

ADMISSIONS AND CONTINUED  
OCCUPANCY PLAN

**HOUSING AUTHORITY  
OF THE  
COUNTY OF BUTTE**

2010



# HOUSING AUTHORITY OF THE COUNTY OF BUTTE

## ADMISSIONS AND CONTINUED OCCUPANCY POLICY FOR THE HUD LOW INCOME PUBLIC HOUSING PROGRAM

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**APPENDIX A - RESOLUTION NO. 4172 "AUTHORIZATION TO AMEND ADMINISTRATIVE PLAN AND ADMISSIONS AND CONTINUED OCCUPANCY POLICY TO INCLUDE PREFERENCES FOR PUBLIC HOUSING AND SECTION 8 FAMILIES DISPLACED BY HURRICANE KATRINA"**

# **Chapter 1 Statement of Policies**

## **INTRODUCTION**

The Public Housing Program was created by the U.S. Housing Act of 1937.

Administration of the Public Housing Program and the functions and responsibilities of the Public Housing Authority (PHA) staff shall be in compliance with the PHA's Personnel Policy and this Admissions and Continued Occupancy Policy. The administration of this PHA's housing program will also meet the requirements of the Department of Housing and Urban Development. Such requirements include any Public Housing Regulations, Handbooks, and applicable Notices. All applicable Federal, State and local laws, including Fair Housing Laws and regulations also apply. Changes in applicable federal laws or regulations shall supersede provisions in conflict with this policy. Federal regulations shall include those found in Volume 24 CFR, Parts 1, 5, 8, 100 and 900-966 (Code of Federal Regulations).

### ***A. Housing Authority Mission Statement***

The mission of the Housing Authority of the County of Butte is to assist low and moderate-income residents to secure and maintain high quality affordable housing.

### ***B. Local Objectives***

This Admissions and Continued Occupancy Plan for the Public Housing Program is designed to demonstrate that the PHA is managing its program in a manner that reflects its commitment to improving the quality of housing available to its public, and its capacity to manage that housing in a manner that demonstrates its responsibility to the public trust. In addition, this Admissions and Continued Occupancy Policy is designed to achieve the following objectives:

- To provide improved living conditions for very low and low income families while maintaining their rent payments at an affordable level.
- To operate a socially and financially sound public housing agency that provides decent, safe, and sanitary housing within a drug free, suitable living environment for tenants and their families.
- To lawfully deny the admission of applicants, or the continued occupancy of residents, whose habits and practices reasonably may be expected to adversely affect the health, safety, comfort or welfare of other residents or the physical environment of the neighborhood, or threaten violence to PHA employees.

- To attempt to house a tenant body in each development that is composed of families with a broad range of incomes and rent-paying abilities that are representative of the range of incomes of low-income families in the PHA's jurisdiction.
- To provide opportunities for upward mobility or families who desire to achieve self-sufficiency.
- To facilitate the judicious management of the PHA inventory, and the efficient management of the PHA staff.
- To ensure compliance with Title VI of the Civil Rights Act of 1964 and all other applicable Federal laws and regulations so that the admissions and continued occupancy are conducted without regard to race, color, religion, creed, sex, marital status, sexual orientation, national origin, disability or familial status.

### **C. Purpose of the Policy**

The purpose of this Admissions and Continued Occupancy Policy (ACOP) is to establish guidelines for the Public Housing Authority (PHA) staff to follow in determining eligibility for admission and continued occupancy. These guidelines are governed by the requirements of the Department of Housing and Urban Development (HUD) with latitude for local policies and procedures. These policies and procedures for admissions and continued occupancy are binding upon applicants, residents and the PHA.

The PHA Board of Commissioners must approve the original policy and any changes. Required portions of this Plan will be provided to HUD.

### **D. Non-Discrimination Policy**

It is the policy and intention of the PHA to comply in all of its policies and procedures affecting all of its programs and activities, including employment and housing in compliance with all federal, state and local regulations prohibiting discrimination on the basis of race, ethnicity, religion, color, national origin, age, sex, familial status, source of income, sexual orientation, disability, marital status, ancestry, medical condition, or veteran status.

If an applicant or participant has a documented physical, mental or developmental impairment that substantially limits one or more major life activities; has a record of such impairment; or regarded as having such impairment, the PHA would like to know what the special needs are so that they can be readily addressed. The PHA should be notified of any special needs, at the time of interview or eligibility.



It is the policy of the PHA to provide reasonable accommodations to those persons with disabilities so that they can participate in its housing programs. To request a reasonable accommodation, you may contact the Section 504 Coordinator Larry Guanzon, in writing at the Housing Authority of the County of Butte office located at 2039 Forest Avenue, Chico CA 95928 or by telephone at (530) 895-4474 Ext. 226 or email at [larryg@butte-housing.com](mailto:larryg@butte-housing.com).

The PHA will not directly or through contractual, licensing or other arrangements permit or engage in discrimination in admission or access to, or treatment or employment in its federally assisted programs and activities.

### ***E. Fair Housing Policy***

It is the policy of the Housing Authority to comply fully with all Federal, State and local nondiscrimination laws and with rules and regulations governing Fair Housing and Equal Opportunity in housing and employment. The PHA will comply with all laws relating to Civil Rights, including:

- Title VII of the Civil Rights Act of 1964
- Title VIII of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974 and the Fair Housing Amendments Act of 1968)
- Executive Order 11063
- Section 501 and 5054 of the Rehabilitation Act of 1973
- The Age Discrimination Act of 1975
- Title II of the Americans with Disabilities Act (to the extent that it applies, otherwise Section 504 and the Fair Housing Act govern)
- Any applicable State laws or local ordinances and any legislation protecting individual rights of tenants, applicants or staff that may subsequently be enacted

The PHA shall not discriminate because of age, race, ethnicity, ancestry, color, sex, religion, familial status, disability, national origin, marital status, medical condition, source of income, sexual orientation or veteran status in the leasing, rental or other disposition of housing or related facilities, including land, that is part of any project or projects under the PHA's jurisdiction covered by a contract for annual contributions under the United States Housing Act of 1937, as amended, or in the use or occupancy thereof.

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

To further its commitment to full compliance with applicable Civil Rights laws, the PHA will provide Federal/State/local information to public housing residents regarding “discrimination” and any recourse available to them if they believe they are victims of discrimination. Such information will be made available to them during the resident orientation session.

The PHA’s offices are accessible to persons with disabilities.

The PHA shall not, on account of age, race, ethnicity, ancestry, color, sex, religion, familial status, disability, national origin, marital status, medical condition, source of income, or sexual orientation:

- Deny to any family the opportunity to apply for housing, nor deny to any qualified applicant the opportunity to lease housing suitable to its needs
- Provide housing that is different from that provided to others
- Subject a person to segregation or disparate treatment
- Restrict a person’s access to any benefit enjoyed by others in connection with the housing program
- Treat a person differently in determining eligibility or other requirements for admission
- Deny a person access to the same level of services

#### ***F. Service and Accommodations Policy***

It is the policy of the Housing Authority of the County of Butte to provide courteous and efficient service to all applicants for housing assistance. In that regard, the PHA will endeavor to accommodate persons with disabilities, as well as those persons with language and literacy barriers.

This policy is applicable to all situations described in this Admissions and Continued Occupancy Policy when a family initiates contact with the PHA, when the PHA initiates contact with a family including when a family applies, and when the PHA schedules or reschedules appointments of any kind.

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

The PHA’s policies and practices will be designed to provide assurances that all persons with disabilities will be provided reasonable accommodation so that they may

fully access and utilize the housing program and related services. The availability of specific accommodations will be made known by including notices on PHA forms and letters to all households, and all requests will be verified so that the PHA can properly adjudicate accommodation of the need presented by the disability.

An initial request by the participant for a reasonable accommodation may be oral or written. Once the need for a reasonable accommodation has been made known the PHA will require written verification from a qualified professional of both the existence of a disability and the need for the corresponding accommodation. Should the participant require assistance in the completion of accommodation documentation, the PHA shall provide such assistance, or refer the participant to the services of an advocate qualified to assist the participant in provision and completion of the accommodation documentation. If the PHA denies the request because it finds it unreasonable, it may suggest an alternative accommodation that it does find reasonable and if necessary engage in an interactive process to explore a feasible alternative accommodation. The appeal process or grievance procedure available to a participant who was denied a reasonable accommodation request is outlined in Chapter 13, Section E.

### **Federal Americans with Disabilities Act of 1990**

With respect to an individual, the term “disability”, as defined by the 1990 Act means:

- A physical or mental impairment that substantially limits one or more of the major life activities of an individual
- A record of such impairment
- Being regarded as having such impairment

### **Undue Hardship**

Requests for reasonable accommodation from persons with disabilities will be granted upon verification that they meet the need presented by the disability and they do not create an “undue financial and administrative burden” for the PHA, meaning an action requiring “significant difficulty or expense”.

In determining whether accommodation would create an undue hardship, the following guidelines will apply:

- The nature and cost of the accommodation needed
- The overall current financial resources of the facility or facilities involved in the provision of the reasonable accommodation; and
- The number of persons currently employed at such facility, the number of families likely currently to need such accommodation, the effect on expenses and resources, or the likely impact on the operation of the facility as a result of the accommodation

### **Verification of a Request for Accommodation**

All requests for accommodation or modification of a unit must be verified in writing by a qualified professional. The PHA shall provide in writing its determination as to the reasonableness of an accommodation request within fourteen (14) calendar days of receipt of the written verification by the qualified professional, such verification establishing both the presence of a disability and the associated needed accommodation.

Requests for Reasonable Accommodations will be considered on a case-by-case basis, each case considering the facts and circumstances individually.

Requests for reasonable accommodation from persons with disabilities will be granted upon verification that they meet the need presented by the disability, and that they do not create an undue hardship for the PHA.

The PHA may require verification from a qualified professional when a request for a home visit reexamination is submitted.

### **Reasonable Accommodation**

Reasonable accommodation will be made for persons with a disability who require an advocate or accessible offices. A designee will be allowed to provide some information, but only with the permission of the person with the disability.

All PHA mailings will be made available in an accessible format upon request, as a reasonable accommodation.

### **Application Process**

For purposes of this section, the Housing Authority of the County of Butte will make the following types of accommodations to elderly and/or persons with disabilities to facilitate the application process:

- Permitting the submission of applications or certification forms via mail or internet
- Permitting an authorized designee to participate in the application or certification process
- Notifying the applicant/participant that staff will assist them to find agencies that provide other assistance such as listening devices or certified sign language interpreters, or Braille interpreters to facilitate the application or certification process, when applicant/participant indicates a need for same.

### **Reexamination by Alternative Methods**

The PHA will permit the family to submit annual and interim reexamination forms by alternate methods, when the PHA has determined that the request is necessary as a reasonable accommodation.

In such cases, the family may choose to have the PHA conduct the reexamination by a home visit or to have the able adult family members or other representative authorized by the family come in for the appointment and then take the necessary forms home to the member with a disability for completion and signature.

### **Home Visits**

When requested and where the need for reasonable accommodation has been established, the PHA will conduct home visits to residents to conduct annual and interim reexaminations.

### **Other Accommodations**

The Housing Authority utilizes organizations which provide assistance for hearing and sight-impaired persons when needed.

Families will be offered an accessible unit, upon request by the family, when an accessible unit is available.

The PHA will refer families who have persons with disabilities to agencies in the community that offer services to persons with disabilities.

## **G. Literacy Assistance**

The Housing Authority of the County of Butte will assist persons with literacy barriers in completing the application and certification process.

## **H. Limited English Proficiency (LEP)**

Language for Limited English Proficiency Person (LEP) 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 Housing Choice Voucher program and other Housing Assistance Programs. 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. This part incorporates the Notice of Guidance to Federal Assistance Recipients Regarding Title VI Prohibition Affecting Limited English Proficient Person, published December 19, 2003 in the Federal Register.

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

In order to determine the level of access needed by LEP persons, the HACB will consider the following four factors:

- Number of applicants and participants in Butte County who do not speak English and speak another language.
- Estimated cost to the HACB per client of translation of English written documents into another language.
- The availability of local organizations to provide translation services to non-English speaking families.
- Availability of bi-lingual staff to provide translation for non-English speaking families.
- The Housing Authority has bi-lingual staff to assist non-English speaking families in the following languages: Spanish and Hmong.

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

### ***I. Public Housing Management Assessment System***

*[24 CFR 901 & 902]*

The PHA operates its public housing program with efficiency and can demonstrate to HUD or independent auditors that the PHA is using its resources in a manner that reflects its commitment to quality and service. The PHA policies and practices are consistent with the Public Housing Assessment System (PHAS) outlined in the 24 CFR Parts 901 and 902 final published regulations.

The PHA is continuously assessing its program and consistently strives to make improvements. The PHA acknowledges that its performance ratings are important to sustaining its capacity to maintain flexibility and authority. The PHA intends to diligently manage its current program operations and continuously make efforts to be in full compliance with PHAS. The policies and procedures of this program are established so that the standards set forth by PHAS are demonstrated and can be objectively reviewed by an auditor whose purpose is to evaluate performance.

### ***J. Family Outreach***

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

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

When the PHA's waiting list is open, the PHA will periodically publicize the availability and nature of housing assistance for low and very low-income families on its web site and in a newspaper of general circulation, including local minority publications and other suitable means.

## ***K. Privacy Rights***

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

The PHA's policy regarding release of information is in accordance with State and local laws that may restrict the release of family information.

Any and all information, which would lead one to determine the nature and/or severity of a person's disability must be marked "confidential." The personal information in this folder must not be released except on an "as needed" basis in cases where an accommodation is under consideration. The Housing Director must approve all requests for access and granting of accommodations based on this information or other person designated by the Housing Director.

The PHA's practices and procedures are designed to safeguard the privacy of applicants and tenants.

PHA staff will not discuss or access family information contained in files unless there is a business reason to do so. Staff will be required to disclose whether they have relatives living in Public Housing. Inappropriate discussion of family information, or improper disclosure of family information by staff will result in disciplinary action.

## ***L. Posting of Required Information***

The PHA will maintain a posting or a notice of where the following policies are available in the administrative offices in a conspicuous area and at a height easily read by all persons including persons with mobility disabilities:

- Statement of policies and procedures governing Admission and Continued Occupancy Policy (ACOP)
- The PHA 5-year Plan and Annual Plan

- Information on application taking
- Income limits for Admission
- Current schedule of routine maintenance charges
- A copy of the lease
- The PHA's grievance procedure
- A Fair Housing Poster
- An Equal Opportunity in Employment poster
- Current Resident Notices
- Require public notices
- Security Deposit Charges
- Information on preferences
- Schedule of Utility Allowances (if applicable)
- Zero Tolerance Policy
- Fraud Hot-line Information
- Mission Statement
- Information on Screening and Eviction for Drug Abuse and other Criminal Activity

### ***M. Terminology***

The Housing Authority of the County of Butte is referred to as "PHA" or "Housing Authority" throughout this document.

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

"Tenant" is used to refer to participants in terms of their relation as a lessee to the PHA as the landlord.



“Landlord” refers to the PHA.

“Disability” is used where “handicap” was formerly used.

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

See Glossary for other terminology.

## ***N. Cooperating with Law Enforcement Agencies***

The Housing Authority of the County of Butte will comply, on a case-by-case basis, with information requests from Federal, State or local law enforcement officers regarding possible fugitive felons and/or parole or probation violators. The PHA will supply upon legitimate request (1) the current address, (2) Social Security number and (3) photograph (if available) of any recipient of assistance.

The Federal, State or local enforcement office must submit a request that is (1) written, (2) on law enforcement agency letterhead, and (3) is signed by the requesting officer and his/her immediate supervisor. The request for information must provide the name of the fugitive felon and/or parole or probation violator being sought, and may include other personal information used for identification. The request should also comply with the following requirements:

1. The law enforcement agency shall notify the PHA that the fugitive felon and/or parole or probation violator (i) is fleeing to avoid prosecution, custody or confinement after conviction, under the laws of the place from which the individual flees, for a crime, or attempt to commit a crime, which is a felony under the laws of the place from which the individual flees, or which, in the case of the State of New Jersey, is a high misdemeanor; or (ii) is violating a condition of probation or parole imposed under Federal or State law; or (iii) has information that is necessary for the office to conduct his/her official duties;
2. The location or apprehension of the recipient is within the PHA official duties; and,
3. The request is made in the proper exercise of the law enforcement agency’s official duties.

## **Chapter 2 Eligibility for Admission**

[24 CFR 960, Subpart B] [24 CFR 5.612]

### **INTRODUCTION**

This Chapter defines both HUD's and the PHA's criteria for admission and denial of admission to the program. The policy of this PHA is to strive for objectivity and consistency in applying these criteria to evaluate the qualifications of families who apply. The PHA staff will review all information provided by the family carefully and without regard to factors other than those defined in this Chapter. Families will be provided the opportunity to explain their circumstances, to furnish additional information, if needed, and to receive an explanation of the basis for any decision made by the PHA pertaining to their eligibility.

