to the SRO unit must have working locks for privacy. The occupant must be able to access the unit without going through any other unit. Each unit must have immediate access to two or more approved means of exit from the building, appropriately marked and leading to safe and open space at ground level. The SRO unit must also have any other means of exit required by State or local law.
- *Fire Safety*: All SRO facilities must have a sprinkler system that protects major spaces. “Major spaces” are defined as hallways, common areas and any other areas specified in local fire, building or safety codes. SROs must also have hard-wired smoke detectors and any other fire and safety equipment required by state or local law.
- Sanitary facilities and space and security standards must meet local code requirements for SRO housing. In the absence of local codes the requirements discussed below apply.
    - *Sanitary Facilities*: At least one flush toilet that can be used in privacy, a lavatory basin and a bathtub or shower in proper operating condition must be provided for each six persons (or fewer) residing in the SRO facility. If the SRO units are leased only to men, flush urinals may be substituted for up to one half of the required number of toilets. Sanitary facilities must be reasonably accessible from a common hall or passageway and may not be located more than one floor above or below the SRO unit. They may not be located below grade unless the SRO units are located on that level.
    - *Space and Security*: An SRO unit must contain at least 110 square feet of floor space and at least four square feet of closet space with an unobstructed height of at least five feet, for use by the occupant. If the closet space is less than four square feet, the habitable floor space in the SRO unit must be increased by the amount of the deficiency. Exterior doors and windows accessible from outside the SRO unit must be lockable.
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Chapter 10 – Annual and Interim Reexaminations, Moves & Portability

Pro-rated Assistance for Mixed Families.
HUD regulations prohibit assistance to ineligible Family members. The assistance provided must be prorated to a mixed Family. The assistance will first be determined as if all Family members were eligible and then the assistance will be pro-rated based upon the percentage of Family members that actually are eligible.

Notification of New Family Share and HAP Amount.
The Landlord and Family will be notified of any changes in the amount of the HAP payment. The notice includes the following information:

- The amount and effective date of the new HAP payment
- The amount and effective date of the new Family share of the rent
- The amount and effective date of the new tenant rent to Landlord
- The Family will be given an opportunity for an Informal Hearing regarding the determination of their annual or adjusted income including the use of such income to compute the housing assistance payment.

The notice to the Family will include the annual and adjusted income amounts that were used to calculate the Family share of the rent and the housing assistance payment. The notice also will state the procedures for requesting an Informal Hearing.

A. **Annual Reexaminations.**
For participants who do not qualify for triennial reexaminations, the BHA will conduct a reexamination of Family income and composition at least annually. The annual reexamination process will begin 120 days in advance of its scheduled effective date. Annual reexamination effective dates coincide with the Family's anniversary date.

Notification of and Participation in the Annual Reexamination Process.
Families are required to participate in an annual reexamination interview and to complete a reexamination packet. Notification of the annual reexamination process will be sent by first-class mail and will contain the date, time and location of the interview or the date when material must be returned.

If a Family fails to attend two scheduled interviews without approval or if the informational packet is returned by the post office with no forwarding address, a notice of termination will be sent to the Family's address of record. All notices of termination will offer the Family an opportunity for an Informal Hearing.

Conducting Annual Reexaminations.
Families will be asked to supply by mail or email all required information (as described in the reexamination notice) before the deadlines specified in the notice or bring the information to a reexamination appointment.

If the Family has added a new member to the unit by birth, adoption or court awarded custody to an existing Family member and this causes overcrowding according to the BHA's occupancy standards, the Family will be issued a new voucher, and an acceptable unit must be found as soon as possible.

Effective Dates.
An *increase* in the Family share of the rent that results from an annual reexamination will take effect on the Family's anniversary date and the Family will be notified at least 30 days in advance.

- If less than 30 days remain before the scheduled effective date, the increase will take effect on the first of the month following the end of the 30-day notice period.
- If a Family moves to a new unit, the increase will take effect on the effective date of the new lease and HAP Contract and no 30-day notice is required.
- If the PHA chooses to schedule an annual reexamination for completion prior to the Family's anniversary date for administrative purposes, the effective date will be determined by the PHA, but will always allow for the 30-day notice period.

If the Family causes a delay in processing the annual reexamination, *increases* in the Family share of the rent will be applied retroactively, to the scheduled effective date of the annual reexamination.

A *decrease* in the Family share of the rent that results from an annual reexamination will take effect on the Family's anniversary date.

- If a Family moves to a new unit, the decrease will take effect on the effective date of the new lease and HAP Contract.
- If the PHA chooses to schedule an annual reexamination for completion prior to the Family's anniversary date for administrative purposes, the effective date will be determined by the PHA.
- If the Family causes a delay in processing the annual reexamination, d*ecreases* in the Family share of the rent will be applied prospectively, from the first day of the month following completion of the reexamination processing.

B. **Interim Re-examinations.**
Family circumstances may change throughout the period between annual reexaminations. Participants are required to report all changes in income or Family composition within 10 days of occurrence. Interim examinations will be conducted in the following circumstances:

- Changes in Family and household composition.
- Changes affecting income or expenses.
- Other reasons as determined by the PHA.
- The Family may request an interim determination if other aspects of the Family's income or composition changes.
- No interim reexaminations will be processed unless a change in income is verified to extend beyond a 30-day period.

New Family Members Not Requiring Approval.
The addition of a Family member as a result of birth, adoption or court-awarded custody to a person who is already a Family member does not require approval, however, a Family must inform the PHA of the birth, adoption or court-awarded custody of a child within 10 business days and must provide the social security card and birth certificate

New Family and Household Members Requiring Approval.
participants must request approval to add a new adult Family member, live-in aide, foster child or foster adult. This includes any person not on the lease who is expected to stay in the unit for more than 14 days, within a twelve-month period and therefore no longer qualifies as a "guest." To be a guest, a person must have another permanent address. Requests must be made in writing and approved prior to the individual moving in the unit. The addition of a foster child or foster adult will not be approved if it will cause a violation of the BHA's subsidy space standards.

Children added through birth, adoption or court awarded custody to an approved Family member on the lease will be added even if it overcrowds the unit. This may require the Family to move to a larger unit. The addition of other new Family or household member will not be approved unless the individual meets the eligibility criteria and the landlord gives written permission for the addition. If it is determined an individual meets the eligibility criteria, written approval will be sent to the Family. If the approval of a new Family member or live-in aide will cause overcrowding according to the occupancy standards, the approval letter will explain that the Family will be issued a new Voucher and will be required to move.

If it is determined that an individual does not meet the eligibility criteria, the Family will be notified in writing of the decision to deny approval of the new Family or household member and the reasons for the denial. If the Family wishes to dispute the PHA's decision, a timely request for an Informal Hearing may be submitted.

Departure of a Family or Household Member.
If a household member, live-in aide, foster child or foster adult moves out of the unit, the Family must inform the PHA within 10 business days. This requirement also applies to a Family member who has been considered temporarily absent at the point that the Family concludes the individual is permanently absent.

If an adult Family member leaves the unit and later wishes to return, the Family member must pass the landlord's screening, be accepted by the landlord and his/her income will be counted in computing rent.

Temporarily Absent Family Members.
Generally, an individual who is or is expected to be absent from the assisted unit for 180 consecutive days or less is considered temporarily absent and continues to be considered a Family member. An individual who is or is expected to be absent from the assisted unit for more than 180 consecutive days is considered permanently absent and no longer a Family member.

Family Members Permanently Confined for Medical Reasons.
If a Family member is confined to a nursing home or hospital on a permanent basis, that person will no longer be considered a Family member.

Caretakers for a Child.
If neither a parent nor a designated guardian remains in the household, the following actions will be taken.

1. If a responsible agency has determined that another adult is to be brought into the assisted unit to care for a child for an indefinite period, the designated caretaker will not be considered a Family member until a determination of custody or legal guardianship is made.
2. If a caretaker has assumed responsibility for a child without the involvement of a responsible agency or formal assignment of custody or legal guardianship, the caretaker will be treated as a visitor for 90 days. After the 90 days has elapsed, the caretaker will be considered a Family member unless information is provided that would confirm that the caretaker's role is temporary. In such cases the caretaker's status as an eligible visitor will be extended.
3. At any time that custody or guardianship has been legally awarded to a caretaker, the Voucher will be transferred to the caretaker.
4. During any period that a caretaker is considered a visitor, the income of the caretaker is not counted in annual income and the caretaker does not qualify the Family for any deductions from income.

PHA-Initiated Interim Reexaminations.
Interim reexaminations will be conducted for the following instances:

- **For verified reductions in Annual Income of at least 10 percent that will last 30 days or more,**
- If the Family has reported zero income, an interim reexamination will be conducted every 90 days as long as the Family continues to report that they have no income.
- If at the time of the annual reexamination, it is not feasible to anticipate a level of income for the next 12 months (e.g. seasonal or cyclic income) an interim reexamination will be scheduled to coincide with the end of the period for which it is feasible to project income.
- If at the time of the annual reexamination, tenant-provided documents were used on a provisional basis due to the lack of third-party verification and third-party verification becomes available.
- An interim reexamination will be conducted at any time to correct an error in a previous reexamination or to investigate a tenant fraud complaint. An interim increase in rent will occur if it is found that the tenant misrepresented income or deductions and should pay a higher rent. This increase will be retroactive to the date of the misrepresentation.
- An interim increase in rent will occur if an a new member with income is added to the Family with the permission of the PHA and the landlord,
- There are no other cases in which the PHA conducts Interim Reexaminations to increase rent. Instead, such increases will be effective after the next regular reexamination.
- **When the HOTMA rules go into effect, the BHA will conduct Interim Reexaminations if annual income increases by more than 10 percent and the increase will last 30 days or more.**

Family-Initiated Interim Reexaminations.

Required Reporting.
Participants are required to report all increases in earned income, including new employment, within ten (10) days of the date the change takes effect.