#### **A. *Qualification for Admission***

It is the PHA's policy to admit qualified applicants only. An applicant is qualified if they meet the following criteria:

- Is a family as defined in this Chapter
- Heads a household where at least one member of the household is either a citizen or eligible non-citizen. (24 CFR Part 5, Subpart E)
- Has an Annual Income at the time of admission that does not exceed the low-income limits for occupancy established by HUD and posted separately in the PHA offices.

(NOTE: The Quality Housing and Work Responsibility Act of 1998 authorizes PHAs to admit families whose income does not exceed the low-income limit (80% of median area income) once the PHA has met the annual 40% targeted income requirement of extremely low-income families (families whose income does not exceed 30% of median area income).)

- Provides a Social Security number for all family members, age 6 or older, or will provide written certification that they do not have Social Security numbers
- Meets or exceeds the tenant Selection and Suitability Criteria as set forth in this policy including the attendance and successful completion of the PHA's pre-occupancy class

### **Timing for the Verification of Qualifying Factors**

The qualifying factors of eligibility will not be verified until the family is in a position on the waiting list to be offered a housing unit.

### **Students Enrolled in Institutions of Higher Education**

Restrictions apply to students (both part- and full time) who are enrolled in institutions of higher education who are seeking assistance, separately from their parents. If a student enrolled at an institution of higher education is under the age of 24, is not a veteran, is not married, and does not have a dependent child, the student's eligibility must be examined along with the income eligibility of the student's parents. Both the student and the student's parents (the parents individually or jointly) must be income eligible in order for the student to be eligible to receive assistance.

A student deemed to be independent from his/her parents in accordance with the Department of Education definition of independent student the PHA does not need to consider the parents income.

Independent student is required to meet one or more of the following criteria:

- Be at least 24 years old by December 31 of the award year for which aid is sought;
- Be an orphan or a ward of the court through the age of 18;
- Be a veteran of the U.S. Armed Forces;
- Have legal dependents other than a spouse
- Be a graduate or professional student; or
- Be married.

The basis by which an independent student can demonstrate the absence of, or independence from, parents are not limited to the consideration of the following criteria:

- The individual is of legal contract age under state law.
- The individual has established a household separate from his/her parents for at least one year prior to application for assistance or the individual meets the U.S. Department of Education's definition of independent student.
- The individual was not claimed as a dependent by his/her parents pursuant to the IRS regulations, as demonstrated on the parents' most recent tax forms.
- The individual provides a certification of the amount of financial assistance that will be provided by his/her parents. This certification must be signed by the individual providing the support and must be submitted even if no assistance is being provided.

## **B. Family Composition**

### **Definition of Family**

The applicant must qualify as a Family. A Family may be a single person or a group of persons. Discrimination on the basis of familial status is prohibited, and a group of persons may not be denied solely on the basis that they are not related by blood, marriage, or operation of law.

A group of persons is defined by the PHA as two or more persons who intend to share residency whose income and resources are available to meet the family's needs, and will live together in PHA housing.

Elderly, disabled, and displaced families are defined by HUD in 24 CFR 5.403, as follows:

**Disabled family** means a family whose head, spouse, or sole member is a person with disabilities. It may include two or more persons with disabilities living together, or one or more persons with disabilities living with one or more live-in aides.

**Displaced family** means a family in which each member, or whose sole member, is a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

**Elderly family** means a family whose head, spouse, or sole member is a person who is at least 62 years of age. It may include two or more persons who are at least 62 years of age living together, or one or more persons who are at least 62 years of age living with one or more live-in aides.”

The term “Family” also includes, but is not limited to:

1. A family with or without children
2. An elderly family
3. A disabled family
4. A displaced family
5. The remaining member of a tenant family
6. A single person who is not elderly, displaced, or a person with disabilities, or the remaining member of a tenant family

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

The temporary absence of a child from the home due to placement in foster care shall not be considered in determining the family composition and family size.

### **Occupancy by Police Officers**

In order to provide an increased sense of security for public housing residents the PHA may allow public housing units to be occupied by police officers.

Police officers will not be required to be income eligible to qualify for admission to the PHA's public housing program.

### **Head of Household**

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

A family may designate an elderly or disabled family member as head of household solely to qualify the family as an Elderly Family, provided that the person either meets the age requirement to be considered elderly or, if disabled, is at least eighteen (18) years old and partially responsible for paying the rent.

### **Spouse of Head**

Spouse means the husband or wife of the head.

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

### **Co-head**

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

### **Live-In Attendants**

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

1. Is determined by the PHA to be essential to the care and well being of an elderly person, a near-elderly person, or a person with disabilities.
2. Is not obligated for the support of the person(s), and

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

A live-in aide is not considered to be an assisted family member and has no rights or benefits under the program.

Income of the live-in aide will not be counted for purposes of determining eligibility or level of benefits.

Live-in aides are not subject to Non-Citizen Rule requirements.

Live-in aides may not be considered as a remaining member of the tenant family.

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

A Live-in Aide may only reside in the unit with the prior approval of the PHA. Written verification will be required from a qualified professional. The verification provider must certify that a live-in aide is needed for the care of the family member who is elderly, near elderly (aged 50-61) or disabled.

The PHA will approve a live-in aide if needed as a reasonable accommodation to make the program accessible to and useable by the family member with a disability. Approval of a live-in aide for reasonable accommodation will be made in accordance with CFR 24 Part 8 and the reasonable accommodations policy found in Chapter 1, Section E of this administrative plan. Verification must establish that the live-in aide is *essential* for the care of the individual. The live-in aide will be required to complete a Live-In Aide Certification prior to approval of their occupancy.

[24 CFR 982.316] At any time, the PHA will refuse to approve a particular person as a live-in aide or may withdraw such approval if:

1. The person commits or committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program;
2. The person engaged in drug-related criminal activity or violent criminal activity in the previous five years time;
3. The person is a registered sex offender; or
4. The person currently owes rent or other amounts to the PHA, or to another PHA, in connection with Section 8 or public housing assistance under the 1937 Act.

Verification of the need for a live-in aide must include that the live-in aide is essential for the care of the individual.

After the PHA approves the addition of a live-in aide on behalf of a resident, the resident must submit a specific live-in aide's name and information for approval by the PHA within 30 calendar days of the PHA's notification.

A specific live-in aide may only reside in the unit with the approval of the PHA. Approval will include a background check performed by the PHA.

The PHA will require the live-in aide to execute a lease rider agreeing to abide by the terms and conditions of occupancy set forth in the lease agreement. If the live-in aide violates provisions of the lease rider, the PHA may take action against the live-in aide separate from action against the assisted family.

If the live-in aide participates in drug-related or criminal activity, the PHA will rescind the aide's right to occupy the unit. When the agency takes such action against the live-in aide, the aide is not entitled to the grievance hearing process of the agency.

The PHA has the right to disapprove a request for a live-in aide based on the "Other Eligibility Criteria" (where applicable) described in this Chapter.

### **C. Mandatory Social Security Numbers**

[24 CFR 5.216], [PIH Notice 2010-3 (HA)]

In accordance with 24 CFR 5.216, applicants and participants (including each member of the household) are required to disclose his/her assigned SSN, with the exception of the following individuals:

a. Those individuals who do not contend to have eligible immigration status (individuals who may be unlawfully present in the United States). These individuals in most instances would not be eligible for a SSN.

1. A family that consists of a single household member (including a pregnant individual) who does not have eligible immigration status is **not eligible** for housing assistance and cannot be housed.

2. A family that consists of two or more household members **and at least one** household member that has eligible immigration status, is classified as a mixed family, and **is eligible** for prorated assistance in accordance with 24 CFR 5.520. The PHA may **not** deny assistance to mixed families due to nondisclosure of an SSN by an individual who does not contend to have eligible immigration status.

b. Existing program participants as of January 31, 2010, who have previously disclosed their SSN and HUD has determined the SSN to be valid. PHAs may confirm HUD's validation of the participant's SSN by viewing the household's **Summary Report** or the **Identity Verification Report** in the HUD EIV system.

c. Existing program participants as of January 31, 2010, who are 62 years of age or older, and had not previously disclosed a valid SSN. This exemption continues even if the individual moves to a new assisted unit.

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

If a family member does not have a social security number due to ineligible non citizenship status, they must be listed on the Non-Contending Family Members form and also complete the declaration of section 214 status.

### **Individuals without an assigned SSN:**

It is not uncommon for certain individuals to not have a SSA-assigned SSN. Below is a listing of such individuals, which is not all- inclusive:

- a. Newborn children (these individuals will be issued a SSN upon SSA confirmation of birth)
- b. Noncitizens lawfully present in the U.S. (these individuals will be issued a SSN upon SSA confirmation of the individual's DHS documentation or confirmation that the individual is required by law to provide a Social Security number to receive general assistance benefits that they already have qualified for)
- c. Noncitizens unlawfully present in the U.S. (these individuals cannot be assigned a SSN)

Citizens and lawfully present noncitizens who state that they have not been assigned a SSN by the SSA, should make such declaration in writing and under penalties of perjury to the PHA. The PHA should maintain the declaration in the tenant file.

PHAs may use the Alternate ID (ALTD ID) generator within the Public and Indian Housing information Center (PIC) to generate a unique identifier for those individuals who do not have or unable to disclose a SSN.

Once an individual discloses a SSN, the PHA should delete the ALT ID, enter the SSN on line 3n of the form HUD-50058, and transmit the form HUD-50058 to HUD within 30 calendar days of receipt of the SSN.

**Note:** An individual who has never been issued a SSN card or has lost their SSN card, may complete Form SS-5 – *Application for a Social Security Card* to request an original or replacement SSN card, or change information on his/her SSA record. The form is available online at [www.socialsecurity.gov](http://www.socialsecurity.gov), or can be obtained at the local SSA office.



**Addition of a New Household Member:**

When a participant requests to add a new household member, who is at least six years of age or under the age of six and has an assigned SSN, to the family, the participant must disclose the assigned SSN and provide the PHA with the documentation at the time of such request, or at the time of processing the interim or annual reexamination of family income and/or composition. If the family is unable to provide the required documentation of the SSN, the PHA may not add the new household member until the family provides such documentation.

When a participant requests to add a new household member, who is under the age of six and does not have an assigned SSN, the participant must disclose the assigned SSN and provide the PHA with the documentation within 90 calendar days of the child being added to the household.

If the family is unable to disclose and provide evidence of the SSN within 90 calendar days, the PHA is required to grant the family an additional 90-day period to comply with the SSN disclosure and documentation requirement, if the PHA determines the family was unable to comply with the requirements due to circumstances that could not have reasonably been foreseen and were outside the control of the family. Examples include but are not limited to: delayed processing of SSN application by SSA, natural disaster, fire, death in family, etc.

The child is to be included as part of the assisted household and entitled to all the benefits of being a household member during the allotted time for the family to comply with the SSN disclosure and documentation requirements. The PHA should generate an ALT ID. Upon expiration of the provided time period, if the family has not complied with the SSN disclosure and documentation requirements, the PHA must terminate the family's tenancy or assistance, or both of the entire family.

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

In accordance with 24 CFR 5.218, the following penalties apply for noncompliance with the SSN disclosure and documentation requirements:

a. **Applicants.** The PHA must deny the eligibility of an assistance applicant if s/he (including each member of the household required to disclose his/her SSN) does not disclose a SSN and/or provide documentation of such SSN. However, if the family is otherwise eligible to participate in the program, the family may maintain his/her position on the waiting list. If all household members have not disclosed their SSN at the time a unit becomes available, the PHA must offer the available unit to the next eligible applicant family on the waiting list.

b. **Participants.** The PHA must terminate the assistance of Section 8 program participants (the entire household) and terminate the tenancy of Public Housing participants (the entire household) if s/he (including each member of the household required to disclose his/her SSN) does not disclose his/her SSN and provide the required documentation.

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

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

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

#### ***D. Citizenship/Eligible Immigration Status***

In order to receive assistance, a family member must be a U.S. citizen or eligible immigrant. Individuals who are neither may elect not to contend their status. Eligible immigrants are persons who are in one of the six immigrant categories as specified by HUD.

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

#### **Mixed Families**

A family is eligible for assistance as long as at least one member is a citizen or eligible immigrant. Families that include eligible and ineligible individuals are called "mixed". Such applicant families will be given notice that their income-based assistance (TTP) will be pro-rated and that they may request a hearing if they contest this determination. If such a family chooses flat rent, the flat rent will not be pro-rated if the flat rent is greater than the Public Housing Maximum Rent. If the Public Housing Maximum Rent is greater than the flat rent, and the family chooses flat rent, the flat rent will be pro-rated.

#### **No eligible members**

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

Non-citizen students defined by HUD in the non-citizen regulations are not eligible for assistance.

No individual or family applying for financial assistance may receive such financial assistance prior to verification of eligibility of at least one individual or family member.

### ***E. Other Eligibility Criteria***

All applicants will be processed in accordance with HUD's regulations (24 CFR Part 960) and sound management practices. Applicants will be required to demonstrate ability to comply with essential provisions of the lease as summarized below.

All applicants must demonstrate through an assessment of current and past behavior the ability:

1. to pay rent and other charges are required by the lease in a timely manner
2. to care for and avoid damaging the unit and common areas
3. to use facilities, appliances and equipment in a reasonable way
4. to create no health or safety hazards, and to report maintenance needs in a timely manner
5. not to interfere with the rights and peaceful enjoyment of others and to avoid damaging the property of others
6. not to engage in criminal activity or alcohol abuse that threatens the health, safety or right to peaceful enjoyment of other residents or staff and not to engage in drug-related criminal activity on or off the PHA premises
7. not to have ever been convicted of manufacturing or producing methamphetamine, also known as "speed" on the premises of assisted housing
8. not to contain a household member subject to a lifetime sex offender registration requirement under a State Sex offender registration program
9. to comply with necessary and reasonable rules and program requirements of HUD and the PHA
10. to comply with local health and safety codes.

### **Denial of Admission for Previous Debts to This or Any Other PHA**

Unpaid debts to this PHA or any PHA resulting from a previous tenancy in the Public Housing, Section 8 Program, or any assisted housing program, must be paid in full prior to admission. No Payment Agreement will be accepted.

At the time of initial application, the applicant must pay any previous debt prior to being placed on the waiting list and may remain on the waiting list for a period of six (6) months from the date that the applicant was initially notified that the debt must be repaid.

Either spouse is responsible for the entire debt incurred as a previous PHA tenant. Children of the head or spouse who had incurred a debt to the PHA will not be held responsible for the parent's previous debt.

#### **F. Denial of Admission for Drug-Related and/or Other Criminal Activity**

*(NOTE: Notice PIH 96-27 describes the screening, lease and eviction provisions PHAs must adopt as a result of the "Housing Opportunity Program Extension Act of 1996". In addition, the QHWRA imposes a new mandatory requirement for PHAs to permanently deny admission to any person convicted of manufacturing or producing methamphetamine, commonly known as "speed").*

*(NOTE: HUD issued a Final Rule for Screening and Eviction for Drug Abuse and Other Criminal Activity on May 24, 2001. Effective date of the Final Rule is June 25, 2001).*

#### **Purpose**

All federally assisted housing is intended to provide a place to live and raise families, not a place to commit crime, to use or sell drugs or terrorize neighbors. It is the intention of the Housing Authority of the County of Butte to fully endorse and implement a policy that is designed to:

- Help create and maintain a safe and drug-free community
- Keep our program participants free from threats to their personal and family safety
- Support parental and guardian efforts to instill values of personal responsibility and hard work
- Help maintain an environment where children can live safely, learn and grow up to be productive citizens
- Assist families in their vocational/educational goals in the pursuit of self-sufficiency

#### **Administration**

All screening procedures shall be administered fairly and in such a way as not to discriminate on the basis of race, color, nationality, religion, sex, familial status, disability or against other legally protected groups, and not to violate right to privacy.

To the maximum extent possible, the PHA will involve other community and governmental entities in the promotion and enforcement of this policy.

This policy will be posted on the PHA's bulletin board and copies made readily available to applicants and tenants upon request.

### **HUD Definitions**

"Drug-related criminal activity" is the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

Drug-related criminal activity means *on or off the premises, not just on or near the premises*.

"Covered person" means a tenant, any member of the tenant's household, a guest, or another person under the tenant's control.

"Criminal activity" includes any criminal activity that threatens the health, safety or right to peaceful enjoyment of the residents' public housing premises by other residents or employees of the PHA.

"Drug" means a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

"Guest" for purposes of this Chapter, means a person temporarily staying in the unit with the consent of a tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant.

"Household" means the family and PHA-approved live-in aide.

"Other person under the tenant's control" for the purposes of the definition of "covered person", means that the person, although not staying as a guest (as defined above) in the unit is, or was at the time of the activity in question, on the premises (as defined in this section) because of an invitation from the tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant.

"Premises" means the building or complex or development in which the public housing dwelling unit is located, including common areas and grounds.