Optional Reporting.
The Family may request an interim reexamination any time the Family has experienced a change in circumstances since the last determination. If a Family reports a change that was not required to report and that would result in a decrease in the Family share of rent, the interim reexamination will be conducted.

If a Family reports a decrease in income from the loss of welfare benefits due to fraud or non-compliance with a welfare agency requirement to participate in an economic self-sufficiency program, the Family's share of the rent will not be reduced.

Processing Interim Reexaminations.
Notification of changes should be submitted in writing. The Family will not be required to attend an interview for an interim reexamination unless it is determined that an interview is warranted.

Any required information or documents must be submitted within 10 business days of receiving a request. This time frame may be extended for good cause with approval. The required documentation will be accepted by mail, by email, by fax or in person.

Effective Dates.
If the Family share of the rent is to *increase*:

- The increase will be effective on the first of the month following 30 days' notice to the Family.
- If a Family fails to report a change within the required time frames or fails to provide all required information within the required time frames, the increase will be applied retroactively, to the date it would have been effective had the information been provided on a timely basis. The Family will be responsible for any overpaid subsidy and may be offered a repayment agreement.

If the Family share of the rent is to *decrease*:

- The decrease will be effective on the first day of the month following the month in which the change was reported and all required documentation was submitted. In cases where the change cannot be verified until after the date the change would have become effective, the change will be made retroactively.

Separation or Divorce.
Certification by the head of household is normally sufficient verification. If there are reasonable doubts about a separation or divorce, the Family will be required to document the divorce or separation. A certified copy of a divorce decree, signed by a court officer, is required to document that a couple is divorced. A copy of a court-ordered maintenance or other court record is required to document a separation. If no court document is available, documentation from a community-based agency will be accepted.

Family Break-up.
When a Family on the waiting list breaks up into two otherwise eligible households, only one of the new households will retain the original application. Other former Family members may make a new application with a new application date if the waiting list is open.

If a Family breaks up into two otherwise eligible households while receiving assistance, only one of the households will continue to be assisted. In the absence of a judicial decision or an agreement among the original Family members, the PHA will determine which household retains their placement on the waiting list or will continue to receive rental assistance, taking into consideration the following factors:

1. The interest of any minor children, including custody arrangements,
2. The interest of any ill, elderly or disabled Family members,
3. Possible risks to Family members as a result of domestic violence or criminal activity and
4. The recommendations of social service professionals.

Absence of Adult Member.
If an adult member who was formerly a member of the household is reported to be permanently absent, the Family must provide evidence to support that the person is no longer a member of the Family (e.g. documentation of another address at which the person resides such as a lease or utility bill).

Absent Students.
When someone who has been considered a Family member attends school away from home, the person will continue to be considered a Family member unless information becomes available to the PHA indicating that the student has established a separate household or the Family declares that the student has established a separate household as documented by the fact that the Family no longer provides financial support to the student or claims the student as a dependent.

Absences Due to Placement in Foster Care.
If a child is placed in foster care, the BHA will verify with the appropriate agency whether and when the child is expected to be returned to the home. Unless the BHA confirms that the child will be out of the household for six months or more, the child will be counted as a Family member.

Family Members Permanently Confined for Medical Reasons.
If a Family member is confined to a nursing home or hospital on a permanent basis, that person is no longer considered a Family member and the income of that person is not counted. The PHA will request verification from a responsible medical professional and will use this determination.

If a medical professional cannot provide a determination, the person will be considered temporarily absent for up to 120 days. The Family may present evidence that the Family member is confined on a permanent basis and request that the person not be considered a Family member.

Return of Permanently Absent Family Members.
The Family must request approval for the return of any adult Family member that the BHA determined to be permanently absent. The individual is subject to eligibility and screening requirements.

Joint Custody of Dependents.
Dependents that are subject to a joint custody arrangement will be considered a member of the Family, if they live with the applicant or participant 51 percent or more of the time.

When more than one applicant or participant claims the same dependent as Family member, the Family with primary custody at the time of the initial examination or reexamination will be able to claim the dependent. If there is a dispute about which Family should claim the dependent, the BHA will make a determination based on available documents such as court orders or an IRS tax return.

Foster Children and Foster Adults.
Third-party verification from the state or local government agency responsible for the placement of the individual with the Family is required.

Live-In Aides.
A live-in aide is a person who resides with one or more elderly persons, near-elderly persons or persons with disabilities and who:

1. is determined to be essential to the care and well-being of a Family member who is disabled,
2. is not obligated for the support of the Family, and
3. would not be living in the unit except to provide the necessary supportive services.

Live-in Aide Approvals. The BHA will approve a live-in aide as a reasonable accommodation, according to 24 CFR §8, in order to make the HCV program accessible to and usable by a Family member with disabilities, an elderly person or near-elderly person (age 50 or older).

A live-in aide is a member of the household, not the participant Family, and the income of the live-in aide is not considered in income calculations. Relatives may be approved as live-in aides if they meet the live-in aide definition. However, a relative who serves as a live-in aide is not considered a Family member, will not be considered a remaining member of a participant Family and will not “inherit” a voucher.

A Family’s request for a live-in aide must be made in writing or other method requested by an individual with a disability. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker or case worker, that the live-in aide is essential for the care and well-being of the elderly, near-elderly or disabled Family member.

The PHA will not approve a person as a live-in aide and may withdraw such approval if:

- The person is already a member of the Family (since they cannot then claim that they would not be living in the unit except to provide the necessary supportive services),
- The prospective live-in aide fails to sign a criminal history form and/or the Live-In Aide Agreement.
- The person has committed violent or drug-related criminal activity within the past three years,
- The person has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program,
- The person currently owes rent or other amounts to the PHA or to another housing authority in connection with a federal housing program under the 1937 Act.

Guests.
To be considered a guest, a person must have a permanent address elsewhere. A guest can remain in the assisted unit no longer than 14 cumulative calendar days during any 12 month period.

Children who are subject to a joint custody arrangement or for whom a Family has visitation privileges, that are not included as a Family member because they live outside of the assisted household more than 50 percent of the time, are not subject to the time limitations of guests as described above.

A Family may request an exception to this guest policy for valid reasons (e.g. care of a relative recovering from a medical procedure). An exception will not be made unless the Family can identify and provide documentation of the residence to which the guest will return.

Verification of Student Status.
Participants are required to provide information about the student status of all students who are 18 years of age or older. This information will be verified only if:

- The Family claims full-time student status for an adult other than the head, spouse or co-head or
- The Family claims a childcare deduction to enable a Family member to further his or her education.

Documentation of Disability.
The existence of a disability must be verified in order to allow certain income disallowances and deductions from income. Inquiries about the nature or extent of a person's disability or inquiries of a person's diagnosis or details of treatment for a disability or medical condition are not permitted. If such information is received,

Family Members Receiving SS or SSI Disability Benefits.
An attempt will be made to obtain information about disability benefits through HUD's EIV system. If the information is not available, the participant may provide a current original Social Security Benefits Letter. A Social Security Benefits Letter based upon disability is sufficient for verification of disability to qualify for: waiting list preference(s), certain income disallowances and/or deductions.

Receipt of veteran's disability benefits, worker's compensation or other non-SSA benefits are not sufficient verification that the individual meets HUD's definition of disability.

Family Members Not Receiving SSA or SSI Disability Benefits.
For Family members claiming disability who do not receive SSI or other disability payments from the SSA, a knowledgeable professional must provide third-party verification that the Family member meets HUD's definition of disability.

Moving with Continued Assistance.
HUD regulations list five conditions under which an assisted Family is allowed to move to a new unit with continued assistance.

- The Family has a right to terminate the lease on notice to the Landlord (for the Landlord's breach or otherwise) and has given a notice of termination to the Landlord in accordance with the lease except that pursuant to the Violence Against Women Act. If the Family terminates the lease on notice to the Landlord, the Family must provide a copy of the notice to the PHA at the same time.

- The lease for the Family's unit has been terminated by mutual agreement of the Landlord and the Family. If the Family and the Landlord mutually agree to terminate the lease for the Family's unit, the Family must provide a copy of the termination agreement.
- The Landlord has given the Family a notice to vacate, has commenced an action to evict the Family or has obtained a court judgment or other process allowing the Landlord to evict the Family for **other than serious or repeated violations of the material provisions of the lease or other good cause**. The Family must provide a copy of any Landlord eviction notice
- The PHA has terminated the assisted lease for the Family's unit for the Landlord's breach.
- The PHA determines that the Family's current unit does not meet the HQS/NSPIRE space standards because of an increase in Family size or a change in Family composition. In such cases, the Family must be issued a new voucher and an acceptable unit must be found as soon as possible. If an acceptable unit is available for the Family, the HAP Contract must be terminated for the Family's old unit in accordance with the HAP Contract terms and both the Family and the Landlord must be notified of the termination. The HAP Contract terminates at the end of the calendar month that follows the calendar month in which notice is given to the Landlord.

Restrictions on Moves.
A Family's right to move is contingent upon the Family's compliance with program requirements. If there are grounds for denying or terminating a Family's assistance, the PHA will act on those grounds in accordance with the regulations and policies set forth in this policy.

Denial of Moves.
A Family will be denied permission to move on grounds that the PHA does not have sufficient funding for continued assistance if:

A. The move is initiated by the Family, not the Landlord or the PHA,
B. PHA can demonstrate that the move will, in fact, result in higher subsidy costs and
C. PHA can demonstrate, through a detailed cost-reduction plan based on reasonable assumptions, that it does not have sufficient funding in its annual budget to accommodate the higher subsidy costs.

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

Restrictions on Elective Moves.
A Family will be denied permission to make an elective move during the Family's initial lease term. This policy applies to moves within the jurisdiction or outside it under portability. The Family will also be denied permission to make more than one elective move during any 12-month period. This policy applies to all assisted participants residing within the jurisdiction.