"Violent criminal activity" means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

### **Screening for Drug Abuse and Other Criminal Activity**

In an effort to prevent drug related and other criminal activity, as well as other patterns of behavior that pose a threat to the health, safety or the right to peaceful enjoyment of

the premises by other residents, the PHA will endeavor to screen applicants as thoroughly and fairly as possible.

If in the past the PHA initiated a lease termination, which may or may not have results in eviction for any reason cited under the Screening and Eviction for Drug Abuse and Other Criminal Activity Notice, for a family, as a prior resident of public housing, the PHA shall have the discretion to consider all circumstances of the case regarding the extent of participation by non-involved family members.

If, as a result of the standardized inquiry, or the receipt of a verifiable referral, there is indication that the family or any family member is engaged in drug-related criminal or violent criminal activity, the PHA will conduct closer inquiry to determine whether the family should be denied admission.

If the screening indicated that any family member has been arrested or convicted within the prior five (5) years for drug-related or violent criminal activity, the PHA shall obtain verification through available resources including police/court records.

#### **Use of Law Enforcement Records**

The PHA will check credit bureau, Megan's law database, Butte County court filings and criminal history using available resources for all adults in the household to determine whether any member of the family, who is eighteen (18) years of age or older, has engaged in violent or drug-related criminal activity.

The PHA will check criminal history through available resources including local court records for all adults in the household to determine whether any member of the family, who is eighteen (18) years of age or older, is subject to a lifetime sex offender registration requirement.

Verification of any past activity will be done prior to final eligibility and will include a check of conviction records.

#### **Standard for Violation**

Persons evicted from public housing, Indian housing, Section 23, or any Section 8 program because of drug-related criminal activity are ineligible for admission to Public Housing for a five-year period beginning on the date of such eviction.

No member of the applicant's family may have engaged in drug related or violent criminal activity within the past five (5) years.

The PHA will permanently deny admission to public housing persons convicted of manufacturing or producing methamphetamine on the premises of the assisted housing project in violation of any Federal or State law. "Premises" is defined as the building or complex in which the dwelling unit is located, including common areas and grounds. The PHA will deny admission to public housing to persons convicted of manufacturing

or producing methamphetamine on any premises. Selling methamphetamine will also be grounds for denial and termination.

The PHA will deny participation in the program to applicants where the PHA determines there is reasonable cause to believe that the person is illegally using a controlled substance or engages in drug-related or other criminal activity. The same will apply if it is determined that the person abuses alcohol in a way that may interfere with the health, safety or right to peaceful enjoyment of the premises by other residents. This includes cases where the PHA determines that there is a pattern of illegal use of controlled substances or a pattern of alcohol abuse.

The PHA will consider the use of a controlled substance or alcohol to be a pattern if there is more than one incident during the previous 12 (twelve) months.

“Engaged in or engaging in or recent history of” drug-related criminal activity means any act within the past five (5) years by applicants, participants, or household members, which involved drug-related criminal activity including, without limitation, drug-related criminal activity, possession and/or use of narcotic paraphernalia, which did or did not result in the arrest and/or conviction of the applicant or participant, household members, or guest.

“Engaged in or engaging in or recent history of” criminal activity means any act within the past five (5) years by applicants, participants, or household members, which involved criminal activity that would threaten the health, safety or right to peaceful enjoyment of the public housing premises by other residents or employees of the PHA, which did or did not result in the arrest and/or conviction of the applicant or participant, household members, or guests.

In evaluating evidence of negative past behavior, the PHA will give fair consideration to the seriousness of the activity with respect to how it would affect other residents, and/or likelihood of favorable conduct in the future which could be supported by evidence of rehabilitation.

The PHA will waive the requirement regarding drug-related criminal activity if:

1. The person demonstrates successful completion of a credible rehabilitation program approved by the PHA; or
2. The person demonstrates consistent participation in professional rehabilitation for two of the past five years, or
3. The individual involved in drug-related criminal activity is no longer in the household because the person has died or is imprisoned.

### **Permanent Denial of Admission**

The PHA will permanently deny admission to public housing persons convicted of manufacturing or producing methamphetamine on the premises of the assisted housing project in violation of any Federal or State law. "Premises" is defined as the building or complex in which the dwelling unit is located, including common areas and grounds. The PHA will not waive this requirement.

Applicants and/or their household members who have been convicted of criminal sexual conduct, including but not limited to sexual assault, incest, statutory sexual seduction, open and gross lewdness, or child abuse, and are required by law to register as a sex offender will be prohibited from participation in the public housing program. This provision will not be waived. The PHA shall perform necessary criminal history background checks in the State where the housing is located and in any other States where household members are known to have resided.

Lifetime Sex Offender registration is required for individuals who have been convicted of a "crime against a child" and:

- Have been declared to be a sexually violent predator
- Have been convicted of one or more sexually violent offenses
- Have two or more sexual offenses against persons less than 18
- Have two or more crimes against a child

### **Other Criminal Activity**

"Other criminal activity" means a history of criminal activity involving crimes of actual or threatened violence to persons or property, or a history of other criminal acts, conduct or behavior which would adversely affect the health, safety, or welfare of other residents.

For the purposes of this policy, this is construed to mean that a member of the current family has been arrested and/or convicted of any criminal or drug-related criminal activity within the past five (5) years.

HUD defines violent criminal activity as any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against a person or property, and any family member is engaging in the activity.

No family member may have engaged in or threatened abusive or violent behavior toward PHA personnel at any time.

No family member may have committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program at any time.

### **Evidence**

The PHA must have evidence of the violation.



“Preponderance of evidence” is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. The intent is not to prove criminal liability, but to establish that the act(s) occurred.

Preponderance of evidence is not to be determined by the number of witnesses, but by the greater weight of all evidence.

“Credible evidence” may be obtained from police and/or court records. Testimony from neighbors, when combined with other factual evidence can be considered credible evidence. Other credible evidence includes documentation of drug raids or arrest warrants, evidence gathered by PHA inspectors and/or investigators, and evidence gathered from the PHA Fraud/Program Abuse Hot Line.

The PHA may pursue fact-finding efforts as needed to obtain credible evidence.

### **Obtaining Information from Drug or Alcohol Abuse Treatment Centers**

The PHA will inquire of all applicants whether they are currently using or in the past have ever engaged in the illegal use of a controlled substance or have abused alcohol.

The PHA will inquire of all applicants who respond in the affirmative whether they are currently receiving treatment or have ever received treatment at a drug or alcohol abuse treatment facility.

The written consent form shall authorize the PHA to receive information from the drug abuse treatment facility stating only whether the facility has reasonable cause to believe that the applicant is currently engaging in the illegal use of a controlled substance or is abusing alcohol.

The authorization will be sent to the drug/alcohol abuse treatment facility with a PHA postage paid return addressed envelope addressed to the attention of the Public Housing Coordinator.

The PHA will maintain such information received from a drug abuse treatment facility in a manner that respects its confidentiality.

The Housing Director will make a decision as to the outcome of the review will review such confidential information.

Such confidential information will not be misused or improperly disseminated and will be destroyed not later than five (5) business days after the date of which the PHA gives final approval from admission.

If the application is denied, the information will be destroyed within ten (10) business days following the date on which the statute of limitations for commencement of a civil action from the applicant based upon the denial of admission has expired.

### **Confidentiality of Criminal Records**

The PHA will ensure that any criminal record received is maintained confidentially, not misused or improperly disseminated, and destroyed once the purpose for which it was requested is accomplished.

Misuse of the above information by any employee will be grounds for termination of employment. Provisions relating to confidentiality are contained in Personnel Policies and Procedures).

The PHA will document in the family's file that the family was denied admission or the tenancy was terminated due to findings in the Criminal History Report.

### **Disclosure of Criminal Records to Family**

Before the PHA takes any adverse action based on a criminal conviction record, the applicant and subject of record will be provided with a copy of the criminal record and an opportunity to dispute the record. Applicants will be provided an opportunity to dispute the record at an informal hearing. Tenants may contest such records at the grievance hearing or court hearing in the case of evictions.

### **Hearings**

(See Chapter titled "Complaints, Grievances and Appeals")

If information is revealed that would cause the PHA to deny admission to the household and the person disputes the information, s/he shall be given an opportunity for an informal hearing according to the PHA's hearing procedures outlined in the Chapter on Complaints, Grievances, and Appeals.

## **G. Screening for Suitability**

[24 CFR 960.203, 960.204, 960.205]

In developing its admission policies, the aim of the PHA is to attain a tenant body composed of families with a broad range of incomes and to avoid concentrations of the most economically deprived families and families with serious social problems. Therefore, it is the policy of the PHA to deny admission to applicants whose habits and practices may reasonably be expected to have a detrimental effect on the operations of the development or neighborhood or on the quality of life for its residents.

The PHA will conduct a detailed interview of all applicants. The interview form will contain questions designed to evaluate the qualifications of applicants to meet the essential requirements of tenancy. Answers will be subject to third party verification.

An applicant's intentional misrepresentation of any information related to eligibility, award of preference for admission, housing history, allowances, family composition or rent will result in denial of admission.

Applicants must be able to demonstrate the ability and willingness to comply with the terms of the lease, either all or with assistance, which they can demonstrate that they have or will have at the time of admission. (24 CFR 8.3, Definition: Qualified Individual with Handicaps). The availability of assistance is subject to verification by the PHA.

The PHA does not permit a parent or legal guardian to co-sign the lease on the applicant's behalf if the head of household is under 18 and, under State/local law, does not have the legal capacity to enter into a legally binding contract.

As a part of the final eligibility determination, the PHA will screen each applicant household to assess their suitability as renters.

The PHA will complete a rental history check on all applicants.

The PHA shall rely upon sources of information which may include, but not be limited to, PHA records, personal interviews with the applicant or tenant, interviews with previous landlords, employers, family social workers, parole officers, criminal and court records, clinic, physicians or the police department, and home visits for persons who have had negative landlord reference(s) for poor housekeeping habits.

This will be done in order to determine whether the individual attributes, prior conduct, and behavior of a particular applicant is likely to interfere with other tenants in such a manner as to diminish their enjoyment of the premises by adversely affecting their health, safety or welfare.

The PHA will, to the extent feasible, complete a home visit at the current residence of all applicants who have had landlord verifications returned to the PHA with unfavorable comments concerning their housekeeping habits. Factors to be considered in the screening are housekeeping habits, rent paying habits, prior history as a tenant, criminal records, the ability of the applicant to maintain the responsibilities of tenancy, and whether the conduct of the applicant in present or prior housing has been such that admission to the program would adversely affect the health, safety or welfare of other residents, or the physical environment, or the financial stability of the project.

The PHA's examination of relevant information pertaining to past and current habits or practices will include, but is not limited to, an assessment of:

1. The applicant's past performance in meeting financial obligations, especially rent.
2. Eviction or a record of disturbance reports from neighbors sufficient to warrant a police call, destruction of property, or living or housekeeping habits at present or prior residences which may adversely affect the health, safety, or welfare of other tenants or neighbors.

3. Any history of criminal activity on the part of any applicant family member involving criminal acts, including drug-related criminal activity.
4. Any history or evidence of repeated acts of violence on the part of an individual, or a pattern of conduct constituting a danger to peaceful occupancy by neighbors.
5. Any history of initiating threats or behaving in a manner that indicates an intent to assault employees or other tenants.
6. Any history of alcohol or substance abuse that would threaten the health, welfare, or right to peaceful enjoyment of the premises by other residents.

The ability and willingness of an applicant to comply with the essential lease requirements will be verified and documented by the PHA. The information to be considered in the screening process shall be reasonable related to assessing the conduct of the applicant and other family members listed on the application in present and prior housing.

The history of applicant conduct and behavior must demonstrate that the applicant family can reasonably be expected not to:

1. Interfere with other residents in such a manner as to diminish their peaceful enjoyment of the premises by adversely affecting their health, safety, or welfare. [24CFR 960.203(c)]
2. Adversely affect the physical environment or financial stability of the project. [24CFR 960.203(c)]
3. Violate the terms and conditions of the lease. [24CFR 960.203(c)].
4. Require services from PHA staff that would alter the fundamental nature of the PHA's program. [24CFR 8.3]

### **Rent Paying Habits**

The PHA will examine any Housing Authority records from a prior tenancy, and will request written references from the applicant's current landlord and may request written references from former landlords.

Based upon these verifications, the PHA will determine if the applicant was chronically late with rent payments, was evicted at any time during the past five (5) years for nonpayment of rent, or had other legal action initiated against him/her debts owed. Any of these circumstances could be grounds for an ineligibility determination, depending on the amount of control the applicant had over the situation.

The PHA will undertake a balancing test that will consider: (1) amount of former rent; (2) loss of employment; (3) death or divorce from primary support; (4) illness or other circumstances beyond applicant's control. Any of these circumstances could be grounds for an ineligibility determination, depending on the amount of control the applicant had over the situation.

### **Screening Applicants Who Claim Mitigating Circumstances**

Mitigating circumstances are facts relating to the applicant's record of unsuitable rental history or behavior, which, when verified would indicate both:

1. The reason for the unsuitable rental history and/or behavior;
2. That the reason for the unsuitable rental history and behavior is no longer in effect or is under control, and the applicant's prospect for lease compliance is an acceptable one, justifying admission.

If unfavorable information is received about an applicant, consideration shall be given to the time, nature, and extent of the applicant's conduct and to factors that might indicate a reasonable probability of favorable future conduct. In order to be factored into the PHA's screening assessment of the applicant, mitigating circumstances must be verifiable.

If the mitigating circumstances claimed by the applicant relate to a change in disability, medical condition or course of treatment, the PHA shall have the right to refer such information to persons who are qualified and knowledgeable to evaluate the evidence and to verify the mitigating circumstance. The PHA shall also have the right to request further information reasonably needed to verify the mitigating circumstance, even if such information is of a medically confidential nature. Such inquiries will be limited to the information necessary to verify the mitigating circumstances or, in the case of a person with disabilities, to verify a reasonable accommodation.

### **Examples of Mitigating Circumstances**

1. Evidence of successful rehabilitation
2. Evidence of the applicant family's participation in and completion of social service or other appropriate counseling service approved by the PHA
3. Evidence of successful and sustained modification of previous disqualifying behavior

Consideration of mitigating circumstances does not guarantee that the applicant will qualify for admission. The PHA will consider such circumstances in light of:

1. The applicant's ability to substantiate through verification the claim of mitigating circumstances and his/her prospects for improved future behavior; and

2. The applicant's overall performance with respect to all the screening requirements.

### **Qualified and Unqualified Applicants**

Information which has been verified by the PHA will be analyzed and a determination will be made with respect to:

1. The eligibility of the applicant as a family
2. The eligibility of the applicant with respect to income limits for admission
3. The eligibility of the applicant with respect to citizenship or eligible immigration status
4. Any local preference (if any) to which the family is entitled

Assistance to a family may not be delayed, denied or terminated on the basis of the family's ineligible immigration status unless and until the family completes all the verification and appeals processes to which they are entitled under both INS and PHA procedures, except for a pending PHA hearing.

Applicants who are determined to be unqualified for admission will be promptly notified with a Notice of Denial of Admission stating the reason for the denial. The PHA shall provide applicants an opportunity for an informal hearing (see Chapter titled "Complaints, Grievances, and Appeals").

The PHA will make every effort to accurately estimate an approximate date of occupancy. However, the date given by the PHA does not mean that applicants should expect to be housed by that date. The availability of a suitable unit to offer a family is contingent upon factors not directly controlled by the PHA, such as turnover rates, and market demands as they affect bedroom sizes and project location.

### **Documentation of Findings**

An authorized representative of the PHA shall document any pertinent information received relative to the following:

1. Criminal Activity – includes the activities listed in the definition of criminal activity in this Chapter.
2. Pattern of Violent Behavior – includes evidence of repeated acts of violence on the part of an individual, or a pattern of conduct constituting a danger to peaceful occupancy of neighbors
3. Pattern of Drug Use – includes a determination by the PHA that the applicant has exhibited a pattern of illegal use of a controlled substance which might interfere

with the health, safety, or right to peaceful enjoyment of the premises by other residents

4. Drug Related Criminal Activity – includes a determination by the PHA that the applicant has been involved in the illegal manufacture, sales, distribution, use or possession of a controlled substance
5. Pattern of Alcohol Abuse – includes a determination by the PHA that the applicant’s pattern of alcohol abuse might interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents
6. Initiating Threats – or behaving in a manner that is assessed by PHA staff that indicates intent or proceeds to inappropriately engage in a verbal manner or to threaten by word or gesture to assault PHA employees or Public Housing tenants.
7. Abandonment of a Public Housing Unit – without advising PHA officials so that staff may secure the unit and protect its property from vandalism
8. Non-Payment of Rightful Obligations – including rent and/or utilities and other charges owed to the PHA or any other PHA
9. Intentionally Falsifying an Application for Leasing – including uttering or otherwise providing false information about family income an size, using an alias on the application for housing, or making any other material false statement or omission intended to mislead
10. Record of Serious Disturbances of Neighbors/Destruction of Property or Other Disruptive or Dangerous Behavior – consists of patterns of behavior which endanger the life, safety, or welfare of other persons by physical violence, gross negligence, or irresponsibility; which damage the equipment or premises in which the applicant resides, or which are seriously disturbing to neighbors or disrupt sound family and community life, indicating the applicant’s inability to adapt to living in a multi-family setting. Includes judicial termination of tenancy in previous housing on the grounds of nuisance or objectionable conduct, or frequent loud parties, which have resulted in serious disturbances of neighbors.
11. Grossly Unsanitary or Hazardous Housekeeping – includes the creation of a fire hazard through acts such as hoarding rags, papers or other materials; severe damages to premises and equipment, if it is established that the family is responsible for the condition; seriously affecting neighbors by causing infestation, foul odors, depositing garbage in halls, or serious neglect of the premises.
12. Destruction of Property from previous rentals

13. Whether Applicant or Tenant is Capable of Maintaining the Responsibilities of Tenancy – In the case of applicants for admission, the person's present living arrangements and a statement obtained from applicant's physician, social worker, or other health professional will be among factors considered in making this determination. The availability of a live-in attendant will be considered in making this determination.

In the event of the receipt of unfavorable information with respect to an applicant, consideration shall be given to the time, nature, and extent of the applicant's conduct and to factors that might indicate a reasonable probability of favorable future conduct or financial prospects.

The PHA may waive the policies prohibiting admission in these circumstances if the person demonstrates to the PHA's satisfaction that the person is no longer engaging in illegal use of a controlled substance or abuse of alcohol and has successfully completed a supervised drug or alcohol rehabilitation program.

#### **Prohibited Criteria for Denial of Admission**

Applicants will NOT be rejected because they:

1. Have no income
2. Are not employed
3. Do not participate in a job training program
4. Will not apply for various welfare or benefit programs
5. Have children
6. Have children born out of wedlock
7. Are on welfare
8. Are students
9. Are or have been a victim of domestic violence, dating violence, or stalking if the applicant otherwise qualifies for assistance or admission.

#### ***H. Hearings***

If information is revealed that would cause the PHA to deny admission to the household and the person disputes the information, s/he shall be given an opportunity for an informal hearing according to the PHA's hearing procedures outlined in Chapter 13, Complaints, Grievances and Appeals.



## **Chapter 3      Applying for Admission**

### **INTRODUCTION**

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

#### ***A.    How to Apply***

Families who wish to apply for any of the PHA's program must complete a written application form in following format:

- Hand or type written in person

Applications will be made available in an accessible format upon request from a person with a disability.

Persons with disabilities may contact the PHA to make other arrangements to complete their application.

Applications will be accepted at the following locations:

- Main Office – 2039 Forest Ave, Chico CA.
- Gridley Office – 850 E. Gridley Rd, Gridley CA

The application process will involve two phases:

1. The first is the “application for admission”. This first phase is to determine the family’s eligibility for, and placement on, the waiting list. The application will be dated, time-stamped, and referred to the PHA’s office where tenant selection and assignment is processed. Applications that are submitted incomplete will be given ten (10) business days to complete and return to the PHA in order to keep the original date and time stamp on the application. Any applicant with a disability, who needs a reasonable accommodation in any step of the application process, should inform the Housing Authority.

2. The second phase is the “final determination of eligibility for admission”. When the family reaches the top of the waiting list, the PHA ensures that verification of all HUD and PHA eligibility factors is current in order to determine the family’s eligibility for an offer of a suitable unit.

### ***B. “Initial” Application Procedures***

The application is taken in person or mail and the data is entered into the computer. The application may also be made available, if request, in an accessible format.

The purpose of the application is to permit the PHA to preliminarily assess family eligibility or ineligibility and to determine placement on the waiting list.

The application will contain questions designed to obtain the following information:

1. Names of head and spouse
2. Names of adult members and age of all members
3. Number of family members (used to estimate bedroom size needed)
4. Citizenship status
5. Street address and phone numbers
6. Mailing address (If PO Box or other permanent address)
7. Annual income
8. Source(s) of income received by household members to determine preference qualification
9. Information regarding request for reasonable accommodation or for accessible unit
10. Social Security Numbers
11. Race/ethnicity
12. Questions regarding previous participation in HUD programs
13. Arrest or convictions for drug-related and/or violent criminal acts

Applications will not require interviews. Information on the application will not be verified until the applicant has been selected for final eligibility determination.

Applicants are required to inform the PHA in writing, within ten (10) business days, of changes in family composition, income, and address. Applicants are also required to respond to requests from the PHA to update information on their application, or to determine their continued interest in assistance.

Failure to provide information or to respond to mailings will result in the applicant being removed from the waiting list. (See Chapter on Complaints, Grievances, and Appeals).

### **C. Notification of Applicant Status**

If after a review of the application the family is determined to be preliminarily eligible, they will be notified in writing (in an accessible format upon request, as a reasonable accommodation).

This written notification of preliminary eligibility will be mailed to the applicant by first class mail or distributed to the applicant in the manner requested as a specific accommodation.

If the family is determined to be ineligible based on the information provided in the application, the PHA will notify the family in writing (in an accessible format upon request as a reasonable accommodation), state the reason(s), and inform them of their right to an informal hearing. Persons with disabilities may request to have an advocate attend the informal hearing as an accommodation. See Chapter on "Complaints, Grievances and Appeals".

#### **Requirement to Attend Interview**

The PHA utilizes the eligibility interview to discuss the family's circumstances in greater detail, to clarify information which has been provided by the family, and to ensure that the information is complete. The interview is also used as a vehicle to meet the informational needs of the family by providing information about the application and verification process, as well as to advise the family of other PHA services or programs which may be available.

All adult family members are required to attend the interview.

Exceptions may be made for students attending school out of state/for member for whom attendance would be a hardship.

The head of household/co-head and spouse are to attend the interview, however, if the head of household/co-head cannot attend the interview, the spouse or a designated representative for the family may attend and certify for the family.

If an applicant fails to appear for a pre-scheduled or rescheduled appointment, the application will be withdrawn.

If an applicant fails to appear for their interview without prior approval of the PHA, the application will be denied unless they can provide acceptable documentation to the PHA that an emergency prevented them from calling.

Reasonable accommodation will be made for persons with a disability who require an advocate or accessible offices. A designee will be allowed to provide some information, but only with permission of the person with a disability.

If an application is denied due to failure to attend the interview, the applicant will be notified in writing and offered an opportunity to request an informal hearing (see Chapter on Complaints, Grievances and Appeals).

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

Information provided by the applicant will be verified, including information related to family composition, income, allowances and deductions, assets, eligible immigration status, full time student status and other factors related to preferences, eligibility and rent calculation.

If the PHA determines at or after the interview that additional information or document(s) are needed, the PHA will request the document(s) or information in writing.

The family will be given ten (10) business days to supply the information.

If the information is not supplied in this time period, the PHA will provide the family a notification of denial for assistance. (See Chapter on Complaints, Grievances and Appeals).

#### ***D. Processing Applications***

As families approach the top of the waiting list, the following items will be verified to determine qualification for admission to the PHA's housing:

1. Family composition and type (elderly/non-elderly)
2. Annual Income
3. Assets and Asset Income
4. Deductions from Annual Income
5. Social Security Numbers of all family members
6. Information used in applicant screening
7. Citizenship or eligible immigration status
8. Criminal History Report

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

After the verification process is completed, the PHA will make a final determination of eligibility. This decision is based upon information provided by the family, the

verification completed by the PHA, and the tenant suitability determination (see Chapter on Eligibility for Admission).

Because HUD can make changes in rules or regulations and family circumstances may have changed during the review process that affect an applicant's eligibility, it is necessary to make final eligibility determination.

The household is not actually eligible for a unit offer until this final determination has been made, even though they may have been preliminarily determined eligible and may have been listed on the waiting list.

Any time after final eligibility determination, applicants must report changes in family status, including income, family composition, and address, in writing, within ten (10) business days of the change. If the family did not report the change within the required time frame, the family will be determined ineligible and offered an opportunity for informal hearing.

## **Chapter 4      Tenant Selection and Assignment Plan**

(Includes Preferences and Managing the Waiting List)  
[24 CFR 960.203, 960.204, 960.205, 960.206]

### **INTRODUCTION**

It is the PHA's policy that each applicant shall be assigned an appropriate place on a site based waiting list. Applicants will be listed in sequence based upon date and time the application is received and the size, location and type of unit they are eligible for.

In filling an actual or expected vacancy, the PHA will offer the dwelling unit to an applicant in the appropriate sequence, with the goal of accomplishing de-concentration of poverty and income-mixing objectives. The PHA will offer the unit until it is accepted. This Chapter describes the PHA's policies with regard to the number of unit offers that will be made to applicants selected from the waiting list.

### **PHA's Objectives**

PHA policies will be followed consistently and will affirmatively further HUD's fair housing goals.

It is the PHA's objective to ensure that families are placed in the proper order on the waiting list so that the offer of a unit is not delayed to any family unnecessarily or made to any family prematurely. This chapter explains the policies for the management of the waiting list.

When appropriate units are available, families will be selected from the waiting list in their determined sequence.

By maintaining an accurate waiting list, the PHA will be able to perform the activities which ensure that an adequate pool of qualified applicants will be available to fill unit vacancies in a timely manner. Based on the PHA's turnover and the availability of appropriate sized units, groups of families will be selected from the waiting list to form a final eligibility "pool". Selection from the pool will be based on completion of verification.

### **A.      *Management of the Waiting List***

The PHA will administer its waiting list as required by 24 CFR Part 945 and Part 960, Subparts A and B. The waiting list will be maintained in accordance with the following guidelines:

1.      The application will be a permanent file.
2.      All applicants in the pool will be maintained by date and time sequence.

3. All applicants must meet applicable income eligibility requirements as established by HUD.

### **Opening and Closing the Wait Lists**

The PHA, at its discretion, may restrict application intake, suspend application intake, and close waiting lists in whole or in part.

The decision to close the waiting list will be based on the number of applications available for a particular size and type of unit and the ability of the PHA to house an applicant in an appropriate unit within a reasonable period of time.

When the PHA opens the waiting list, the PHA will advertise which program(s) applications are being accepted through public notice and in the following newspapers, minority publications and organizations:

1. Chico Enterprise-Record
2. Oroville Mercury-Register
3. Paradise Post
4. Gridley Herald
5. Butte County Department of Employment & Social Services
6. Community Action Agency
7. Catalyst Domestic Violence Services
8. Paradise Senior Center
9. The Jesus Center
10. Chico Community Shelter Partnership
11. Library

The notice will contain:

- The dates, times, and the locations where families may apply
- The name of the program(s) for which applications will be taken
- Limitations, if any, on who may apply

The notices will be made in an accessible format if requested. They will provide potential applicants with information that includes the PHA address and telephone number, and referral to resources to obtain information concerning how to submit an application, information on eligibility requirements and the availability of local preferences.

Upon request from a person with a disability, additional time will be given as an accommodation for submission of an application after the closing deadline. This accommodation is to allow persons with disabilities the opportunity to submit an application in cases when a social service organization provides inaccurate or untimely information about the closing date.

### **When Application Taking is Suspended/Closed**

The PHA may suspend the acceptance of applications if there are enough local preference holders to fill anticipated openings for the next twelve- (12) months.

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

During the period when the waiting list is closed, the PHA will not maintain a list of individuals who wish to be notified when the waiting list is open.

The PHA will formally announce suspension of application taking through public notice and in the following newspapers, minority publications and other organizations:

1. Chico Enterprise-Record
2. Oroville Mercury-Register
3. Paradise Post
4. Gridley Herald

The PHA will give at least five (5) business days' notice prior to closing the list. When the period for accepting applications is over, the PHA will add the new applicants to the list where they will be separated into groups by date and time; areas and unit size. The PHA will update the waiting list at least annually by removing the names of those families who are no longer interested, no longer qualify for housing, or cannot be reached by mail or telephone. At the time of initial intake, the PHA will advise families of their responsibility to notify the PHA when mailing address or telephone numbers change.

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

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

**Inaccessibility:** This preference is available to applicants that have mobility or other impairments that make the person unable to use critical elements of the unit; and the owner is not legally obligated to make the changes to the unit that would make critical elements accessible to the disabled person as a reasonable accommodation.

**Property Disposition:** This preference is available to applicants who are displaced because of disposition of a multi-family rental housing project by HUD under Section 203 of the Housing and Community Development Amendments of 1978.

### ***B. Income Targeting***

The PHA will monitor its admissions to ensure that at least 40 percent (40%) of families admitted to public housing in each fiscal year shall have incomes that do not exceed thirty percent (30%) of area median income of the PHA's jurisdiction.



Hereafter, families whose incomes do not exceed 30% of area median income will be referred to as “extremely low income families”.

The PHA shall have the discretion, at least annually, to exercise the “fungibility” provision of the QHWRA by admitting less than 40 percent of “extremely low income families” to public housing in a fiscal year, to the extent that admissions of extremely low income families to the PHA’s voucher program during a PHA fiscal year exceeds the 75 percent minimum targeting requirement for the PHA’s Section 8 Voucher Program. This fungibility provision discretion by the PHA is also reflected in the PHA’s Administrative Plan.

The fungibility credits will be used to drop the annual requirement below 40 percent of admissions to public housing for extremely low income families by the lowest of the following amounts:

1. The number of units equal to 10 percent (10%) of the number of newly available vouchers in the fiscal year; or
2. The number of public housing units that 1) are in public housing projects located in census tracts having a poverty rate of 30% or more, and 2) are made available for occupancy by and actually occupied in that year by, families other than extremely low-income families.

### **The Fungibility Floor**

Regardless of the above two amounts, in a fiscal year, at least 30% of the PHA’s admissions to public housing will be to extremely low-income families. The fungibility floor is the number of units that cause the PHA’s overall requirement for housing extremely low-income families to drop to 30% of its newly available units.

Fungibility shall only be utilized if the PHA is anticipated to fall short of its 40% goal for new admissions to public housing.

### **Low Income Family Admissions**

Once the PHA has met the 40% targeted income requirement for new admissions of extremely low-income families, the PHA will fill the remainder of its new admission units with families whose incomes do not exceed 80% of the HUD approved area median income.

## ***C. Promotion of Integration***

Beyond the basic requirement of nondiscrimination, PHA shall affirmatively further fair housing to reduce racial and national origin concentrations.

The PHA shall not require any specific income or racial quotas for any development or developments.

A PHA shall not assign persons to a particular section of a community or to a development or building based on race, color, religion, sex, disability, familial status or national origin for purposes of segregating populations.

#### ***D. Removal from Waiting List and Purging***

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

If an applicant fails to respond within ten (10) business days s/he will be removed from the waiting list. If a letter is returned by the Post Office without a forwarding address, the applicant will be removed without further notice and the envelope and letter will be maintained in the file. If a letter is returned with a forwarding address, it will be re-mailed to the address indicated.

If an applicant is removed from the waiting list for failure to respond, they will not be entitled to reinstatement unless a person with a disability requests a reasonable accommodation for being unable to reply with the proscribed period; or the failure to respond was due to a medical emergency, death in the family, or a natural disaster or verified error by the post office. Third party written verification will be required.

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

Applicants are notified with confirmation of the PHA's receipt of their application that they are responsible for notifying the PHA within ten (10) business days, if they have a change of address.

#### ***E. Offer of Accessible Units***

The PHA has units designed for persons with mobility, sight and hearing impairments, referred to as accessible units.

No non-mobility impaired families will be offered these units until all eligible mobility-impaired applicants have been considered.

Before offering a vacant accessible unit to a non-disabled applicant, the PHA will offer such units:

First, to a current occupant of another unit of the same development, or other public housing developments under the PHA's control, who has a disability that requires the special features of the vacant unit.

Second, to an eligible qualified applicant on the waiting list having a disability that requires the special features of the vacant unit.

When offering an accessible/adaptable unit to a non-disabled applicant, the PHA will require the applicant to agree to move to an available non-accessible unit within thirty (30) days when either a current resident or an applicant needs the features of the unit and there is another unit available for the applicant. This requirement will be a provision of the lease agreement.

#### ***F. Buildings Designated as Elderly Only Housing***

The Winston Gardens property located at 700 Mitchell Ave, Oroville, CA 95965 has been approved by HUD as being designated as a "mixed population project" for occupancy by elderly households age 62 and older and persons with disabilities without age restriction. In filling vacancies in this development, only elderly and disabled families will be selected from the waiting list.

#### ***G. Plan for Unit Offers***

The PHA plan for selection of applicants and assignment of dwelling units to assure equal opportunity and non-discrimination on grounds of race, color, sex, religion, or national origin is:

The first qualified applicant in sequence on the waiting list will be made an offer of a unit of the appropriate size. If more than one unit of the appropriate type and size is available, the first unit to be offered will be the first unit that is ready for occupancy. If the offer is rejected, the applicant will be offered the next suitable unit that becomes available, whether it is at the same location as the first offer or at another location.