Exceptions will be considered to these policies for the following reasons:
- To protect the health or safety of a Family member (e.g. lead-based paint hazards, domestic violence, witness protection programs, VAWA),
- To accommodate a change in Family circumstances (e.g. new employment, school attendance in a distant area) or
- To address an emergency situation over which a Family has no control.
- To reasonably accommodate a Family member who is a person with disabilities.

Moving Process.
If a Family wishes to move to a new unit, the Family must notify the PHA and the Landlord before moving out of the old unit or terminating the lease on notice to the Landlord. If the Family wishes to move to a unit outside the jurisdiction under portability, the notice must specify the area where the Family wishes to move. The notices must be in writing or other method used by a person with a disability. A determination will be made within 10 business days following receipt of the Family's notification if the move is approvable.

Reexamination of Family Income and Composition.
For participants approved to move to a new unit within the jurisdiction, a new annual reexamination will be performed.

Voucher Issuance and Briefing.
For participants approved to move to a new unit within the jurisdiction, a new voucher will be issued within 10 business days of the written approval to move. No briefing is required for these participants. If a Family does not locate a new unit within the term of the voucher and any extensions, the Family may remain in its current unit with continued voucher assistance if the Landlord agrees and the PHA approves. Otherwise, the Family will lose its assistance.

Housing Assistance Payments.
When a Family moves out of an assisted unit, the PHA may not make any housing assistance payment to the Landlord for any month after the month the Family moves out. The Landlord may keep the housing assistance payment for the month when the Family moves out of the unit.

If a participant Family moves from an assisted unit with continued HCV assistance, the term of the assisted lease for the new assisted unit may begin during the month the Family moves out of the first assisted unit. Overlap of the last housing assistance payment (for the month when the Family moves out of the old unit) and the first assistance payment for the new unit, is not considered to constitute a duplicative housing subsidy.

Portability.
Within the limitations of the regulations and this plan, a participant that has been issued a voucher has the right to use HCV assistance to lease a unit anywhere in the United States providing that the unit is located within the jurisdiction of a HA administering the HCV program. The process by which a Family obtains a voucher from one HA and uses it to lease a unit in the jurisdiction of another HA is known as portability. The first HA is called the initial PHA. The second is called the receiving PHA.

The receiving PHA has the option of administering the Family's voucher for the initial PHA or absorbing the Family into its own program. Under the first option, the receiving PHA bills the initial PHA for the Family's housing assistance payments and the fees for administering the Family's voucher. Under the second option, the receiving PHA pays for the Family's assistance out of its own program funds and the initial PHA has no further relationship with the Family.

Portability Provisions for VAWA.
The Violence Against Women and Justice Department Reauthorization Act of 2005 provides the Family to receive a voucher and move in violation of the lease under the portability procedures if the Family has complied with all other obligations of the voucher program and has moved out of the assisted dwelling unit in order to protect the health or safety of an individual who is or has been the victim of domestic violence, dating violence, stalking or sexual assault and who reasonably believed he or she was imminently threatened by harm from further violence if he or she remained in the assisted dwelling unit. The Family will be allowed to move under portability procedures if the only basis for the denial is that the Family is violating the lease agreement.

Porting Out of the BHA's jurisdiction.

Allowable Moves under Portability.
A Family may move with voucher assistance only to an area where there is at least one HA administering a voucher program. If there is more than one HA in the area, the PHA may choose the receiving PHA.

Applicant participants that have been issued vouchers as well as program participants may qualify to lease a unit outside the PHA's jurisdiction under portability.

Applicants.
In determining whether or not to deny an applicant Family permission to move under portability because the PHA lacks sufficient funding or has grounds for denying assistance to the Family, policies established within this Administrative Plan will be followed.

If either the head of household or spouse/co-head of an applicant Family lived in the Butler County at the time of the Family's application for assistance, the Family will be qualified to port as soon as they receive a voucher.

If neither the head of household nor the spouse/co-head had a domicile (legal residence) within the city of Boerne at the time the pre-application for assistance, the applicant must live within the city of Boerne for at least 12 months before requesting portability.

Exceptions will be considered for purposes of reasonable accommodation. However, any exception to this policy is subject to the approval of the receiving PHA.

Participants.
Portable assistance will not be provided for a participant if a Family has moved out of its assisted unit in violation of the lease. The PHA will determine whether a participant Family may move out of the jurisdiction with continued assistance and will notify the Family of its determination in accordance with the regulations and policies set forth within this policy.

Determining Income Eligibility.

Applicants.
An applicant Family may lease a unit in a particular area under portability only if the Family is income eligible for admission to the voucher program in that area. The Family must specify the area to which the Family wishes to move.

The PHA is responsible for determining whether the Family is income eligible in the area to which the Family wishes to move. If the applicant Family is not income eligible in that area, the Family will be informed that it may not move there and receive voucher assistance.

Participants.
The income eligibility of a participant Family is not re-determined if the Family moves to a new jurisdiction under portability.

Reexamination of Family Income and Composition.
No new reexamination of Family income and composition is required for an applicant Family. For a participant Family approved to move out of its jurisdiction under portability, a reexamination of Family income and composition will be conducted only if the Family's annual reexamination must be completed on or before the initial billing deadline specified on form HUD-52665, Family Portability Information. Exceptions will be made to this policy necessary to remain in compliance with HUD regulations.

Briefing.
No formal briefing will be required for a participant Family wishing to move outside the jurisdiction under portability. However, the Family will be provided with the same oral and written explanation of portability that is provided to applicant participants selected for admission to the program including the name, address and phone of the contact for the HA in the jurisdiction to which they wish to move. The Family will be advised that they will be under the receiving PHA's policies and procedures, including subsidy standards and voucher extension policies.

Voucher Issuance and Term.
An applicant Family has no right to portability until after the Family has been issued a voucher. A new voucher is not required for portability purposes.

For participants approved to move under portability, a new voucher will be issued within 10 business days of the written approval to move. The initial term of the voucher will be 120 days.

Voucher Extensions and Expiration.
No extensions will be approved to a voucher issued to an applicant or participant Family porting out of the jurisdiction except under the following circumstances:

A. The initial term of the voucher will expire before the portable Family will be issued a voucher by the receiving PHA,
B. The Family decides to return to the PHA's jurisdiction and search for a unit there or
C. The Family decides to search for a unit in a third HA's jurisdiction.

To receive or continue receiving assistance under the PHA's voucher program, a Family that moves to another jurisdiction under portability must be under HAP Contract in the receiving PHA's jurisdiction within 60 days following the expiration date of the PHA's voucher term (including any extensions).

Initial Contact with the Receiving HA.
Because the portability process is time-sensitive, the PHA will notify the receiving PHA by phone, fax or e-mail to expect the Family asking the receiving PHA to provide any information the Family may need upon arrival, including the name, fax, email and telephone number of the staff person responsible for business with incoming portable participants and procedures related to appointments for voucher issuance. This information will be passed along to the Family including the name, address, telephone number, fax and email of the person responsible for processing the billing information if received.

Sending Documentation to the Receiving HA.
The following documents will be sent to the receiving PHA:

- Form HUD-52665, Family Portability Information, with Part I filled out
- A copy of the Family's voucher
- A copy of the Family's most recent form HUD-50058, Family Report or, if necessary in the case of an applicant Family, Family and income information in a format similar to that of form HUD-50058
- Copies of the income verifications backing up the form HUD-50058

In addition to these documents, the following information, if available, will be provided to the receiving PHA:

- Social security numbers (SSNs)
- Documentation of SSNs for all Family members
- Documentation of legal identity
- Documentation of citizenship or eligible immigration status
- Documentation of participation in the earned income disallowance (EID) benefit
- Documentation of participation in a Family self-sufficiency (FSS) program
- PHA will notify the Family in writing regarding any information provided to the receiving PHA.

Initial Billing Deadline.
If an initial billing notice is not received from the receiving PHA by the deadline specified on form HUD-52665, the receiving PHA will be contacted by phone, fax or e-mail on the next business day. If the PHA reports that the Family is not yet under HAP Contract, the receiving PHA will be informed that a late billing submission will not be honored and any subsequent billings that are received on behalf of the Family will be returned. The receiving PHA will be sent a written confirmation of the decision by mail. The effect of failing to submit the initial billing notice in a timely fashion is that the receiving the PHA will have to absorb the Family.

Monthly Billing Payments.
If the receiving PHA is administering the Family's voucher, the PHA is responsible for making billing payments in a timely manner. The first billing amount is due within 30 calendar days after receipt of Part II of form HUD-52665 from the receiving PHA. Subsequent payments must be **received** by the receiving PHA no later than the fifth business day of each month. Direct deposit will be utilized to ensure that the payment is received by the deadline unless the receiving PHA notifies the PHA that direct deposit is not acceptable to them.

Payments under existing portability billing arrangements may not be terminated or delayed as a result of over leasing or funding shortfalls. The HCV program must be managed in a manner that ensures that there is financial ability to provide assistance for participants that move out of the jurisdiction under portability and are not absorbed by receiving PHAs as well as for participants that remain within the jurisdiction.

Annual Updates of Form HUD-50058.
If the PHA is being billed on behalf of a portable Family, it should receive an updated form HUD-50058 each year from the receiving PHA. If the PHA fails to receive an updated 50058 by the Family's annual reexamination date, the receiving PHA will be contacted to verify the status of the Family.

Subsequent Family Moves.
Within the Receiving HA's Jurisdiction.
If the PHA determines that it must deny moves on the grounds that it lacks sufficient funding, it will notify all receiving PHA's with which it has entered into portability billing arrangements that they, too, must deny moves to higher cost units by portable participants from the PHA's jurisdiction.

Outside the Receiving HA's Jurisdiction.
If a portable Family is being assisted under a billing arrangement and the Family subsequently decides to move out of the receiving PHA's jurisdiction, the PHA is responsible for issuing the Family a voucher while the Family is either being assisted or has a voucher from the receiving PHA and, if the Family wishes to port to another jurisdiction, sending form HUD-52665 and supporting documentation to the new receiving PHA. Any extensions of the initial PHA voucher necessary to allow the Family additional search-time to return to the PHA's jurisdiction or to move to another jurisdiction would be at the discretion of the PHA.