The PHA will maintain a record of units offered, including location, date and circumstances of each offer, each acceptance or rejection, including the reason for the rejection.

The applicant may not reject the one unit offer without good cause, and remain on the waiting list. (See Section M for Applicants Unable to take Occupancy).

## **H. Changes Prior to Unit Offer**

Changes that occur during the period between removal from the waiting list and an offer of a suitable unit may affect the family's eligibility or Total Tenant Payment. The family will be notified in writing of changes in their eligibility or level of benefits and offered their right to an informal hearing when applicable (See Chapter on Complaints, Grievances and Appeals).

## **I. Applicant Status After Final Unit Offer**

When an applicant rejects (2) unit offers, the PHA will remove the applicant's name from the waiting list.

Removal from the waiting list means that the applicant must re-apply.

## **J. Time Limit for Acceptance of Unit**

Applicants must accept a unit when offered or risk losing the unit to another applicant.

### **Applicants Unable to Take Occupancy**

If an applicant is willing to accept the unit offered, but is unable to take occupancy at the time of the offer for "good cause", the applicant will retain their status on the waiting list.

Refusals due to the location of the unit alone are not considered to be good cause. Examples of "good cause" reasons for the refusal to take occupancy of a housing unit include, but are not limited to:

1. An elderly or disabled family makes the decision not to occupy or accept occupancy in designated housing. [24 CFR 945.303(d)]
2. A qualified, knowledgeable, health professional verifies the temporary hospitalization or recovery from illness of the principal household member, other household members, or a live-in aide necessary to care for the principal household member.
3. The unit is inappropriate for the applicant's disabilities.

### **Applicants with a Change in Family Size or Status**

Changes in family composition, status, or income between the time of the interview and the offer of a unit will be processed. The PHA shall not lease a unit to a family whose occupancy will overcrowd or under-utilize the unit.

The family will take the appropriate place according to bedroom size on the waiting list according to the date they first applied.

***K. Refusal of Offer***

If the unit offered is inappropriate for the applicant's disabilities, the family will retain their position on the waiting list.

If the unit offered is refused for other reasons, the PHA will follow the applicable policy as listed in the "Plan for Unit Offers" section and the "Applicant Status After Final Offer" section.

## **Chapter 5      Occupancy Guidelines**

### **INTRODUCTION**

The Occupancy Guidelines are established by the PHA to ensure that units are occupied by families of the appropriate size. This policy maintains the maximum usefulness of the units, while preserving them from excessive wear and tear or underutilization. This Chapter explains the Occupancy Guidelines used to determine minimum and maximum unit sizes for various sized families when they are selected from the waiting list, or when a family's size changes, or when a family requests an exception to the occupancy guidelines.

#### ***A.      Determining Unit Size***

The PHA does not determine who shares a bedroom/sleeping room, but there must be at least one person per bedroom. The PHA's Occupancy Guidelines standards for determining unit size shall be applied in a manner consistent with Fair Housing guidelines.

For occupancy standards, an adult is a person 18 years or older or a minor that meets the Courts definition of Necessities.

The PHA will use the same occupancy standards for each of its developments.

The PHA's occupancy standards are as follows:

The PHA will assign one bedroom for each two persons within the household, except in the following circumstances:

Persons of the opposite sex (other than spouses or significant others, and children under age 8) will not be required to share a bedroom.

Persons of different generations will not be required to share a bedroom (ten (10) years difference will be considered different generations), and children up to the age of three years can share a bedroom with their parents.

Live-in aides will be allocated a separate bedroom. No additional bedrooms will be provided for the live-in aide's family.

Single persons will be allocated a zero or one bedroom.

Children where parents share custody will need to be in custody of the parent/guardian within the Household at least fifty-one percent (51%) of the time to be considered part of

the Household. Verification will include court documentation of stated custody or certification from the parent that does not belong to the applying household.

Foster children will be included in determining unit size only if they will be in the unit for more than six (6) months.

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

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

### **GUIDELINES FOR DETERMINING BEDROOM SIZE**

<b><i>Bedroom Size</i></b>	<b><i>Persons in Household: (Minimum #)</i></b>	<b><i>Persons in Household: (Maximum #)</i></b>
1 Bedroom	1	3
2 Bedrooms	2	5
3 Bedrooms	3	7
4 Bedrooms	6	9
5 Bedrooms	8	11

### ***B. Exceptions to Occupancy Standards***

The PHA will grant exceptions from the guidelines in cases where it is the family's request or the PHA determines the exceptions are justified by the relationship, age, sex, health or disability of family members, or other individual circumstances, and there is a vacant unit available. If an applicant requests to be listed on a smaller or larger bedroom size waiting list, the following guidelines will apply:

Applicants may request to be placed on the waiting list for a unit size smaller than designated by the occupancy guidelines. The family must agree not to request a change in bedroom size on the waiting list until their family composition changes. At the PHA's discretion the family may be offered a unit smaller than the preferred unit size, based on the PHA's occupancy standards, if in doing so the family has an opportunity to be housed earlier.

In cases such as those above, a family that voluntarily accepts a unit that is smaller than what the family is eligible for will be required to sign a statement stating that unless there is an increase in family size the family agrees that they are not eligible for transfer to a larger unit for at least one (1) year.

The PHA may offer a family a unit that is larger than required by the PHA's occupancy standards, if the waiting list is short of families large enough to fill the vacancy or the PHA determines that the common area for the project is insufficient for accommodating any additional large families.

In all cases, where the family requests an exception to the general occupancy standards, the PHA will evaluate the relationship and ages of all family members and the overall size of the unit.

The family may request to be placed on a larger bedroom size waiting list than indicated by the PHA's occupancy guidelines. The request must explain the need or justification for a larger bedroom size, and must be verified by the PHA before the family is placed on the larger bedroom size list. The PHA will consider these requests:

1. **Person with Disability:** The PHA will grant an exception upon request as a reasonable accommodation for persons with disabilities if the need is appropriately verified and meets requirements in the "Service and Accommodations Policy" section of Chapter 1.
2. **Other Circumstances:** Circumstances may dictate a larger size than the occupancy standards permit when:
  - a. Persons cannot share a bedroom because of a need for medical equipment due to its size and/or function. Requests for a larger bedroom due to medical equipment must be verified by a doctor.
  - b. Requests based on health related reasons must be verified by a knowledgeable licensed professional or a social service professional.

The PHA will not assign a larger bedroom size due to additions of family members other than by birth, adoption, marriage, or court-awarded custody.

An exception will be granted if the family has submitted a "Self-Certification of Physical Custody of Minor Child/Children" or an "Appointment of Temporary Guardian" to the PHA. If either of these forms has been submitted the PHA will also require that the family has initiated legal proceedings for guardianship or legal custody.

All members of the family residing in the unit must be approved by the PHA. The family must obtain approval of any additional family member before the person occupies the unit except for additions by birth, adoption, or court-awarded custody, in which case the family must inform the PHA within ten (10) business days.

To avoid vacancies, the PHA may provide a family with a larger unit than the occupancy standards permit. The family must agree to move to a suitable, smaller unit when another family qualifies for the larger unit and there is a suitable smaller unit available. This requirement is a provision of the lease.



### **C. Accessible Units**

The PHA has units designed for persons with mobility, sight and hearing impairments. These units were designed and constructed specifically to meet the needs of persons requiring the use of wheelchairs and persons requiring other modifications.

Preference for occupancy of these units will be given to families with disabled family members who require the modifications or facilities provided in the units.

No non-mobility-impaired families will be offered these units until all eligible mobility-impaired applicants have been considered.

Accessible units will be offered and accepted by non-mobility impaired applicants only with the understanding that such applicants must accept a transfer to a non-accessible unit at a later date if a person with a mobility impairment requiring the unit applies for housing and is determined eligible.

### **D. Family Moves**

When a change in the circumstances of a tenant family requires another unit size, the family's move depends upon the availability of a suitable size and type of unit. If the unit is not available at the time it is requested the family will be placed on the Transfer List.

The unit considerations in this section should be used as a guide to determine whether and when the bedroom size should be changed. If an unusual situation occurs, which is not currently covered in this policy, the case should be taken to the Housing Director who will make a determination after review of the situation, the individual circumstances, and the verification provided.

See chapter on Reexaminations for changes in unit size for tenants.

## **Chapter 6 Determination of Total Tenant Payment**

[24 CFR 5.609, 5.611, 5.613, 5.615, 5.628, 5.630]

### **INTRODUCTION**

The accurate calculation of Annual Income and Adjusted Income will ensure that families are not paying more or less money for rent than their obligation under the regulations.

This Chapter defines the allowable deductions from Annual Income and how the presence or absence of household members may affect the Total Tenant Payment (TTP). Income and TTP are calculated in accordance with 24 CFR Part 5, Subpart F and further instruction set forth in HUD Notices, Memoranda and Addenda. However, the Quality Housing and Work Responsibility Act now give PHAs broader flexibility. The PHA's policies in this Chapter address those areas which allow the PHA discretion to define terms and to develop standards in order to assure consistent application of the various factors that relate to the determination of TTP.

### **A. *Minimum Rent***

The minimum rent for this PHA is fifty dollars (\$50). The Total Tenant Payment is the greater of:

1. 30% of the adjusted monthly income
2. 10% of the monthly income
3. The Minimum rent as established by the PHA

The Total Tenant Payment does not include charges for excess utility consumption or other charges.

HACB recognizes that in some instances even the minimum rent may create a financial hardship for families. HACB will review all relevant circumstances brought to its attention regarding financial hardship as it applies to minimum rent. The following section states that HACB's procedures and policies are in regard to minimum rent financial hardship as set forth by the QHWRA.

### **HACB Procedures for Notification to families of Hardship Exemptions**

HACB will notify all participant families subject to a minimum rent of their right to request a minimum rent hardship exemption under the law.

HACB will notify all families at the annual recertification appointment of their right to request a minimum rent hardship exemption.

HACB will notify all families at time of lease-up of their right to request a minimum rent hardship exemption.

HACB will document in the family's file that the family has been notified of their right to request a minimum rent hardship exemption.

HACB notification will advise the family that hardship exemption determinations are subject to HACB grievance procedures.

HACB will review all tenant requests for exemption from the minimum rent due to financial hardships.

All requests for minimum rent exemption are required to be in writing.

HACB notification will be provided to residents in writing and verbally during the reexamination process.

Requests for minimum rent exemption must state the family circumstances that qualify the family for an exemption.

### **Exemptions to Minimum Rent**

HACB will immediately grant the minimum rent exemption to all families who request it, pending verification.

The Minimum Rent will not be suspended until HACB determines whether the hardship is covered by statute and/or temporary or long term.

If HACB determines that the minimum rent is not covered by statute, it will impose a minimum rent including payment for minimum rent from the time of suspension.

HACB will use its standard verification procedures to verify circumstances that have resulted in financial hardship, such as loss of employment, death in the family. Etc.

### **HUD Criteria for Hardship Exemption**

In order for a family to qualify for a hardship exemption the family's circumstances must fall into one of the following criteria:

1. The family has lost eligibility or is awaiting an eligibility determination for Federal, State, or local assistance;
2. The family would be evicted as a result of the imposition of the minimum Rent requirement;
3. The income of the family has decreased because of changed circumstances,
  - a. Loss of employment
  - b. Death in the family

- c. Other circumstances as determined by HACB or HUD

### **HACB Policy Regarding Hardship Exemption**

For purposes of providing the hardship exemption to minimum rent in a fair and consistent manner, HACB has established policy regarding the above-mentioned HUD criteria.

“Loss of employment” is defined as being laid off or terminated through fault or no fault of the employee. Loss of employment does not, for the purposes of exemption to minimum rent, include voluntarily quitting employment.

“Death in the family.” Family, for the purposes of exemption to minimum rent, includes head of house or spouse any adult on the public housing lease or any family member on the public housing Lease.

### **Temporary Hardship**

If HACB determines that the hardship is temporary (less than 90 days), a minimum rent will be imposed, including back payment from time of suspension, but the family will not be evicted for nonpayment of rent during the 90-day period commencing on the date of the family’s request for exemption.

### **Repayment Agreements for Temporary Hardship**

HACB will offer a repayment agreement to the family for any such rent not paid during the temporary period.

If the family owes HACB money for rent arrears incurred during the minimum rent period, HACB will calculate the total amount owed and divide it by 12 to arrive at a reasonable payment increment that will be added to the family’s regular monthly rent payment. The family will be required to pay the increased amount until the arrears are paid in full.

HACB policies regarding repayment agreements are in the Chapter 14 entitled “Family Debts to the PHA.”

## ***B. Income and Allowances***

### **Income**

The types of money which are to be used as income for purposes of calculating the TTP are defined by HUD in federal regulations. In accordance with this definition, income from all sources of each member of the household is documented. (See Income Inclusions and Income Exclusions in the Glossary of Terms of this policy). (See also, Chapter on Verification Procedures).

Annual Income is defined as the gross amount of income anticipated to be received by the family during the 12 months after certification or reexamination. Gross income is the

amount of income prior to any HUD allowable expenses or deductions, and does not include income which has been excluded by HUD. Annual income is used to determine whether or not applicants are within the applicable income limits. (24 CFR 960.201)

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

### **Permissive Deductions**

The PHA does not adopt any additional permissive deductions to annual income of tenants.

The PHA has established the following coordination with local TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) agencies:

- Local TANF agencies verify TANF benefits received.

### **Allowable Deductions**

HUD has five allowable deductions from Annual Income:

1. Dependent allowance: \$480 each for family members (other than the head or spouse), who are minors, and for family members who are 18 and older who are full-time students or who are disabled.
2. "Elderly" allowance: \$400 per household for families whose head or spouse is 62 or over or disabled.
3. Allowable medical expenses for all family members are deducted for elderly and disabled families.
4. Child care expenses for children under 13 are deducted when child care is necessary to allow an adult household member to work, actively seek work, or attend school (including vocational training). Documentation must be provided to verify that the requirements are being met.
5. Expenses for attendant care or auxiliary apparatus for persons with disabilities if needed to enable the individual or an adult family member to work.

## ***C. Disallowance of Earned Income from Rent Determinations***

The annual income for qualified families may not be increased as a result of increases in earned income beginning on the date on which the increase in earned income begins and continuing for a cumulative 12-month period. After the family receives 12 cumulative months of the full exclusion, annual income will include a phase-in of half the earned income excluded from annual income.

A family qualified for the earned income exclusion is a family that occupies a dwelling unit in a public housing project, is paying income-based rent; and

1. Whose annual income increases as a result of employment of a family member who was previously unemployed for one or more years prior to the employment;
2. Whose earned income increases as a result of increased earnings by a family member during participation in any economic self-sufficiency or other job-training program;
3. Whose annual income increases, as a result of new employment or increased earnings of a family member during or with six months after receiving assistance, benefits or services under any State program for TANF provided that the total amount over a six-month period is at least \$500. The qualifying TANF assistance may consist of any amount of monthly income maintenance, and/or at least \$500 in such TANF benefits and services as one-time payments, wage subsidies, and transportation assistance.

The HUD definition of “previously unemployed” includes a person who has earned in the previous twelve (12) months no more than the equivalent earnings for working ten (10) hours per week for fifty (50) weeks at the minimum wage. Minimum wage is the prevailing minimum wage in the State or locality.

The HUD definition of economic self-sufficiency program is: any program designed to encourage, assist, train or facilitate economic independence of assisted families or to provide work for such families. Such programs may include job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, or any other program necessary to ready a participant to work (such as substance abuse or mental health treatment).

Amounts to be excluded are any earned income increases of a family member during participation in an economic self-sufficiency or job training program and not increases that occur after participation, unless the training provides assistance, training or mentoring after employment.

The amount that is subject to the disallowance is the amount of incremental increase in income of a family member. The incremental increase in income is calculated by comparing the amount of the family member’s income before the beginning of qualifying employment to the amount of such income after the beginning of employment or increase in earned income.

**Initial Twelve-Month Exclusion:**

During the cumulative twelve (12) month period beginning on the date a member of a qualified family is first employed or the family member first experiences an increase in employment income, the PHA will exclude from annual income any increase in income of the family member as a result of employment over the prior income of that family member.

**Second Twelve-Month Exclusion:**

During the second cumulative 12-month period after the expiration of the initial cumulative 12-month period referred to above, the PHA must exclude from annual income of a qualified family 50 percent of any increase in income of a family member as a result of employment over income of that family member prior to the beginning of such employment.

**Maximum Four Year Disallowance:**

The earned income disallowance is limited to a lifetime 48-month period for each family member. For each family member, the disallowance only applies for a maximum of twelve (12) months of full exclusion of incremental increase, and a maximum of twelve (12) months of phased-in exclusion during the 48-month period starting from the date of the initial exclusion.

No earned income disallowance will be applied after the 48-month period following the initial date the exclusion was applied.