Denial or Termination of Assistance.
If the PHA has grounds for denying or terminating assistance for a portable Family that has not been absorbed by the receiving PHA, the PHA may act on those grounds at any time.

Porting into the PHA's Jurisdiction.
If a Family has a right to lease a unit in our jurisdiction under portability, assistance must be provided for the Family. The PHA's procedures and preferences for selection among eligible applicants do not apply and the PHA's waiting list is not used. However, the Family's unit or voucher, size is determined in accordance with the PHA subsidy standards and the amount of the Family's housing assistance payment is determined in the same manner as for other participants.

Initial Contact with Family.
When a Family moves into our jurisdiction under portability, the Family is responsible for promptly contacting the PHA and complying with the procedures for incoming portable participants. If the voucher issued to the Family by the initial PHA has expired, the Family's paperwork is not processed, but instead the Family is referred back to the initial PHA.

The initial PHA will be notified within 10 business days after a portable Family has requested assistance whether the initial PHA will be billed on behalf of the portable Family or if the PHA will absorb the Family into its own program.

The Family will be given the opportunity for an Informal hearing if the PHA refuses to process or provide assistance to them under portability procedures.

Briefing.
The Family porting in will be required to attend a briefing and will be given a briefing packet. The briefing may be done by phone, In addition, the Family will be informed orally about payment and subsidy standards, procedures for requesting approval of a unit, the unit inspection process and the leasing process. The Family will be encouraged to attend a full briefing at a later date.

Income Eligibility and Reexamination.
A new reexamination of Family income and composition will be conducted and issuing a new voucher will not be delayed for this reason. In addition, approval of a unit for the Family will not be delayed until the reexamination process is complete unless the Family is an applicant and the PHA cannot otherwise confirm that the Family is income eligible for admission to the program in the area where the unit is located.

Verification provided by the initial PHA will be relied upon to the extent that,

- The Family's current circumstances is accurately reflected and
- Verifications were obtained within the last 120 days.

Any new information may be verified by documents provided by the Family and adjusted, if necessary, when third party verification is received.

Voucher Issuance.
When a Family moves into the PHA's jurisdiction under portability, the Family must be issued a voucher. The Family must submit a request for tenancy approval during the term of the voucher.

Voucher Term. Thirty (30) days will be added to the Initial PHA's Voucher expiration date.

Notifying the Initial HA.
The initial PHA will be notified if the Family has leased an eligible unit under the program or if the Family fails to submit a request for tenancy approval for an eligible unit within the term of the voucher. Part II of form HUD-52665, Family Portability Information, will be used for this purpose.

If an incoming portable Family ultimately decides not to lease within the PHA's jurisdiction but instead wishes to return to the initial PHA's jurisdiction or to search in another jurisdiction, the Family will be referred back to the initial PHA. In such a case the voucher of record for the Family is once again the voucher originally issued by the initial PHA. Any extension of search time provided by the PHA's voucher is only valid for the Family's search within its jurisdiction.

Administering a Portable Family's Voucher.
Whenever the PHA has sufficient HAP budget authority, the PHA will absorb incoming ports. Only if there is a shortage of budget authority will the PHA bill the initial authority.
Initial Billing Deadline

If a portable Family's search for a unit is successful and the PHA intends to administer the Family's voucher, the initial billing notice (Part II of form HUD-52665) must be submitted to the initial PHA:

A. No later than 10 business days following the date a HAP Contract is **executed** on behalf of the Family and
B. In time that the notice will be **received** no later than 60 days following the expiration date of the Family's voucher issued by the initial PHA. A copy of the Family's form HUD-50058, Family Report, will be attached to the initial billing notice.

The initial billing notice will be sent by fax or e-mail, if necessary, to meet the billing deadline. The notice will also be sent by regular mail. If the initial billing is not sent within 10 business days following the date the HAP Contract is executed, the Family must be absorbed into the PHA's program unless:

A. The initial PHA is willing to accept the late submission or
B. HUD requires the initial PHA to honor the late submission.

Annual Reexamination.
The initial PHA will be sent a copy of a portable Family's updated form HUD-50058 by regular mail at the same time the PHA and Landlord are notified of the reexamination results.

Change in Billing Amount.
The initial PHA will be notified via form HUD-52665 of any change in the billing amount for the Family as a result of:

- A change in the HAP amount
- An abatement or subsequent resumption of the HAP payments
- Termination of the HAP Contract
- Termination of the Family from the program

The timing of the notice of the change in the billing amount will correspond with the notification to the Landlord and the Family in order to provide the initial PHA with advance notice of the change.

Denial or Termination of Assistance.
If the PHA elects to deny or terminate assistance for a portable Family, the initial PHA will be notified within 10 business days after the Informal hearing if the denial or termination is upheld. T

Absorbing a Portable Family.
An incoming portable Family may be absorbed into the program when the PHA executes a HAP Contract on behalf of the Family or at any time thereafter providing that:

A. PHA has funding available under its annual contributions contract (ACC) and
B. Absorbing the Family will not result in over-leasing.

If a Family is absorbed from the point of admission, the admission will be counted against the income targeting obligation.

If the PHA decides to absorb a portable Family upon the execution of a HAP Contract on behalf of the Family, the initial PHA will be notified by the initial billing deadline specified on form HUD-52665. The effective date of the HAP Contract will be the effective date of the absorption. If the PHA decides to absorb a Family after that, it will provide the initial PHA with 30 days' advance notice.

Following the absorption of an incoming portable Family, the Family will be assisted with funds available under the consolidated ACC for the PHA's voucher program and the PHA will become the initial PHA in any subsequent moves by the Family under portability.

Chapter 11 – Debts Owed and Landlord Disapproval

Debts to the BHA.
If an action or inaction of a Landlord or participant results in the overpayment of housing assistance, the Landlord or participant will be held liable to return any overpayments. The BHA may enter into a repayment agreement, in accordance with policy as a means to recover overpayments.

Any amount due by an HCV participant must be repaid by the Family. If the Family is unable to repay the debt within 30 days, the BHA may offer to enter into a repayment agreement, in accordance with the policies below. If the Family refuses to repay the debt, enter into a repayment agreement or breaches a repayment agreement, HCV assistance will be terminated upon notification to the Family and other modes of collection will be pursued.

Repayment Agreement Guidelines.
Prior to the execution of a repayment agreement, the Family must pay 20 percent of the balance. The monthly amount to be paid on the delinquent amount will equal 10 percent of monthly adjusted income on top of the tenant rent. The monthly amount of the repayment shall be 10 percent of monthly adjusted income. This is a separate amount from the calculated tenant rent to the landlord.

Execution of the Agreement.
The head of household and spouse/co-head and any other adult in the Family (if applicable) must sign the repayment agreement.

Due Dates.
All payments are due by the close of business on the 15th day of the month. If the 15th does not fall on a business day, the due date is the close of business on the first business day after the 15th.

Non-Payment.
If a payment is not received by the end of the business day on the date due and prior approval for the missed payment has not been given, the Family will be given 10 business days to make the late payment. If the payment is not received by that due date, it will be considered a breach of the agreement and assistance will be terminated upon written notification to the Family.

No Offer of Repayment Agreement.
The BHA will not enter into a repayment agreement if there is already a repayment agreement in place or the amounts owed exceed the Federal or State threshold for criminal prosecution.

Landlord Debts to the BHA.
If an action or inaction of a Landlord or participant results in the overpayment of housing assistance, the Landlord or participant will be held liable to return any overpayments. The BHA will enter into repayment agreements in accordance with policy as a means to recover overpayments.

When a Landlord or participant refuses to repay monies owed, other available collection alternatives will be utilized including, but not limited to: recovery from future HAP payments owed, collection agencies, small claims court, civil lawsuit, state income tax set-off program, etc.

Any amount due by a Landlord must be repaid within 30 days of the determination of the debt. If the Landlord fails to repay the debt within the required timeframe and is entitled to future HAP payments, the future HAP payments will be reduced by the amount owed until the debt is paid in full.

If the Landlord is not entitled to future HAP payments the BHA will offer to enter into a repayment agreement. If the Landlord refuses to repay the debt, enter into a repayment agreement or breaches a repayment agreement, the BHA will ban the Landlord from future participation in the program and pursue other modes of collection.

Chapter 12 – Denial or Termination of Assistance

A. Denial of Assistance.

If it is determined that an applicant is ineligible for the HCV program, the applicant will be notified in writing of this determination. The notice will describe:

- The reasons for which assistance has been denied,
- The Family's right to an Informal Review,
- The process for obtaining an Informal Hearing, and
- If a criminal record is the basis of the denial, the applicant will be provided information on how to obtain a copy of the record.

When a participant Family's assistance is terminated, the notice of termination will include:

- information on the BHA's Informal Hearing process
- the right to request an Informal Hearing
- the required VAWA forms
- reasonable accommodations

When reviewing reasonable accommodation requests, the BHA will consider whether any mitigating circumstances can be verified to explain and overcome the problem that led to the decision to deny or terminate assistance. If a reasonable accommodation will allow the Family to meet the requirements, the BHA will review this information.

Criteria for Deciding to Deny Assistance Regarding Criminal Background.

The concept of the preponderance of the evidence will be used as the standard for making all admission decisions. The following factors will be considered by the PHA when making a decision to deny assistance:

1. The seriousness of the case, especially with respect to how it would affect other residents,
2. The effects that denial of assistance may have on other members of the Family who were not involved in the action or failure,
3. The extent of participation or culpability of individual Family members, including whether the culpable Family member is a minor or a person with disabilities,
4. The length of time since the violation occurred, the Family's recent history and the likelihood of favorable conduct in the future,
5. In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully,
6. The applicant will be required to submit evidence of the household member's current participation in or successful completion of a supervised drug or alcohol rehabilitation program or evidence of otherwise having been rehabilitated successfully.