**Applicability to Child Care and Disability Assistance Expense Deductions:**

The amount deducted for child care and disability assistance expenses necessary to permit employment shall not exceed the amount of employment income that is included in annual income. Therefore, for families entitled to the earned income disallowance, the amounts of the full and phase-in exclusions from income shall not be used in determining the cap for child care and disability assistance expense deductions.

**Tracking the Earned Income Exclusion**

The earned income exclusion will be reported on the HUD 50058 form. Documentation will be included in the family's file to show the reason for the reduced increase in rent.

Such documentation will include:

1. Date the increase in earned income was reported by the family
2. Name of the family member whose earned income increased
3. Reason (new employment, participation in job training program, within six (6) months after receiving TANF) for the increase in earned income
4. Amount of the increase in earned income (amount to be excluded)
5. Date the increase in income is first excluded from annual income
6. Date(s) earned income ended and resumed during the initial cumulative twelve (12) month period of exclusion (if any)
7. Date the family member has received a total of twelve (12) months of the initial exclusion
8. Date the twelve (12) month phase-in period began
9. Date(s) earned income ended and resumed during the second cumulative twelve (12) month period (phased-in) of exclusion (if any)

10. Date the family member has received a total of twelve (12) months of the phased-in exclusion
11. Ending date of the maximum 48-month (four year) disallowance period (48 months from the date of the initial earned income disallowance)

The PHA will maintain a tracking system to ensure correct application of the earned income disallowance.

### **Family's Responsibility to Report Changes**

The PHA's policy is not to raise rent between annual reexaminations, except in the case of a change in family composition. However, if the family has an increase in earned income and wishes to benefit from the earned income exclusion, the family must report the increase in income, in writing, within ten (10) business days of the date of the increase.

If the PHA determines that the family is a qualified family, the twelve (12) month exclusion will begin on the first day of the month after the family reports the increase in income. At annual reexamination, the remainder of the twelve (12) month full exclusion will be applied. After the twelve (12) month full exclusion ends, the twelve (12) month phased-in exclusion will begin. The family will be required to report any change in income or family composition during this period (while full or phased-in exclusion is applied).

### **Inapplicability to Admission**

The earned income disallowance is only applied to determine the annual income of families residing in public housing, and therefore does not apply for purposes of admission (including the determination of income eligibility or income targeting that may be applicable).

## ***D. Individual Savings Accounts***

The PHA chooses not to establish a system of individual savings accounts for families who qualify for the disallowance of earned income.

## ***E. Training Programs Funded by HUD***

All training income from a HUD sponsored or funded training program, whether incremental or not, is excluded from the resident's annual income while the resident is in training. Income from a Resident Services training program, which is funded by HUD, is excluded.



## ***F. Wages from Employment with the PHA or Resident Organization***

Upon employment with the PHA or officially-recognized Resident Organization, the full amount of employment income received by the person is counted. There is no exclusion of income for wages funded under the 1937 Housing Act Programs, which includes public housing and Section 8.

## ***G. Averaging Income***

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

1. Average known sources of income that vary to compute an annual income.
2. Annualize current income and conduct an interim reexamination if income decreases

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

Income from the previous year may be analyzed to determine the amount to anticipate when third party or check-stub verification is not available.

Income from seasonal employment with two (2) or more employers will be verified through tax information (W-2s or tax return) to anticipate income amounts for the next twelve (12) months.

If by averaging, an estimate can be made for those families whose income fluctuates from month to month, this estimate will be used so that the housing payment will not change from month to month.

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

## ***H. Minimum Income***

There is no minimum income requirement.

Families that report zero income will be required to provide a monthly report regarding their means of basic subsistence, such as food, utilities, transportation, etc.

The PHA may request credit checks for all adult members of families that report zero income.

Where credit reports show credit accounts open and payments current, the PHA will take action to investigate the possibility of fraud or program abuse.

## ***I. Income of Person Permanently Confined to Nursing Home***

If a family member is permanently confined to a hospital or nursing home and there is a family member left in the household, the PHA will calculate the Total Tenant Payment by calculating the income by using the following methodology and using the income figure which would result in a lower payment by the family:

1. Excluding the income of the person permanently confined to the nursing home and not giving the family deductions for medical expenses of the confined family member, or
2. Including the income of the person permanently confined to the nursing home and giving the family the medical deductions allowable on behalf of the person in the nursing home.

## ***J. Regular Contributions and Gifts***

[24 CFR 5.609(a)(7)]

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

Any contribution or gift received every one-month or more frequently will be considered a “regular” contribution or gift, unless the amount is less than six hundred dollars (\$600) per year. This includes rent and utility payments made on behalf of the family and other cash or non-cash contributions provided on a regular basis. It does not include casual contributions or sporadic gifts. (See Chapter on “Verification Procedures” for further definition).

If the family’s expenses exceed their known income, the PHA will make inquiry of the family about contributions and gifts.

## ***K. Alimony and Child Support***

[24 CFR 5.609(a)(7)]

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

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

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

The PHA receives verification from the agency responsible for enforcement or collection.

The family furnishes documentation of child support or alimony collection action filed through a child support enforcement/collection agency, or has filed an enforcement or collection action through an attorney.

It is the family's responsibility to supply a certified copy of the divorce decree.

### **L. Lump-Sum Receipts**

[24 CFR 5.609(b)(4 and 5), (c)(3 and 14)]

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

Lump-sum payments caused by delays in processing periodic payments (unemployment or welfare assistance) are counted as income. Lump sum payments from Social Security or SSI are excluded from income, but any amount remaining will be considered an asset. Deferred periodic payments which have accumulated due to a dispute will be treated the same as periodic payments which are deferred due to delays in processing.

In order to determine amount of retroactive tenant rent that the family owes as a result of the lump sum receipt.

The PHA will calculate prospectively if the family reported the payment within ten (10) business days and retroactively to date of receipt if the receipt was not reported within that time frame.

#### **Prospective Calculation Methodology**

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

- The entire lump-sum payment will be added to the annual income at the time of the interim.

#### **Retroactive Calculation Methodology**

The PHA will go back to the date the lump-sum payment was received, or to the date of admission, whichever is closer.

The PHA will determine the amount of income for each certification period, including the lump sum, and recalculate the tenant rent for each certification period to determine the amount due the PHA.

The family has the choice of paying this “retroactive” amount to the PHA in a lump sum.

At the PHA’s option, the PHA may enter into a Repayment Agreement with the family.

The amount owed by the family is a collectible debt even if the family becomes unassisted.

### **Attorney Fees**

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

### ***M. Contributions to Retirement Funds-Assets***

Contributions to company retirement/pension funds are handled as follows:

1. While an individual is employed, count as assets only amounts the family can withdraw without retiring or terminating employment.
2. After retirement or termination of employment, count any amount the employee elects to receive as a lump sum.

### ***N. Assets Disposed of for Less Than Fair Market Value***

The PHA must count assets disposed of for less than fair market value during the two (2) years preceding certification or reexamination. The PHA will count the difference between the market value and the actual payment received in calculating total assets. The difference will be included in calculating total assets for two (2) years.

Assets disposed of as a result of foreclosure or bankruptcy are not considered to be assets disposed of for less than fair market value. Assets disposed of as a result of a divorce or separation are not considered to be assets disposed of for less than fair market value.

The PHA’s minimum threshold for counting assets disposed of for less than Fair Market value is five thousand dollars (\$5,000). If the total value of assets disposed of within the two-year period is less than five thousand dollars (\$5,000) they will not be considered an asset.

## **O. Child Care Expenses**

Unreimbursable child care expenses for children under 13 may be deducted from annual income if they enable an adult to work, actively seek work, attend school full time, or attend full-time vocational training. Documentation must be provided to verify that the requirements are being met.

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

If a tenant is eligible for the earned income disallowance, the amount of deduction for child care expenses necessary to permit employment shall not exceed the amount of employment income that is included in annual income. Therefore, the disregarded or excluded amounts cannot be used in determining the cap for the childcare expense deduction.

Childcare expenses must be reasonable. Reasonable is determined by what the average childcare rates are in the PHA' jurisdiction.

Allowance for childcare expenses is based on the following guidelines:

1. **Childcare to work:** The maximum childcare expense allowed must be less than the amount earned by the person enabled to work. The "person enabled to work" will be the adult member of the household who earns the least amount of income from working.
2. **Childcare for school:** The number of hours claimed for childcare may not exceed the number of hours the family member is attending school (including one hour travel time to and from school).
3. **Amount of Expense:** The PHA will establish guidelines for determining reasonable childcare expenses. If the hourly rate materially exceeds the guideline, the PHA may calculate the allowance using the guideline.

## **P. Medical Expenses**

[24 CFR 5.603]

This deduction is granted only to elderly or disabled families. All family members within an elderly or disabled designated family will qualify for this deduction. The family must furnish legible receipts.

A range of unreimbursed medical expenses and services can be claimed, including, but not limited to the following, to the extent that the total medical expenses exceed 3 percent of annual income:

- Services of health care professionals and health care facilities (doctors, nurses, practical nurses, therapists, hospitals, clinics, etc.);
- Laboratory fees, X-rays and diagnostic tests, costs for blood, and oxygen;
- Medical insurance premiums (including Medicare) and the insurance deductible;
- Prescription and non-prescription medicines (non-prescription medicines should be prescribed by a licensed medical professional);
- Transportation to/from treatment including the actual cost (e.g., bus fare) or if driving by car, a mileage rate based on IRS rules or other accepted standard;
- Medical care of a permanently institutionalized family member IF his/her income is included in annual income;
- Dental treatment including fees paid to the dentist for cleaning, fluoride treatments, sealants, x-rays; fillings, braces, extractions, dentures;
- Eyeglasses and contact lenses;
- Hearing aid and batteries, wheelchair, walker, scooter, artificial limbs;
- Attendant care or periodic attendant care;
- Payments on accumulated medical bills (that will be due in the year for which annual income is computed) for the services of physicians, nurses, dentists, opticians, mental health practitioners, chiropractors Hospitals, health maintenance organizations (HMO's), out-patient medical facilities, and clinics (verification that payments are being paid will need to be provided);
- Expenses paid to an HMO;
- Purchase or rental and upkeep of equipment (e.g., where there are tenant paid utilities, the additional utility costs to the tenant because of an oxygen machine);
- Skilled, semi-skilled and unskilled nursing services;
- An assistive animal and the upkeep and care of the animal; and
- Any other medically necessary service, apparatus or medication, as documented by third party verification.

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

## **Q. Proration of Assistance for “Mixed” Families**

[24 CFR 5.520]

### **Applicability**

Pro-ration of assistance must be offered to any “mixed” applicant or participant family. A “mixed” family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible members.

“Mixed” families that were participants on June 19, 1995, and that do not qualify for continued assistance must be offered prorated assistance (See Chapter titled “Reexaminations”). Applicant mixed families are entitled to prorated assistance. Families that become mixed after June 19, 1995, by addition of an ineligible member are entitled to prorated assistance.

### **Prorated TTP Calculation for Mixed Families**

Prorated assistance will be calculated by subtracting the Total Tenant Payment from the applicable Maximum Rent for the unit the family occupies to determine the Family Maximum Subsidy. The family’s TTP will be calculated by:

1. Dividing the Family Maximum Subsidy by the number of persons in the family to determine Member Maximum Subsidy
2. Multiplying the Member Maximum Subsidy by the number of eligible family members to determine Eligible Subsidy
3. Subtracting the amount of Eligible Subsidy from the applicable Maximum Rent for the unit the family occupies to get the family’s Revised Total Tenant Payment

### **Prorated Flat Rent for Mixed Families**

The PHA will compare the flat rent for the unit to the applicable Maximum Rent. If the flat rent is greater than the Maximum Rent, the family will pay the flat rent for the unit. If the Maximum Rent is greater than the flat rent, and the family chooses flat rent, the flat rent will be prorated by:

- Subtracting the flat rent from the Maximum Rent to determine Family Maximum Subsidy
- Dividing the Family Maximum Subsidy by the number of persons in the family to determine the Member Maximum Subsidy
- Multiplying the Member Maximum Subsidy by the number of eligible family members to determine Eligible Subsidy
- Subtracting the amount of Eligible Subsidy from the applicable Maximum Rent for the unit the family occupies to get the family’s Revised Flat Rent

## **R. Income Changes Resulting from Welfare Program Requirements**

The PHA will not reduce the public housing rent for families whose welfare assistance is reduced specifically because of:

1. fraud; or
2. failure to participate in an economic self-sufficiency program; or
3. noncompliance with a work activities requirement

However, the PHA will reduce the rent if the welfare assistance reduction is a result of:

1. The expiration of a lifetime time limit on receiving benefits; or
2. A situation where a family member has complied with welfare agency economic self-sufficiency or work activities requirements but cannot or has not obtained employment; or
3. A situation where a family member has not complied with other welfare agency requirements

Imputed welfare income is the amount of annual income not actually received by a family as a result of a specified welfare benefit reduction that is included in the family's income for rental contribution.

Imputed welfare income is not included in annual income if the family was not an assisted resident at the time of sanction.

The amount of imputed welfare income is offset by the amount of additional income a family receives that begins after the sanction was imposed.

When additional income is at least equal to the imputed welfare income, the imputed welfare income is reduced to zero.

### **Verification Before Denying a Request to Reduce Rent**

The PHA will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance *before* denying the family's request for rent reduction.

The welfare agency, at the request of the PHA, will inform the PHA of:

1. amount and term of specified welfare benefit reduction for the family;
2. reason for the reduction; and
3. subsequent changes in term or amount of reduction

### **Cooperation Agreements**

The PHA has a written cooperation agreement in place with the local welfare agency which assists the PHA in obtaining the necessary information regarding welfare sanctions.

The PHA has taken a proactive approach to culminating an effective working relationship between the PHA and the local welfare agency for the purpose of targeting



economic self-sufficiency programs throughout the community that are available to public housing residents.

The PHA has executed a written Cooperation Agreement with the local welfare agency to ensure timely and accurate verification of noncompliance.

The PHA and the local welfare agency have mutually agreed to notify each other of any economic self-sufficiency and/or other appropriate programs or services that would benefit public housing residents.

### **S. Utility Allowance and Utility Reimbursement Payments**

If the cost of utilities (excluding telephone) is not included in the Tenant Rent, a utility allowance will be deducted from the total tenant payment. The Utility allowance is intended to help defray the cost of utilities not included in the rent. The allowances are based on the monthly cost of reasonable consumption utilities in an energy conservative household, *not* on a family's actual consumption. The PHA will increase the utility allowance if necessary as a reasonable accommodation. In some cases, the medical equipment or other factors related to a disability will increase the cost of utilities and thus a reasonable accommodation may be necessary in accordance with regulation 24 CFR 965.508.

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

#### **Resident-Paid Utilities**

The following requirement applies to residents living in developments with resident-paid utilities or applicants being admitted to such developments. If a resident or applicant is unable to get utilities connected because of a previous balance owed to the utility company, the resident/applicant will not be permitted to move into a unit with resident paid utilities. This may mean that a current resident cannot transfer to a scattered site or that an applicant cannot be admitted to a unit with resident-paid utilities.

Paying the utility bill is the resident's obligation under the lease. Failure to pay utilities is grounds for eviction.

### **T. Excess Utility Payments**

Residents in units where the PHA pays the utilities may be charged for excess utilities if additional appliances or equipment are used in the unit. This charge shall be applied as specified in the lease. [24CFR 966.4(b)(2)]

## **U. Ceiling Rents**

The PHA acknowledges that there are several advantages to ceiling rents. Ceiling rents provide a “cap” or maximum rent which is advantageous to families of higher incomes. Establishing ceiling rents offers families of increasing or higher incomes an incentive for living in public housing. Ceiling rents help the PHA to attract higher income families and create a broad range of incomes and a more diverse tenant body, which is consistent with HUD’s affirmative fair housing goals. Ceiling rents serve to assist families transitioning from welfare to work and families that desire to obtain better jobs. Ceiling rents may also help the PHA to fill vacancies in some of its less desirable units or developments.

Ceiling rents are a function of income-based rent. For all units where ceiling rents are applied, the lower of the total tenant payment or the ceiling rent will be applied. The PHA will ensure that its ceiling rents will be unit based and not applied to certain families or certain categories of families.

The PHA established HUD-authorized ceiling rents for all of its public housing units before October 1, 1999.

The PHA’s methodology used to establish ceiling rents is described in the PHA plan.

Ceiling Rents will no longer be available or allowed by HUD after September 30, 2002. Tenants who were paying ceiling rents under leases negotiated before September 30, 2002, must sign new lease agreements and choose either income based or flat rents effective October 1, 2002.

## **V. Family Choice of Rents**

### **Authority for Family to Select**

The PHA shall provide for each family residing in a public housing unit to elect annually whether the rent paid by such family shall be:

1. determined based on family income, or
2. flat rent

The PHA may not at any time fail to provide both such rent options for any public housing unit owned, assisted, or operated by the PHA.