As a condition of receiving assistance, a Family may agree to remove the culpable Family member from the application. In such instances, the head of household must certify that the Family member will not be permitted to visit or to stay as a guest in the assisted unit. After admission to the program, the Family must present evidence of the former Family member's current address upon request.

An Informal Review will only be offered to applicants for whom assistance is being denied. Denial of assistance includes:

- Deny listing on the PHA waiting list,
- Denying a voucher,
- Refusing to process or provide assistance under portability procedures.

Notice to the Applicant.

The applicant must be given prompt notice of a decision denying assistance. The notice contains a brief statement of the reasons for the decision and states that the applicant may request an Informal hearing of the decision. The notice describes how to obtain an Informal Review.

Scheduling an Informal Review.
A request for an informal review must be made in writing and received either in person or by first class mail, by the close of the business day, no later than 10 days from the date of the denial of assistance.

The informal review will be scheduled and written notification will be sent to the Family within 10 calendar days of the Family's request.

Informal Review Procedures.
The Informal hearing must be conducted by a person other than the one who made or approved the decision under review or a subordinate of this person. The applicant must be provided an opportunity to present written or oral objections to the decision of the BHA. The person conducting the hearing will make the final decision as to whether assistance should be granted or denied.

Informal Review Decision.
In rendering a decision, the following matters will be evaluated:

- Whether or not the grounds for denial were stated factually in the Notice.
- The validity of grounds for denial of assistance. If the grounds for denial are not specified in the regulations, then the decision to deny assistance will be overturned.
- The validity of the evidence. The facts presented will be evaluated as to whether they prove the grounds for denial of assistance. If the facts prove that there are grounds for denial and the denial is required by HUD, the PHA will uphold the decision to deny assistance.
- If the facts prove the grounds for denial and the denial is discretionary, the PHA will consider the recommendation of the person conducting the Informal hearing in making the final decision whether to deny assistance.

The applicant will be notified of the final decision, including a statement explaining the reason(s) for the decision. The notice will be mailed within 10 business days of the Informal hearing, to the applicant and his or her representative, if any.

B. Termination of Assistance.
If the amount of HCV assistance provided drops to zero and remains zero for 180 consecutive calendar days the Family's assistance terminates automatically. If a participating Family receiving zero assistance experiences a change in circumstances that would cause the HAP payment to rise above zero, the Family must notify the PHA of the changed circumstances and request an interim reexamination before the expiration of the 180-day period.

The Family may request to have their assistance be terminated at any time. The request should be made in writing and signed by the head of household, spouse or co-head. Before terminating the Family's assistance, notice requirements will be followed as regulations and policy dictate.

The PHA will terminate a Family's assistance if:

1. A Family is evicted from a unit assisted under the HCV program for a serious or repeated violation of the lease. A Family will be considered evicted if the Family moves after a legal eviction order has been issued, whether or not physical enforcement of the order was necessary.
   If a Family moves after the Landlord has given the Family an eviction notice for serious or repeated lease violations but before a legal eviction order has been issued, termination of assistance is not mandatory. However, assistance may be terminated if it has been determined that the Family has committed serious or repeated violations of the lease based on available evidence.
   Serious and repeated lease violations will include, but not be limited to, nonpayment of rent, disturbance of neighbors, destruction of property or living or housekeeping habits that cause damage to the unit or premises and violent or drug related criminal activity and documented repeated police activity/complaints.
2. A Family member fails to sign and submit required consent form(s) for a reexamination.
3. A Family fails to submit required documentation within the required timeframe concerning any Family member's citizenship or immigration status,

4. A Family submits evidence of citizenship and eligible immigration status in a timely manner, but United States Citizenship and Immigration Services (USCIS) primary and secondary verification does not verify eligible immigration status of any of the Family members,
5. A Family has knowingly permitted another individual who is not eligible for assistance to reside (for more than 14 days in any 12-month period in the unit. This does not apply to ineligible noncitizens already in the household where the Family's assistance is pro-rated.
6. A participant Family fails to provide the documentation or certification required for any Family member who obtains a social security number or joins the Family.
7. A Family member has ever been convicted of the manufacture or production of methamphetamine on the premises of federally assisted housing. This results in a lifetime ban from assisted housing.
8. Any Family member has become subject to a registration as a sex offender. A lifetime registration requirement results in a lifetime ban from assisted housing.
9. Any household member is currently engaged in any illegal use of a drug, has a pattern of illegal drug use or has an abuse or pattern of abuse of alcohol that interferes with the health, safety or right to peaceful enjoyment of the premises by other residents. All credible evidence will be considered, including but not limited to, any record of arrests, driving-under-the-influence conviction, convictions or eviction of household members related to the use of illegal drugs or abuse of alcohol.
10. Any household member has violated the Family's obligation not to engage in any drug-related or violent criminal activity during participation in the HCV program. All credible evidence will be considered, including but not limited to, any record of arrests and/or convictions of household members related to drug-related or violent criminal activity and any eviction or notice to evict based on drug-related or violent criminal activity.
11. Any adult Family member has engaged in violent or drug related criminal activity within the last three (3) years.
12. Any member of the Family or the entire Family is absent from the unit for more than 60 consecutive calendar days.
13. The Family has failed to comply with any Family obligations under the program.
14. Any Family member has been evicted from federally assisted housing or terminated from the HCV program in the last five years.
15. Any Family member has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.
16. The Family currently owes rent or other amounts to any Housing Authority in connection with the HCV, Certificate, Moderate Rehabilitation or public housing programs.
17. The Family has not reimbursed any Housing Authority for amounts the PHA paid to a Landlord under a HAP Contract for rent, damages to the unit or other amounts owed by the Family under the lease.
18. The Family has breached the terms of a repayment agreement.
19. A Family member has engaged in or threatened violent or abusive behavior toward PHA personnel.

When the Family's assistance is terminated, the lease and HAP Contract terminate automatically. The Landlord may offer the Family a separate unassisted lease.

Consideration of Circumstances.
The following factors will be considered when making a decision to terminate assistance:

- The seriousness of the case, especially with respect to how it would affect other residents.
- The effects that termination of assistance may have on other members of the Family who were not involved in the action or failure.
- The extent of participation or culpability of individual Family members, including whether the culpable Family member is a minor or a person with disabilities.
- The length of time since the violation occurred, the Family's recent history and the likelihood of favorable conduct in the future.
- In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully.
- If applicable, the applicant will be required to submit evidence of the household member's current participation in or successful completion of a supervised drug or alcohol rehabilitation program or evidence of otherwise having been rehabilitated successfully.

Protections for Victims of Domestic Violence, Dating Violence, Stalking or Sexual Assault
The law offers the following protections against eviction or denial of housing based on domestic violence, dating violence or stalking:

- An applicant's or program participant's status as a victim of domestic violence, dating violence, stalking or sexual assault is not a basis for denial of rental assistance or for denial of admission, if the applicant otherwise qualifies for assistance or admission.
- An incident or incidents of actual or threatened domestic violence, dating violence or stalking will not be construed as serious or repeated violations of the lease or other "good cause" for terminating the assistance, tenancy or occupancy rights of a victim of abuse.
- Criminal activity directly related to domestic violence, dating violence, stalking or sexual assault engaged in by a member of a tenant's household or any guest or other person under the tenant's control, shall not be cause for termination of assistance, tenancy or occupancy rights of the victim of the criminal acts.
- Assistance may be terminated or a lease "bifurcated" in order to remove an offending household member from the home. Whether or not the individual is a signatory to the lease and lawful tenant, if he/she engages in a criminal act of physical violence against Family members or others, he/she can be evicted, removed or have his/her occupancy rights terminated. This action is taken while allowing the victim, who is a tenant or a lawful occupant, to remain.
- The provisions protecting victims of domestic violence, dating violence, stalking or sexual assault engaged in by a member of the household, may not be construed to limit the Landlords/Agents (O/A), when notified, from honoring various court orders issued to either protect the victim or address the distribution of property in case a Family breaks up.
- The authority to evict or terminate assistance is not limited with respect to a victim that commits unrelated criminal activity. Furthermore, if an O/A can show an actual and imminent threat to other tenants or those employed at or providing service to the property if an unlawful tenant's residency is not terminated, then evicting a victim is an option, the VAWA notwithstanding. Ultimately, O/As may not subject victims to more demanding standards than other tenants.
- VAWA protections shall not supersede any provision of any federal, state or local law that provides greater protection for victims of domestic violence, dating violence or stalking.
- Emergency transfers for VAWA is a federal change that affects both the Public Housing and HCV Programs. However, with the Housing Choice Voucher Program the Housing Authority does not own the units. HCV will work with the participants and the landlords to terminate the lease and HAP Contract in order to issue the participant another voucher to move to another unit.

Alternatives to Termination of Assistance.

Change in Household Composition.
As a condition of continued assistance, the head of household must certify that the culpable Family member has vacated the unit and will not be permitted to visit or to stay as a guest in the assisted unit. The Family must present evidence of the former Family member's current address upon request.

Repayment of Family Debts.
If a Family owes amounts to the PHA, as a condition of continued assistance, the Family will be required to repay the full amount or to enter into a repayment agreement, within 30 days of receiving notice of the amount owed.

Termination of Notice.
When termination is initiated by the PHA, the notice to terminate will be sent to the Family and the Landlord at least 30 calendar days prior to the effective date of the termination. However, if a Family vacates the unit without notification, a 30 days' notice will not be given. In these cases, the notice to terminate will be sent at the time the PHA learns the Family has vacated the unit.

When a Family requests to be terminated from the program they must do so in writing or other method needed by a person with a disability. A confirmation notice will be sent to the Family and the Landlord within 10 business days of the Family's request, but no later than the termination effective date (as requested by the Family).