### **Annual Choice**

The PHA shall provide for families residing in public housing units to elect annually whether to pay income-based or flat rent.

## **Allowable Rent Structures**

### **Flat Rents**

The PHA has established, for each dwelling unit in public housing, a flat rental amount for the dwelling unit, which:

1. Is based on the rental value of the unit, as determined by the PHA; and
2. Is designed so that the rent structures do not create a disincentive for continued residency in public housing by families who are attempting to become economically self-sufficient through employment or who have attained a level of self-sufficiency through their own efforts.

The PHA's methodology used to establish flat rents is described in the PHA Plan.

The PHA shall review the income of families paying flat rent not less than once every three (3) years. Family composition will be reviewed annually for all families including those paying flat rent.

### **Income-Based Rents**

The monthly Total Tenant Payment amount for a family shall be an amount, as verified by the PHA, that does not exceed the greatest of the following amounts:

1. 30 percent of the family's monthly adjusted income
2. 10 percent of the family's monthly income; or
3. The PHA's Minimum TTP of fifty dollars (\$50)

The PHA will provide the additional subsidy to cover all reduced income resulting from this policy.

### **Switching Rent Determination Methods Because of Hardship Circumstances**

In the case of a family that has elected to pay the PHA's flat rent, the PHA shall immediately provide for the family to pay rent in the amount determined under income-based rent, during the period for which such choice was made, upon a determination that the family is unable to pay the flat rent because of financial hardship, including:

1. Situations in which the income of the family has decreased because of changed circumstances, loss of or reduction of employment, death in the family, and reduction in or loss of income of other assistance;
2. An increase, because of changed circumstances, in the family's expenses for medical costs, child care, transportation, education, or similar items; and
3. Such other situations as may be determined by the PHA.

All hardship situations will be verified.

Once a family switches to income-based rent due to hardship, the family must wait until the next annual reexamination to elect whether to pay income-based rent or flat rent.

### **Annual Reexamination**

One hundred and twenty (120) calendar days in advance of the annual reexamination, the family will be sent a form from the PHA, on which the family will indicate whether they choose flat rent or income-based rent. The PHA form will state what the flat rent would be, and an estimate, based on current information, what the family's income-based rent would be.

If the family indicates they choose flat rent, the family will fill out and return a PHA form to certify family composition. This form will be retained in the tenant file.

If the family indicates they choose income-based rent, a reexamination appointment will be scheduled according to PHA policy.

### ***W. PHA's Flat Rent Methodology***

The PHA has set a flat rent for each public housing unit, based on the reasonable market value of the unit. The PHA's methodology is described in the PHA Agency Plan.

The PHA's flat rents have been established using the following methodology:

- The PHA will utilize Section 8 rent comparability statistics to establish flat rents for each unit. The analysis will include relevant factors, such as age, location, condition, amenities, design and size of units, as well as unassisted rents for similar housing.

The PHA will review its schedule of flat rents every three (3) years and revise the flat rent schedules to reflect changes in market conditions, if any.

## **Chapter 7 Verification Process**

[24 CFR Part 5, Subpart B; 24 CFR 960.259]

### **INTRODUCTION**

HUD regulations require that the factors of eligibility and Total Tenant Payment be verified by the PHA. Applicants and program tenants must furnish proof of their statements whenever required by the PHA, and the information they provide must be true and complete. The PHA's verification procedures are designed to meet HUD's requirements and to maintain program integrity. This Chapter explains the PHA's procedures and standards for verification of preferences, income assets, allowable deductions, family status, and when there are changes in family members. The PHA will ensure that proper authorization for release of information is always obtained from the family before making verification inquiries.

#### **A. *Methods of Verification and Time Allowed***

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

1. Up-front income verification (UIV): verification of income, before or during a reexamination, through an independent source that systematically and uniformly maintains income information in computerized form for a large number of individuals. UIV resources include the following: HUD's EIV system, State systems for the Temporary Assistance for Needy Families (TANF) program, Credit Bureau Association (CBA) credit reports, Internal Revenue Service (IRS) tax transcript and Private sector databases.
2. Third-Party Written: The PHA's first choice is a written third party verification to substantiate claims made by an applicant or resident.
3. Third-Party Oral: The PHA may also use telephone verifications.
4. Review of Documents: The PHA will review documents, when relevant, to substantiate the claim of an applicant or resident.
5. Family Certification/Self-Declaration: A notarized family certification will be accepted when no other form of verification is available. If third party verification is not received directly from the source, the PHA staff will document the file as to why third party verification was impossible to obtain and another method was used (such as reviewing documents families provide). (See Chapter 3.D. Full Application).

The PHA will not delay the processing of an application beyond two weeks because a third party information provider does not return the verification in a timely manner.

For applicants, verifications may not be more than one hundred twenty (120) calendar days old at the time of a unit offer. For tenants, they are valid for one hundred and twenty (120) calendar days from date of execution.

Regardless of these time frames, Criminal History Reports will be useable as a valid verification for no longer than one year.

### **Third-Party Written Verification**

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

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

The PHA will not accept verifications delivered by the family as third party documents with the exception of computerized printouts from the following agencies:

1. Social Security Administration
2. Veterans Administration
3. Welfare Assistance
4. Unemployment Compensation Board
5. City or County Courts
6. Pharmacies for prescription drugs
7. Agencies which maintain Child Support databases.

### **Third-Party Oral Verification**

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

### **Review of Documents**

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

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

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

1. Printed wage stubs
2. Computer print-outs from the employer
3. Signed letters (provided that the information is notarized or confirmed by phone)
4. Statements from financial institutions
5. Other documents noted in this Chapter as acceptable verification

The PHA will accept Faxed documents.

The PHA will NOT accept photocopies.

For applicants completing initial eligibility, the last six bank statements will be required. Tenants that are completing the annual reexamination will be required to provide the last two bank statements. The most current account balance will be used to determine total asset value.

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

#### **Self-certification/Self-declaration**

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

Self-certification/self-declaration means a notarized affidavit/certification/statement under penalty of perjury, which must be witnessed.

### ***B. Release of Information***

All adults, and head of household and spouse regardless of age, are required to sign HUD form 9886, Authorization for Release of Information/Privacy Act Notice

In addition, the family will be required to sign specific authorization forms when information is needed that is not covered by the HUD form 9886.

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

Family refusal to cooperate with the HUD prescribed verification system will result in denial of admission or termination of tenancy because it is a family obligation under tenancy to supply any information requested by the PHA or HUD.

### **C. Computer Matching**

For some time, HUD has conducted a computer matching initiative to independently verify resident income. HUD can access income information and compare it to information submitted by PHA's on the 50058 form. HUD can disclose Social Security information to PHAs, but is precluded by law from disclosing Federal tax return data to PHAs. If HUD receives information from Federal tax return data indicating a discrepancy in the income reported by the family, HUD will notify the family of the discrepancy. The family is required to disclose this information to the PHA (24 CFR 5.240). HUD's letter to the family will also notify the family that HUD has notified the PHA in writing that the family has been advised to contact the PHA. HUD will send the PHA a list of families who have received "income discrepancy" letters.

When the PHA receives notice from HUD that a family has been sent an "income discrepancy" letter, the PHA will:

Wait forty (40) calendar days after the date of notification before contacting tenant.

After forty (40) calendar days following the date of notification, the PHA will contact the tenant by mail, telephone, or email asking the family to promptly furnish any letter or other notice by HUD concerning the amount or verification of family income.

The PHA will fully document the contact in the tenant's file, including a copy of the letter or e-mail to the family and/or written documentation of phone call.

When the family provides the required information, the PHA will verify the accuracy of the income information received from the family, review the PHA's interim reexamination policy, will identify unreported income, will charge retroactive rent as appropriate, and change the amount of rent or terminate assistance, as appropriate, based on the information.

If the amount of rent owed to the PHA exceeds \$2500, the PHA will seek to terminate assistance.

If tenant fails to respond to PHA:

The PHA will ask HUD to send a second letter.

After an additional forty (40) calendar days, the PHA will ask HUD to send a third letter.

After an additional forty (40) calendar days, the PHA will send a letter to the head of household, warning of the consequences if the family fails to contact the PHA within two weeks.



If tenant claims a letter from HUD was not received:

The PHA will ask HUD to send a second letter with a verified address for the tenant.

After forty (40) calendar days, the PHA will contact the tenant family.

If a tenant family still claims they have not received a letter, the PHA will ask HUD to send a third letter:

After an additional forty (40) calendar days, the PHA will set up a meeting with the family to complete IRS forms 4506 and 8821.

If the tenant family fails to meet with the PHA or will not sign the IRS forms, the PHA will send a warning letter to the head of household, notifying the family that termination proceedings will begin within one week if the tenant fails to meet with the PHA and/or sign forms.

If the tenant does receive a discrepancy letter from HUD:

The PHA will set up a meeting with the family.

If the family fails to attend the meeting, the PHA will reschedule the meeting.

If the family fails to attend the second meeting, the PHA will send a termination warning.

The family must bring the original HUD discrepancy letter to the PHA.

If tenant disagrees with the Federal tax data contained in the HUD discrepancy letter:

The PHA will ask the tenant to provide documented proof that the tax data is incorrect.

If the tenant does not provide documented proof, the PHA will obtain proof to verify the Federal tax data using third party verification.

***D. Items to Be Verified***

- All income not specifically excluded by the regulations
- Zero-income status of household
- Zero income applicants and residents will be required to complete a family expense form every three months and include their last two bank statements. A credit report and EIV will be obtained every six months for zero income families.

- Full-time student status including High School students who are 18 or over
- Current assets including assets disposed of for less than fair market value in preceding two years
- Child care expense where it allows an adult family member to be employed, seek employment, or to further his/her education
- Total medical expenses of all family members in households whose head or spouse is elderly or disabled
- Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus which allow an adult family member to be employed
- Legal Identity
- U.S. citizenship/eligible immigrant status
- Social Security Numbers for all family members 6 years of age or older or certification that a family member does not have a Social Security Number.
- Preference status, based upon PHA preferences
- Familial/Marital status when needed for head or spouse definition
- Disability for determination of preferences, allowances or deductions

### ***E. Verification of Income [24 CFR 5.659]***

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

#### **Employment Income**

Verification forms request the employer to specify the:

1. Dates of employment
2. Amount and frequency of pay
3. Date of the last pay increase
4. Likelihood of change of employment status and effective date of any known salary increase during the next 12 months
5. Year to date earnings
6. Estimated income from overtime, tips, bonus pay expected during next 12 months

Acceptable methods of verification include:

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

Applicants and program tenants may be requested to sign an authorization for release of information from the Internal Revenue Service for further verification of income.

In cases where there are questions about the validity of information provided by the family, the PHA may require the most recent federal income tax statements.

Where doubt regarding income exists, a referral to IRS for confirmation will be made on a case-by-case basis.

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

Acceptable methods of verification include:

1. Benefit verification form completed by agency providing the benefits
2. Computer report electronically obtained or in hard copy
3. Award or benefit notification letters prepared by the providing agency

### **Unemployment Compensation**

Acceptable methods of verification include:

1. Computer report electronically obtained or in hard copy, stating payment dates and amounts
2. Verification form completed by the unemployment compensation agency
3. Payment Stubs

### **Welfare Payments or General Assistance**

Acceptable methods of verification include:

1. PHA verification form completed by payment provider
2. Written statement from payment provider indicating the amount of grant/payment, start date of payments, and anticipated changes in payment in the next 12 months.
3. Computer-generated Notice of Action
4. Computer-generated list of recipients from Welfare Department

### **Alimony or Child Support Payments**

Acceptable methods of verification include:

1. Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules
2. Copy of latest check and/or payment stubs from Court Trustee. PHA must record the date, amount, and number of check
3. A notarized letter from the person paying the support
4. Family's self-certification of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received
5. If payments are irregular, the family must provide:
  - a) A copy of the separation or settlement agreement, or a divorce decree stating the amount and type of support and payment schedules
  - b) A statement from the agency responsible for enforcing payments to show that the family has filed for enforcement
  - c) A notarized affidavit from the family indicating the amount(s) received
  - d) A Welfare Notice of Action showing amounts received by the welfare agency for child support

- e) A written statement from an attorney certifying that a collection or enforcement action has been filed

### **Net Income from a Business**

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

Acceptable methods of verification include:

1. Appropriate IRS Forms including:
  - a) Form 1040
  - b) Schedule C (Small Business)
  - c) Schedule E (Rental Property Income)
  - d) Schedule F (Farm Income)
  - e) If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules
2. Audited or unaudited financial statement(s) of the business
3. Credit report or loan application
4. Documents such as manifests, appointment books, cash books, bank statements, and receipts will be used as a guide for the prior six months (or lesser period if not in business for six months) to project income for the next 12 months. The family will be advised to maintain these documents in the future if they are not available.
5. Family's self-certification as to net income realized from the business during previous years.

The PHA may request the documentation identified in #4 above, regardless of the verification used.

### **Child Care Business**

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

If the applicant/tenant is operating a "cash and carry" operation (licensed or not), the PHA will require the applicant/tenant to complete a form for each customer giving: name of person(s) whose child(ren) is/are being cared for, phone number, number of hours child is being cared for, method of payment (check/cash), amount paid, and signature of person.

If the family has filed a tax return, the family will be required to provide it.

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

### **Recurring Gifts**

The family must furnish a notarized statement which contains the following information:

1. The person who provides the gifts
2. The value of the gifts
3. The regularity (dates) of the gifts
4. The purpose of the gifts

### **Zero Income Status**

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

The PHA will request information from the State Employment Department and Department of Economic Security.

The PHA will request IRS information from the family.

The PHA may check records of other departments in the jurisdiction (such as government utilities) that have information about income sources of customers.

### **Student Financial Assistance**

Independent student enrolled in an institution of higher education seeking or receiving Section 8 assistance on their own (apart from their parents) receiving any financial assistance in the excess amounts received for tuition, (Pell Grants, Federal Supplement Educational Opportunity Grants, Academic Achievement incentive Scholarships, State Assistance the Leveraging Education Assistance Partnership Program, the Robert G. Byrd Honors Scholarship Program and Federal Work Study programs.) private sources, or from institution of higher education, shall be included in annual income unless the individual is over the age of 23 with dependent children.

Students attending an institution of higher education that are under the age of 24, are not veteran, are not married, have no dependent children and is not dependent from his/her parents, the PHA must determine the income eligibility of the student's parent in order to determine whether the student is eligible for assistance. The PHA should use the low-income limits for the jurisdictions in which the parents live. Verification of parental income that the PHA may accept from a parent is a declaration and certification of income, which includes a penalty of perjury. The PHA has the right to request and review supporting documentation at any time it determines the declaration, certification and eligibility of the parent is in question.

Supporting documentation includes, but is not limited to: Internal Revenue Services (IRS) tax returns, consecutive and original pay stubs, bank statements, pension benefits statements, Temporary Assistance to Needy Families (TANF) award letter, Social Security Administration award letter and other official and authentic document form a federal, state or local agency.

HUD's criteria for determining whether to obtain income information from parents, individually or jointly:

- If the student's parent are married and living together, the PHA is to obtain a joint declaration and certification from the parents
- If the student's parent is widowed or single, obtain a declaration and certification from that parent.
- If the student's parents are divorced or separated, obtain declarations and certifications of income from each parent.
- If the student has been living with one of his/her parents and has not had contact with or does not know where to contact his/her other parent, the student is to provide certification under penalty of perjury describing the circumstances and a statement that student has not received financial assistance from the absent parent. The student's parent to whom the student is living with or has contact with, will be required to provide income declaration and certification of income for the parent.

Families with dependents that are full time students that are not the head, co-head or spouse, only the first \$480.00 of earned income of a full time student is considered towards the family income. Full time student status will need to be verified educational institution.

### **Verification of Income Exclusions**

The PHA will attempt third party verification of income exclusions wherever possible.

When third party verification of income exclusions are not possible or practical, a review of documents or notarized self certification will be obtained.