Notice of Termination Based on Citizenship Status. The notice of termination must:

- Advise the Family of the reasons their assistance is being terminated,
- That they may be eligible for proration of assistance,
- The criteria and procedures for obtaining relief under the provisions for preservation of participants,
- That they have the right to request an appeal to the USCIS of the results of secondary verification of immigration status and to submit additional documentation or a written explanation in support of the appeal and
- That they have the right to request an Informal Hearing either upon completion of the USCIS appeal or in lieu of the USCIS appeal.

The notice to terminate will be sent to the Family and the Landlord at least 30 calendar days prior to the effective date of the termination.

Termination of Tenancy by the Landlord.
Termination of an assisted tenancy is a matter between the Landlord and the Family, the PHA is not directly involved. However, the Landlord is under some constraints when terminating an assisted tenancy and the reasons for which a tenancy is terminated dictate whether assistance also will be terminated.

During the term of the lease, the Landlord is not permitted to terminate the tenancy except for serious or repeated violations of the lease, certain violations of state or local law or other good cause.
The Landlord is permitted to terminate the Family's tenancy:

1. For serious or repeated violations of the terms and conditions of the lease. This includes failure to pay rent or other amounts due under the lease. However, the PHA's failure to make a HAP payment to the Landlord is not a violation of the lease between the Family and the Landlord.
2. If a Family member violates federal, state or local law that imposes obligations in connection with the occupancy or use of the premises.
3. If any covered person, meaning any member of the household, a guest or another person under the tenant's control commits any of the following types of criminal activity or if the Landlord determines that the household member has committed the criminal activity, regardless of whether the household member has been arrested or convicted for such activity:
   - Any criminal activity that threatens the health or safety of or the right to peaceful enjoyment of the premises by, other residents (including property management staff residing on the premises),
   - Any criminal activity that threatens the health or safety of or the right to peaceful enjoyment of their residences by, persons residing in the immediate vicinity of the premises,
   - Any violent criminal activity or
   - Any drug-related criminal activity.
4. If any member of the household is:
   - Fleeing to avoid prosecution, custody or confinement after conviction for a crime or an attempt to commit a crime that is a felony under the laws of the place from which the individual flees or that, in the case of the State of New Jersey, is a high misdemeanor or
   - Violating a condition of probation or parole imposed under federal or state law.
5. If any member of the household has engaged in abuse of alcohol that threatens the health, safety or right to peaceful enjoyment of the premises by other residents.

During the initial lease term, the Landlord may not terminate the tenancy for "other good cause" unless the Landlord is terminating the tenancy because of something the Family did or failed to do. During the initial lease term or during any extension term, other good cause includes the disturbance of neighbors, destruction of property or living or housekeeping habits that cause damage to the unit or premises.

After the initial lease term, "other good cause" for termination of tenancy by the Landlord includes:

- Failure by the Family to accept the offer of a new lease or revision,
- The Landlord's desire to use the unit for personal or Family use or for a purpose other than as a residential rental unit or
- A business or economic reason for termination of the tenancy (such as sale of the property, renovation of the unit or desire to lease the unit at a higher rent).

In cases where there is no violation by the tenant, the Landlord will not be permitted to put the unit back in the program for two years.

Eviction.
The Landlord must give the tenant a written notice that specifies the grounds for termination of tenancy during the term of the lease. The tenancy does not terminate before the Landlord has given this notice and the notice must be given at or before commencement of the eviction action.

The notice of grounds may be included in or may be combined with, any Landlord eviction notice to the tenant. Landlord eviction notice means a notice to vacate, or a complaint or other initial pleading used under state or local law to commence an eviction action. The Landlord may only evict the tenant from the unit by instituting a court action. The Landlord must give the BHA a copy of any eviction notice at the same time the Landlord notifies the Family. The Family is also required to give the BHA a copy of any eviction notice.

If the eviction action results in a judgment for the Landlord in court, the Landlord must provide the PHA with documentation related to the eviction, including notice of the eviction date, as soon as possible, but no later than 30 business days following the court-ordered eviction. If the tenant appeals the court's determination, their assistance will continue until the case is settled with possession for the Landlord.

Denial or Termination for Applicant/Participant with an Individual with a Disability.
PHA's decision to deny or terminate assistance for an applicant/participant that includes a person with disabilities is subject to consideration of reasonable accommodation.

When applicants with disabilities are denied assistance, the notice of denial provides information of the PHA's Informal hearing process and the right to request an Informal Hearing. In addition, the notice informs applicants with disabilities of their right to request reasonable accommodation to participate in the Informal hearing process.

If the Family indicates that the behavior of a Family member with a disability is the reason for the proposed denial of assistance, the PHA will determine whether the behavior is related to the disability. Upon the Family's request, the PHA will determine whether alternative measures are appropriate as a reasonable accommodation that can reasonably be expected to address the behavior that is the basis of the proposed denial of assistance.

Deciding Whether to Terminate Tenancy.
An Landlord who has grounds to terminate a tenancy is not required to do so and may consider all of the circumstances relevant to a particular case before making a decision. These might include:

- The seriousness of the offending action,
- The effect on the community of the termination or of the Landlord's failure to terminate the tenancy,
- The extent of participation by the leaseholder in the offending action,
- The effect of termination of tenancy on household members not involved in the offending activity,
- The demand for assisted housing by participants who will adhere to lease responsibilities,
- The extent to which the leaseholder has shown personal responsibility and taken all reasonable steps to prevent or mitigate the offending action,
- The effect of the Landlord's action on the integrity of the program.

The Landlord may require a Family to exclude a household member in order to continue to reside in the assisted unit, where that household member has participated in or been culpable for action or failure to act that warrants termination.

Effect of Termination of Tenancy on the Family's Assistance.
If a termination is not due to a serious or repeated violation of the lease and if the PHA has no other grounds for termination of assistance, a new voucher may be issued so that the Family can move with continued assistance.

Chapter 13 – Informal Reviews and Hearings

A. **Informal Reviews - Denial of Assistance.**

Assistance will be denied to applicants and their household members in the following cases:

1. Does not meet the eligibility criteria, which includes:
   a. Having an annual income higher than the Very Low-Income limit (and does not qualify as "continuously assisted",
   b. Having no Family member who is either a citizen or with eligible immigration status,
   c. Refusing to provide social security numbers,
   d. Refusing to cooperate with verification requirements.
2. Any member of the household has been evicted from federally assisted housing in the last 5 years for drug-related convictions. An otherwise-eligible Family will be admitted if the PHA is able to verify that the household member who was convicted has completed an approved supervised drug rehabilitation program or the person who was convicted of the crime is no longer living in the household.
3. There is reasonable cause to believe that any household member's current use or pattern of use of illegal drugs or current abuse or pattern of abuse of alcohol, may threaten the health, safety or right, to peaceful enjoyment of the premises by other residents. In determining reasonable cause, all credible evidence will be considered, including but not limited to, any record of convictions, arrests or evictions of household members related to the use of illegal drugs in the last 5 years.
4. Any household member has ever been convicted of drug-related criminal activity for the production or manufacture of methamphetamine on the premises of federally assisted housing.
5. Any household member registered under a state offender registration program or is listed as a lifetime sex offender on the Dru Sjodin National Sex Offender website.
6. History of criminal activity resulting in a conviction within the last five (5) years by any household member involving drug-related or violent criminal activity.
7. Any adult Family member has been evicted from federally assisted housing in the last five year (5) years.
8. Any adult Family member has been convicted of fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.
9. A Family member has engaged in or threatened violent or abusive behavior toward the PHA personnel including the use of obscene or profane language or threats of bodily harm.
10. The Family does not provide information that the BHA determines is necessary in the administration of the program.
11. The Family does not provide complete and true information.
12. The Family owes rent or other amounts to any federally assisted program in connection with the HCV, Certificate, Moderate Rehabilitation or public housing programs, unless the Family repays the full amount of the debt prior to being selected from the waiting list.
13. If the Family has not reimbursed any federally assisted program for amounts the BHA paid to a Landlord under a HAP Contract for rent, damages to the unit or other amounts owed by the Family under the lease, unless the Family repays the full amount of the debt prior to being selected from the waiting list.
14. The Family has breached the terms of a repayment agreement entered into with the BHA, unless the Family repays the full amount of the debt covered in the repayment agreement prior to being selected from the waiting list.

In making its decision to deny assistance, the BHA will consider the factors discussed above. Upon consideration of such factors, the BHA may, on a case-by-case basis, decide not to deny assistance. The PHA will not deny assistance to an otherwise eligible applicant due to previously failing to meet obligations under the Family Self-Sufficiency (FSS) program or the Welfare-to-Work program.

B. **Informal Hearings.**

When the PHA makes a decision that has a negative impact on a Family, the Family is often entitled to appeal the decision. For applicants, the appeal takes the form of an Informal hearing, for participants or for applicants denied admission because of citizenship issues, the appeal takes the form of an Informal Hearing.

Informal hearings are provided for program participants. These hearings are intended to provide a "minimum hearing requirement".

Informal hearings must be offered to participants for certain the PHA determinations relating to the individual circumstances of a participant Family. The purpose of the Informal Hearing is to consider whether the BHA's decisions related to the Family's circumstances are in accordance with the law, HUD regulations and the BHA policies.

The BHA is not permitted to terminate a Family's assistance until the time allowed for the Family to request an Informal Hearing has elapsed and any requested hearing has been completed. Termination of assistance for a participant may include any or all of the following:

- Terminating housing assistance payments under an outstanding HAP Contract.
- Refusing to process or provide assistance under portability procedures.

Decisions Subject to Informal Hearing
Circumstances for which the Family must be given an opportunity for an Informal Hearing are as follows:

- A determination of the Family's annual or adjusted income and the use of such income to compute the housing assistance payment.
- A determination of the appropriate utility allowance (if any) for tenant-paid utilities from the utility allowance schedule.
- A determination of the Family unit size under the subsidy standards.
- A determination that a Family is residing in a unit with a larger number of bedrooms than appropriate for the Family unit size under the subsidy standards or the determination to deny the Family's request for exception from the standards.
- A determination to terminate assistance for a participant Family because of the Family's actions or failure to act.
- A determination to terminate assistance because the participant has been absent from the assisted unit for longer than the maximum period permitted under the PHA policy and HUD rules.
- A determination to terminate a Family's Family Self Sufficiency contract, withhold supportive services or to propose forfeiture of the Family's escrow account.

Circumstances for which an Informal Hearing is not required are as follows:

- Discretionary administrative determinations.
- General policy issues or class grievances.
- Establishment of the schedule of utility allowances for participants in the program.
- A determination not to approve an extension or suspension of a voucher term.
- A determination not to approve a unit or tenancy.
- A determination that a unit selected by the applicant is not in compliance with the HQS/NSPIRE.
- A determination that the unit is not in accordance with HQS/NSPIRE because of Family size.
- A determination to exercise or not to exercise any right or remedy against a Landlord under a HAP Contract.

C. Informal Hearing Procedures.

Notice to the Family
In cases where an Informal Hearing must be offered, the notice to the Family will include all of the following:

- The proposed action or decision.
- A brief statement of the reasons for the decision including the regulatory reference.
- The date the proposed action will take place.
- A statement of the Family's right to an explanation of the basis for the PHA's decision.
- A deadline for the Family to request the Informal Hearing.
- To whom the hearing request should be addressed.
- A copy of the hearing procedures.

Scheduling an Informal Hearing
A request for an Informal Hearing must be made in writing and delivered either in person or by first class mail, by the close of the business day, no later than 10 days from the date of the decision or notice to terminate assistance.

The Informal Hearing will be scheduled, and written notification will be sent to the Family within 10 days of the Family's request.

The Family may request to reschedule a hearing for good cause or if it is needed as a reasonable accommodation for a person with disabilities. Requests to reschedule a hearing must be made orally or in writing prior to the hearing date. At its discretion, the PHA may request documentation of the "good cause" prior to rescheduling the hearing.

If the Family does not appear at the scheduled time and was unable to reschedule the hearing in advance due to the nature of the conflict, the Family must contact the PHA within 24 hours of the scheduled hearing date, excluding weekends and holidays. The hearing will be rescheduled only if the Family can show good cause for the failure to appear or if it is needed as a reasonable accommodation for a person with disabilities.

Pre-Hearing Right to Discovery
The Family will be allowed to copy any documents related to the hearing at a cost of $.25 per page. The Family must request discovery of documents no later than 12:00 p.m. on the business day prior to the scheduled hearing date

The PHA must be given an opportunity to examine any Family documents that are directly relevant to the hearing prior to the hearing. Whenever a participant requests an Informal Hearing, a letter will be mailed to the participant requesting a copy of all documents that the participant intends to present or utilize at the hearing. The participant must make the documents available no later than 12:00 p.m. on the business day prior to the scheduled hearing date.

Participant's Right to Bring Counsel
At its own expense, the Family may be represented by a lawyer or other representative at the Informal Hearing. The Family must notify the PHA that it intends to be represented by counsel no less than 5 working days before the hearing. If a Family notifies the PHA that it will be represented by counsel, the PHA's counsel will be present.

Informal Hearing Officer
The PHA will make a case-by-case determination about who will act as hearing officer. It will never be the person who made or reviewed the decision under review or a subordinate of that person.

Attendance at the Informal Hearing
Hearings may be conducted in person or over the phone. Hearings may be attended by a hearing officer and the following applicable persons:

- A the PHA representative and any witnesses for the PHA
- The participant and any witnesses for the participant
- The participant's counsel or other representative
- Any other person approved as a reasonable accommodation for a person with a disability

Conduct at Hearings
The PHA's attorney may attend any hearing.
The hearing officer is responsible to manage the order of business and to ensure that hearings are conducted in a professional and businesslike manner. Attendees are expected to comply with all hearing procedures established by the hearing officer and guidelines for conduct. Any person demonstrating disruptive, abusive or otherwise inappropriate behavior will be excused from the hearing at the discretion of the hearing officer. All witnesses will be sworn in.

Evidence
Any evidence to be considered by the hearing officer must be presented at the time of the hearing. There are four categories of evidence.

- **The strict rules of evidence do not apply.**
  Oral evidence: the testimony of witnesses. All witnesses will be placed under oath.
- **Documentary evidence**: Written material that is relevant to the case, for example, a letter written to the PHA. Writings include all forms of recorded communication or representation, including letters, words, pictures, sounds, videotapes or symbols or combinations thereof.
- **Demonstrative evidence**: Evidence created specifically for the hearing and presented as an illustrative aid to assist the hearing officer, such as a model, a chart or other diagram.
- **Real evidence**: A tangible item relating directly to the case.

Hearsay Evidence is evidence of a statement that was made other than by a witness while testifying at the hearing and that is offered to prove the truth of the matter. Even though evidence, including hearsay, is generally admissible, hearsay evidence alone cannot be used as the sole basis for the hearing officer's decision.

If either the BHA or the Family fail to comply with the discovery requirements described above, the hearing officer will refuse to admit such evidence.

Other than the failure of a party to comply with discovery, the hearing officer has the authority to overrule any objections to evidence.

Hearing Officer's Decision
In rendering a decision, the hearing officer will consider the following matters:

- **Notice to the Family**: The hearing officer will determine if the reasons for the BHA's decision are factually stated in the Notice.
- **Discovery:** The hearing officer will determine if the BHA and the Family were given the opportunity to examine any relevant documents in accordance with the BHA policy.
- **Evidence to Support the Decision**: The evidence consists of the facts presented. Evidence is not conclusion and it is not argument. The hearing officer will evaluate the facts to determine if they support the BHA's conclusion.
- **Validity of Grounds for Termination of Assistance (when applicable)**: The hearing officer will determine if the termination of assistance is for one of the grounds specified in the HUD regulations and the BHA policies. If the grounds for termination are not specified in the regulations or in compliance with the BHA policies, then the decision will be overturned.

The hearing officer will issue a written decision to the Family and the PHA no later than 10 business days after the hearing. The report will contain the following information:

Hearing information:

- Name of the participant and all other persons attending the hearing or listening on the phone call,
- Date, time and place of the hearing,
- Name of the hearing officer,
- Name of the PHA representative and
- Name of Family representative (if any).

Background: A brief, impartial statement of the reason for the hearing.

- **Summary of the Evidence**: The hearing officer will summarize the testimony of each witness and identify any documents that a witness produced in support of his/her testimony and that are admitted into evidence.
- **Findings of Fact:** The hearing officer will include all findings of fact, based on a preponderance of the evidence. Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

- **Conclusions:** The hearing officer will render a conclusion derived from the facts that were found to be true by a preponderance of the evidence. The conclusion will result in a determination of whether these facts uphold the PHA's decision.
- **Order:** The hearing report will include a statement of whether the PHA's decision is upheld or overturned. If it is overturned, the hearing officer will instruct the PHA to change the decision in accordance with the hearing officer's determination. In the case of termination of assistance, the hearing officer will instruct the PHA to restore the participant's program status.

Notice of Final Decision
The PHA will mail a "Notice of Final Decision" to the participant and their representative, if any. This Notice will be sent by first-class mail, postage pre-paid with an affidavit of mailing enclosed. The participant will be mailed the original "Notice of Final Decision". A copy of the "Notice of Final Decision" will be maintained in the PHA's file.

Hearing and Appeal Provisions for Non-Citizens
Denial or termination of assistance based on immigration status is subject to special hearing and notice rules. Applicants who are denied assistance due to immigration status are entitled to an Informal Hearing conducted by USCIS.

Assistance to a Family may not be delayed, denied or terminated on the basis of immigration status at any time prior to a decision under the United States Citizenship and Immigration Services (USCIS) appeal process. Assistance to a Family may not be terminated or denied while the hearing is pending, but assistance to an applicant may be delayed pending the completion of the Informal Hearing.

A decision against a Family member, issued in accordance with the USCIS appeal process or the PHA Informal Hearing process, does not preclude the Family from exercising the right, that may otherwise be available, to seek redress directly through judicial procedures.

Notice of Denial or Termination of Assistance
The notice of denial or termination of assistance for noncitizens must advise the Family:

- That financial assistance will be denied or terminated and provide a brief explanation of the reasons for the proposed denial or termination of assistance.
- The Family may be eligible for proration of assistance.
- In the case of a participant, the criteria and procedures for obtaining relief und the provisions for preservation of participants.
- That the Family has a right to request an appeal to the USCIS of the results of secondary verification of immigration status and to submit additional documentation or explanation in support of the appeal.
- That the Family has a right to request an Informal Hearing either upon completion of the USCIS appeal or in lieu of the USCIS appeal.
- For applicants, assistance may not be delayed until the conclusion of the USCIS appeal process, but assistance may be delayed during the period of the Informal Hearing process.

USCIS Appeal Process
When notification is received that the USCIS secondary verification failed to confirm eligible immigration status, the PHA must notify the Family of the results of the USCIS verification. The Family will have 30 days from the date of the notification to request an appeal of the USCIS results. The request for appeal must be made by the Family in writing directly to the USCIS. The Family must provide the PHA with a copy of the written request for appeal and the proof of mailing.

The PHA will notify the Family in writing of the results of the USCIS secondary verification within 10 business days of receiving the results. The Family must provide the PHA with a copy of the written request for appeal and proof of mailing within 10 business days of sending the request to the USCIS.

The Family must forward to the designated USCIS office any additional documentation or written explanation in support of the appeal. This material must include a copy of the USCIS document verification request (used to process the secondary request) or such other form specified by the USCIS and a letter indicating that the Family is requesting an appeal of the USCIS immigration status verification results.

The USCIS will notify the Family, with a copy to the PHA, of its decision. The PHA will send written notice to the Family of its right to request an Informal Hearing within 10 business days of receiving notice of the USCIS decision regarding the Family's immigration status.

Informal Hearing Procedures for Applicants
After notification of the USCIS decision on appeal or in lieu of an appeal to the USCIS, the Family may request that the PHA provide a hearing. The request for a hearing must be made either within 30 days of receipt of the notice of denial or termination or within 30 days of receipt of the USCIS appeal decision.

The Informal Hearing procedures for applicant participants are described below.

Informal Hearing Officer
The PHA must provide an Informal Hearing before an impartial individual, other than a person who made or approved the decision under review and other than a person who is a subordinate of the person who made or approved the decision.

Evidence
The Family will be allowed to copy any documents related to the hearing at a cost of $.25 per page copy. The Family must request discovery of documents no later than 12:00 p.m. on the business day prior to the hearing.

The Family must be provided the opportunity to present evidence and arguments in support of eligible status. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

The Family must also be provided with the opportunity to refute evidence relied upon by the PHA and to cross-examine all witnesses on whose testimony or information the PHA relies upon.

Representation and Interpretive Services
The Family is entitled to be represented by an attorney or other designee, at the Family's expense and to have such person make statements on the Family's behalf.

The Family is entitled to arrange for an interpreter to attend the hearing, at the expense of the Family or the PHA, as may be agreed upon by the two parties.

Recording of the Hearing
The Family is entitled to have the hearing recorded by audiotape. The PHA will not provide a transcript of the hearing.

Hearing Decision
The PHA must provide the Family with a written final decision, based solely on the facts presented at the hearing, within 14 calendar days of the date of the Informal Hearing. The decision must state the basis for the decision.

Retention of Documents
The PHA must retain for a minimum of 5 years the following documents that may have been submitted to the PHA by the Family or provided to the PHA as part of the USCIS appeal or the Informal Hearing process:

- The application for assistance
- The form completed by the Family for income reexamination
- Photocopies of any original documents, including original USCIS documents
- The signed verification consent form
- The USCIS verification results
- The request for an USCIS appeal
- The final USCIS determination
- The request for an Informal Hearing
- The final Informal Hearing decision

Chapter 14 – Program Administration

Preventing, Detecting and Investigating Errors and Program Abuse.
The BHA anticipates that the vast majority of participants, Landlords and employees intend to and will comply with program requirements and make reasonable efforts to avoid errors. To ensure that the HCV program is administered effectively and according to the highest ethical and legal standards, a variety of techniques will be used to ensure that both errors and intentional program abuse are rare.

- Program compliance and integrity issues will be discussed during the voucher briefing sessions.
- Each applicant and participant will be provided with the publication *Things You Should Know (HUD-1140-OIG)* that explains the types of actions a Family must avoid and the penalties for program abuse.
- A warning statement about the penalties for fraud will be placed on key forms and form letters that request information from a Family or Landlord.
- Staff will be required to review and explain the contents of all required forms prior to requesting Family member signatures.
- First-time Landlords (or their agents) will be required to participate in a briefing session on HAP Contract requirements or will be sent a packet of information.
- Each employee will be provided with the necessary training on program rules and the organization's standards of conduct and ethics.

Quality Control and Analysis of Data.
Under the HCV Management Assessment Program (SEMAP), HUD requires a random sample of tenant records to be reviewed annually to determine if the records conform to program requirements and to conduct quality control inspections of a sample of units to ensure HQS/NSPIRE compliance.

In addition to the SEMAP quality control requirements, a variety of methods will be used to detect errors and program abuse.

- Available sources of up-front income verification will be used to compare with Family-provided information.
- At each annual reexamination, current information provided by the Family will be compared to information provided at the last annual reexamination to identify inconsistencies and incomplete information.
- Family-reported income and expenditures will be compared to detect possible unreported income.

Independent Audits and HUD Monitoring.
The results reported in any IPA or HUD monitoring reports will be used to identify potential program abuses as well as to assess the effectiveness of error detection and abuse prevention efforts.

Individual Reporting of Possible Errors and Program Abuse .
Staff, program participants and the public are encouraged to report possible program abuse.

Investigating Errors and Program Abuse.
All referrals, specific allegations, complaints and tips will be reviewed from any source including other agencies, companies and individuals, to determine if they warrant investigation. In order to investigate, the allegation must contain at least one independently-verifiable item of information, such as the name of an employer or the name of an unauthorized household member.

Inconsistent information related to the Family that is identified through file reviews and the verification process will be investigated.

Consent to Release of Information.
Possible instances of error or abuse will be investigated using all available PHA and public records. If necessary, HCV participants will be required to give consent to the release of additional information.

Analysis and Findings
Evaluations will be based on a preponderance of the evidence collected during an investigation. For each investigation the following will be determined:

1. Whether an error or program abuse has occurred
2. Whether any amount of money is owed
3. What corrective measures or penalties will be assessed

Consideration of Remedies
In the case of Family-caused errors or program abuse, the following will be taken into consideration:

1. The seriousness of the offense and the extent of participation or culpability of individual Family members,
2. Any special circumstances surrounding the case,
3. Any mitigating circumstances related to the disability of a Family member,
4. The effects of a particular remedy on Family members who were not involved in the offense.

In the case of Landlord-caused errors or program abuse, the following will be taken into consideration:

1. The seriousness of the offense,
2. The length of time since the violation has occurred and
3. The effects of a particular remedy on Family members who were not involved in the offense.

Notice and Appeals
The relevant party will be informed in writing of the findings and remedies within 10 business days of the conclusion of the investigation. The notice will include:

1. A description of the error or program abuse,
2. The basis on which the error or program abuses were determined,
3. The remedies to be employed and
4. The Family's right to appeal the results through the Informal Hearing process, if applicable.

C. **Utility Allowance Schedules and Updates.**
A utility allowance schedule is used in determining Family share and subsidy. A utility allowance schedule must be maintained for:

1. All tenant-paid utilities,
2. The cost of tenant-supplied refrigerators and ranges and
3. Other tenant-paid housing services such as trash collection.

The utility allowance schedule must be determined based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality.

The utility allowance must include the utilities and services that are necessary in the locality to provide housing that complies with HQS/NSPIRE standards. Costs for telephone, cable/satellite television and internet services are not included in the utility allowance schedule.

In the utility allowance schedule, utilities and other housing services must be classified according to the following general categories: space heating, air conditioning, cooking, water heating, water, sewer, trash collection, other electric, cost of tenant-supplied refrigerator, cost of tenant-supplied range and other specified housing services. The cost of each utility and housing service must be stated separately by unit size and type.

Participants will receive the appropriate utility allowance for the lesser of the size of dwelling unit actually leased by the Family or the voucher size issued, as determined under the subsidy standards.

In cases where a reasonable accommodation has been provided to a Family that includes a person with disabilities, the Family will receive the appropriate utility allowance for the size of the dwelling unit actually leased by the Family.

Reasonable Accommodation.
HCV program regulations require approval of a utility allowance amount higher than shown on the schedule if a higher allowance is needed as a reasonable accommodation for a Family member with a disability.

Utility Allowance Revisions.
The schedule of utility allowances must be reviewed each year, and the schedule must be revised if there has been a change of 10 percent or more in any utility rate since the last time the allowance for that utility was revised.

Information supporting the annual review of utility allowance and any revisions made in the utility allowance schedule will be maintained.

Record Retention and Records Management.
During the term of each assisted lease and for at least three years thereafter, the following must be kept:

- The HAP Contract and executed lease,
- The application package from the Family.
- Records that provide income, racial, ethnic, gender and disability status data on program applicants and participants,
- An application from each ineligible Family and notice that the applicant is not eligible,
- Unit inspection reports and lead-based paint records,
- Accounts and other records supporting budget and financial statements for the program,
- Records to document the basis for determination that rent to Landlord is a reasonable rent (initially and during the term of a HAP Contract) and
- Other records specified by HUD.

If a participant Family continues to lease a unit for longer than three years the active lease and HAP Contract must be kept in the file until the Family moves or leaves the program. All applicant and participant information will be kept in a secure location, and access will be limited to authorized staff. BHA staff will not discuss personal Family information unless there is a business reason to do so.

Criminal Records.
The BHA will run criminal history checks on all adult Family members. The PHA may only disclose the criminal conviction records that are received from a law enforcement agency to officers or employees of the PHA or to authorized representatives who have a job-related need to have access to the information.

Medical/Disability Records.
The PHA is not permitted to inquire about the nature or extent of a person's disability, nor about a person's diagnosis or details of treatment for a disability or medical condition is . If the PHA receives a verification document that provides such information, this information will not be placed in the tenant file, the document will be destroyed.

Reporting and Record Keeping for Children with Environmental Intervention Blood Lead Level
The PHA will report the name and address of a child identified as having an environmental intervention blood lead level to the public health department within 5 business days of being so notified by any other medical health care professional.

F. **Administrative Fee Reserve**. (24 CFR §982.155)

The BHA must maintain an administrative fee reserve for the program to pay program administrative expenses in excess of administrative fees paid by HUD for a fiscal year. If funds in the administrative fee reserve are not needed to cover administrative expenses, these funds may be used for other housing purposes permitted by Federal, State and local law and authorized by the PHA's Board of Commissioners.

Expenditures from the administrative fee reserve will be made in accordance with all applicable Federal requirements. Expenditures will not exceed $50,000 per occurrence without the prior approval of the PHA's Board of Commissioners.

G. **Passbook Savings Rate**. (Notice PIH 2023-27)

The Passbook Savings Rate is used to calculate imputed income for Family assets over $50,000. Along with the inflationary adjustments, HUD will annually publish a passbook rate to become effective January 1st of each year. PHAs must use the HUD-published passbook rate when calculating required imputed asset income for all income examinations.

The Passbook Savings Rate is based on the Federal Deposit Insurance Corporation (FDIC) National Deposit Rate for savings accounts, which is an average of national savings rates published monthly.