Exclusions from income that must be verified and reported on the 50058 include the following:

- Expenditures for business expansion
- Amortization of capital indebtedness as deductions in determining net income of a business
- Withdrawals of cash or assets from a professional or business operation if the withdrawal is a reimbursement for cash or assets invested in the operation by the family
- Allowance for business asset depreciation, based on straight line depreciation, as provided in the Internal Revenue Service (IRS) regulations
- Income from employment of children or foster children under 18 years old
- Earnings in excess of \$480 for each full-time student 18 years old or older (excluding head of household and spouse)
- Earned income disallowance
- Amounts earned by temporary Census employees; terms of employment may not exceed 180 days for the purposes of the exclusion

- Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by the resident for performing a service for the PHA, on a part-time basis, that enhances the quality of life in the development
- Stipends to reimburse residents for expenses for serving as members of the PHA governing board or commission
- The special pay to a family member serving in the Armed Forces who is exposed to hostile fire
- The full amount of military pay of any family member other than the head and spouse. If other family members are away from home in the military, the PHA may remove their name from the lease and exclude their income
- Other military pay specifically excluded by law (e.g.: Desert Storm active duty)
- Income of a live-in aide
- Earnings and benefits from employment training programs funded by HUD
- Reimbursement for out-of-pocket expenses while attending a public assisted training program
- Incremental earnings and benefits from participation in qualifying state and local employment programs
- Payments to volunteers under the Domestic Volunteer Services Act
- Payments received under programs funded in whole or in part under the Workforce Investment Act (WIA) (formerly known as the Job Training Partnership Act (JTPA)).
- Earnings and benefits to any family member from an employment training and supportive services program during the exclusion period. The exclusion is applicable only if the family was admitted to the qualifying program prior to October 1, 1999.
- Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home
- Food stamps
- Annual Imputed Welfare Income if the family was not an assisted resident at the time of sanction
- Non-recurrent, short-term benefits under TANF assistance that:
  - Are designed to deal with a specific crisis situation or episode of need;
  - Are not intended to meet re-current or ongoing needs; and
  - Will not extend beyond four months
- Work subsidies under TANF assistance (i.e.: payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, and training)
- Supportive services under TANF assistance such as child care and transportation provided to families who are employed
- Refundable earned income tax credits
- Individual Development Accounts under TANF
- Services provided under TANF assistance such as counseling, case management, peer support, child care information and referral, transitional

- services, job retention, job advancement, and other employment-related services that do not provide basic income support
- Transportation benefits under TANF assistance provided under a Job Access or Reverse Commute project, pursuant to section 404(k) of the Act, to an individual who is not otherwise receiving assistance
  - Lump-sum pension benefits payable as a death benefit
  - Deferred periodic amounts from SSI benefits that the family member received in a lump sum amount or in prospective monthly amounts
  - Amounts received by a person with a disability that are disregarded for a limited time for purposes of SSI eligibility and benefits because they are set aside for use under a Plan to Attain Self-sufficiency (PASS)
  - Deferred periodic amounts from Social Security benefits that the family member received in a lump sum amount or in prospective monthly amounts
  - Child care arranged or provided under the Child Care and Development Block Grant Act
  - Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member
  - Payments received under the Alaska Native Claims Settlement Act
  - Income derived from certain submarginal land or the United States that is held in trust for certain Indian tribes
  - Income derived from the disposition of funds of the Grand River Band of Ottawa Indians
  - The first \$2000 of per capita shares from judgment funds awarded by Indian Claims
  - Payments received under the Maine Indian Claims Settlement Act of 1980
  - Payments received by Indian Claims Commission to the Confederate Tribe and Bands of the Yakima Indian Nation or the Apache Tribe of the Mescalero Reservation
  - The first \$2000 of income received by individual Indians derived from interests or trust or restricted land
  - Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone)
  - Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses
  - Full amount of student financial assistance and paid directly to the student or to the educational institution
  - Temporary, nonrecurring or sporadic income (including gifts)
  - Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era
  - Adoption assistance payments in excess of \$480 per adopted child
  - Refunds or rebates under state or local law for property taxes paid on dwelling unit



- Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply
- Payments or allowances under DHHS' low-income home energy assistance program (LIHEAP)
- Federal scholarships funded under Title IV of the Higher Education Act of 1965, including awards under the Federal work study program or under the Bureau of Indian Affairs student assistance program
- Payments received from programs funded under Title V of the Older Americans Act of 1965
- Payments received on or after January 1, 1989 from the Agent Orange Settlement Fund or any fund established pursuant to the settlement in the In Re Agent Orange product liability litigation
- Earned Income Tax Credit refund tax payments
- Any allowance paid under provisions of 38 U.S.C. 1805 to a child suffering from spina bifida who is a child of a Vietnam Veteran
- Any amount of crime victim compensation that the applicant (under the Victims Crime Act) receives through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims Crime Act because of the commission of a crime against the applicant

## **F. Enterprise Income Verification**

Enterprise Income Verification (EIV) refers to the HACB's use of the verification tools available from independent sources that maintain computerized information about earnings and benefits. EIV will be used to the extent that these systems are available to the HACB.

### HACB Policy

The HACB will inform all applicants and participants of its use of the following EIV Resources during the admission and reexamination process:

- Use of HUD's EIV system is mandatory (24 CFR 5.233)

The HACB must restrict access to and safeguard EIV data in accordance with HUD guidance on security procedures, as issued and made available by HUD.

There may be legitimate differences between the information provided by the family and EIV-generated information. In case of disputes, no adverse action can be taken against a family until the HACB has independently verified the EIV information and the family has been granted an opportunity to contest any adverse findings through the informal review/hearing process of the HACB if requested.

### **Definition of Substantial Difference**

EIV information is used differently depending upon whether there is a *substantial*

*difference* between information provided by the family and the EIV information. In “HUD Guidelines for Projecting Annual Income When EIV Data is Available” [HUD website, April 2004], HUD recommends using \$200 per month as the threshold for a substantial difference.

See Chapter 6 for the HACB’s policy on the use of EIV to project annual income and for the HACB’s threshold for substantial difference.

### **When No Substantial Difference Exists**

If EIV information does not differ substantially from family information, the EIV documentation may serve as third-party written verification.

### **When a Substantial Difference Exists**

When there is a substantial difference between the information provided by the EIV source and the family, the HACB must request another form of third-party written verification and use any other verification methods (in priority order) to reconcile the difference(s).

### **Use of HUD’s Enterprise Income Verification (EIV) System**

HUD’s EIV system contains data showing earned income, unemployment benefits, Social Security and SSI benefits for participant families. HUD requires the HACB to use the EIV system when available. The following policies will apply when the HACB has access to HUD’s EIV system.

The EIV system contains two main components: tenant income data reports and “exceeds threshold” reports.

### **Enterprise Income Verification (EIV) Reports**

The data shown on EIV reports is updated quarterly. Data may be between 3 and 6 months old at the time reports are generated.

#### HACB Policy

The HACB will obtain EIV reports for annual reexaminations on a monthly basis. Reports will be generated as part of the regular reexamination process.

EIV reports will be compared to family-provided information as part of the annual reexamination process. EIV reports may be used in the calculation of annual income, as described in Chapter 6. EIV reports may also be used to meet the regulatory requirement for third party verification, as described above. Policies for resolving discrepancies between EIV reports and family-provided information will be resolved as described in Chapter 6 and in this chapter.

EIV reports will be used in interim reexaminations when it is necessary to verify and calculate earned income, unemployment benefits, Social Security and/or SSI benefits.

EIV reports will be retained in participant files with the applicable annual or interim reexamination documents.

When the HACB determines through EIV reports and third party verification that a family has concealed or under-reported income, corrective action will be taken pursuant to the policies in Chapter 21, Program Integrity.

### **Exceeds Threshold Reports (ETRs)**

The ETR is a tool for identifying families who may have concealed or under-reported income. Data in the ETR represents income for past reporting periods and may be between 6 months and 30 months old at the time ETRs are generated.

Families who have not concealed or under-reported income may appear on the ETR in some circumstances, such as loss of a job or addition of new family members.

#### HACB Policy

The HACB will generate and review ETRs on a monthly basis. The ETR threshold percentage will be adjusted as necessary based on the findings in the ETRs.

In reviewing ETRs, the HACB will begin with the largest discrepancies.

When the HACB determines that a participant appearing on the ETR has not concealed or under-reported income, the participant's name will be placed on a list of "false positive" reviews. To avoid multiple reviews in this situation, participants appearing on this list will be eliminated from ETR processing until a subsequent interim or annual reexamination has been completed.

When it appears that a family may have concealed or under-reported income, the HACB will request third-party written verification of the income in question.

When the HACB determines through ETR review and third party verification that a family has concealed or under-reported income, corrective action will be taken pursuant to the policies in Chapter 21, Program Integrity.

### **EIV Identity Verification**

The EIV system verifies tenant identities against SSA records. These records are compared to PIC data for a match on Social Security number, name, and date of birth.

When identity verification for a participant fails, a message will be displayed within the EIV system and no income information will be displayed.

#### HACB Policy

The HACB will identify participants whose identity verification has failed as part of the annual reexamination process.

The HACB will attempt to resolve PIC/SSA discrepancies by reviewing file documents.

When the HACB determines that discrepancies exist due to HACB errors such as spelling errors or incorrect birth dates, the errors will be corrected promptly.

## **G. Income from Assets**

Acceptable methods of verification include:

### **Savings Account Interest Income and Dividends**

Will be verified by:

1. Account statements, passbooks, certificates of deposit, or PHA verification forms completed by the financial institution
2. Broker's statements showing value of stocks or bonds and the earnings credited the family. Earnings can be obtained from current newspaper quotations or oral broker's verification
3. IRS Form 1099 from the financial institution, provided that the PHA must adjust the information to project earnings expected for the next 12 months

### **Interest Income from Mortgages or Similar Arrangements**

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

### **Net Rental Income from Property Owned by Family**

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

## **H. Verification of Assets**

### **Family Assets**

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

Verification forms, letters, or documents from a financial institution or broker.

Passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker.

Quotes from a stock broker or realty agent as to net amount family would receive if they liquidated securities or real estate.

Real estate tax statements if the approximate current market value can be deduced from assessment.

Financial statements for business assets.

Copies of closing documents showing the selling price and the distribution of the sales proceeds.

Appraisals of personal property held as an investment.

Family's Notarized Statement describing assets or cash held at the family's home or in safe deposit boxes.

Assets Disposed of for Less than Fair Market Value (FMV) during two years preceding effective date of certification or reexamination.

For all Certifications and Reexaminations, the PHA will obtain the Family's certification as to whether any member has disposed of assets for less than fair market value during the two years preceding the effective date of the certification or reexamination.

If the family certifies that they have disposed of assets for less than fair market value, verification is required that shows:

- all assets disposed of for less than FMV
- the date they were disposed of
- the amount the family received, and
- the market value of the assets at the time of disposition

Third party verification will be obtained wherever possible.

## ***I. Verification of Allowable Deductions from Income***

### **Child Care Expenses**

Written verification from the person who receives the payments is required. If the child care provider is an individual, s/he must provide a statement of the amount they are charging the family for their services.

Verifications must specify the child care provider's name, address, telephone number, the names of the children cared for, the number of hours the child care occurs, the rate of pay, and the typical yearly amount paid, including school and vacation periods.

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

### **Medical and Disability Assistance Expenses**

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

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

### **Assistance to Persons with Disabilities**

#### **In All Cases:**

Written certification from a reliable, knowledgeable professional that the person with disabilities requires the services of an attendant and/or use of auxiliary apparatus to

permit him/her to be employed or to function sufficiently independently to enable another family member to be employed.

Family's certification as to whether they receive reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.

**Attendant Care:**

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

**Auxiliary Apparatus:**

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

**J. Verifying Non-Financial Factors**

**Verification of Legal Identify**

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

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

1. Certificate of Birth, naturalization papers
2. Church issued baptismal certificate
3. Current, valid Driver's license
4. U.S. military discharge (DD214)
5. U.S. passport
6. Voter's registration
7. Company/agency Identification Card
8. Department of Motor Vehicles Identification Card
9. Hospital Card

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

1. Certificate of Birth
2. Adoption papers
3. Custody agreement
4. Health and Human Services ID

### **Verification of Marital Status**

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

Verification of a separation may be a copy of court-ordered maintenance or other records.

Verification of marriage status is a marriage certificate or confirmation of an electronic record.

### **Familial Relationships**

Certification will normally be considered sufficient verification of family relationships. In cases where reasonable doubt exists, the family may be asked to provide verification.

The following verifications will be required if certification is insufficient:

Verification of relationship:

1. Official identification showing name
2. Birth Certificates
3. Baptismal certificates
4. Evidence of an established family relationship:
5. Joint bank accounts or other shared financial transactions
6. Leases or other evidence of prior cohabitation
7. Credit reports showing relationship

Verification of guardianship:

1. Court-ordered assignment
2. Notarized Statement of parent
3. Verification from social services agency
4. School records

### **Split Households: Domestic Violence**

Verification of domestic violence when assessing applicant split households includes one of any of the three types of documentation as outlined in Chapter 12, Section C "Protections for Victims of Abuse (VAWA)" on page 151 under Certifications of Domestic Violence, Dating Violence and Stalking.

### **Verification of Permanent Absence of Adult Member**

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

1. Husband or wife institutes divorce action
2. Husband or wife institutes legal separation



3. Order of protection/restraining order obtained by one family member against another
4. Proof of another home address, such as utility bills, canceled checks for rent, driver's license, or lease or rental agreement, if available
5. Statements from other agencies such as social services that the adult family member is no longer living at that location

If no other proof can be provided, the PHA will accept a Notarized Statement from the family.

If the adult family member is incarcerated, a document from the Court or prison should be obtained stating how long they will be incarcerated.

### **Verification of Change in Family Composition**

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

### **Verification of Disability**

Verification of disability must be receipt of SSI or SSA disability payments under 42 U.S.C. Section 423(d)(1)(A) of the Social Security Act or 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42U.S.C. 6001(8) or verified by appropriate diagnostician such as physician, psychiatrist, psychologist, therapist, rehabilitation specialist, or licensed social worker, using the HUD language as the verification format.

### **Verification of Citizenship/Eligible Immigrant Status**

To be eligible for assistance, individuals must be U.S. citizens or eligible immigrants. Individuals who are neither may elect not to contend their status. Eligible immigrants must fall into one of the categories specified by the regulations and must have their status verified by Immigration and Naturalization Service (INS). Each family member must declare their status once. Assistance cannot be delayed, denied, or terminated while verification of status is pending except that assistance to applicants may be delayed while the PHA hearing is pending.

Citizens or Nationals of the United States are required to sign a declaration under penalty of perjury.

Eligible Immigrants 62 or over are required to sign a declaration of eligible immigration status and provide proof of age.

Non-citizens with eligible immigration status must sign a declaration of status and verification consent form and provide their original immigration documents which are copied front and back and returned to the family. The PHA verifies the status through the INS SAVE system. If this primary verification fails to verify status, the PHA must request within ten (10) business days that the INS conduct a manual search.

Family member who do not claim to be citizens or eligible immigrants must be listed on a statement of non-contending family members signed by the head of household or spouse.

Non-citizen students on student visas are ineligible members even though they are in the country lawfully. They must provide their student visa but their status will not be verified and they do not sign a declaration but are listed on the statement of non-contending members.

### **Failure to Provide**

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

### **Time of Verification**

For applicants, verification of U.S. citizenship/eligible immigrant status occurs at the same time as verification of other factors of eligibility for final eligibility determination. For tenant families, it is done at the first regular reexamination after June 19, 1995. PHA's that previously elected to "opt out" must immediately commence verification of families for whom eligibility status has not been undertaken. For family members added after other members have been verified, the verification occurs at the first reexamination after the new member moves in. Once verification has been completed for any covered program, it need not be repeated except that, in the case of port-in families, if the initial PHA does not supply the documents, the PHA must conduct the determination.

### **Extensions of Time to Provide Documents**

The PHA will grant an extension of thirty (30) business days for families to submit evidence of eligible immigrant status.

### **Acceptable Documents of Eligible Immigration**

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

1. Resident Alien Card (I-551)
2. Alien Registration Receipt Card (I-151)
3. Arrival-Departure Record (I-94)
4. Temporary Resident Card (I-688)
5. Employment Authorization Card (I-688B)
6. Receipt issued by the INS for issuance of replacement of any of the above documents that shows individual's entitlement has been verified

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

## Verification of Social Security Numbers

The PHA must request the applicant and participant (including each member of the household), who are not exempt under Chapter 2, Part C, to provide documentation of each disclosed SSN. Acceptable evidence of the SSN consists of:

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

It should be noted that most (if not all) individuals who are lawfully present in the U.S. have been assigned a SSN. Many existing laws require the disclosure of the SSN for various purposes. All applicants and participants, including each member of the household (with the exception of those individuals noted in Chapter 2, part C) are required to disclose his/her assigned SSN.

The SSA issues three types of Social Security cards depending on an individual's citizen or noncitizen status and whether or not a noncitizen is authorized by the Department of Homeland Security (DHS) to work in the United States. They include:

1. The first type of card shows the individual's name and SSN only. This is the card most people have and reflects the fact that the holder can work in the U.S. without restriction. SSA issues this card to:
  - U.S. citizens; or
  - Noncitizens lawfully admitted to the United States for permanent residence and noncitizens with DHS permission to work permanently in the United States (i.e. refugees and asylees).
2. The second type of card bears, in addition to the individual's name and SSN, the legend: "**NOT VALID FOR EMPLOYMENT**". SSA issues this card to lawful noncitizens who do not have DHS permission to work, but are required by law to provide a SSN to obtain general assistance benefits that they already have qualified for.
3. The third type of card bears, in addition to the individual's name and SSN, the legend "**VALID FOR WORK ONLY WITH DHS AUTHORIZATION**". SSA issues this card to people with DHS permission to work temporarily in the United States.

SSA verifies all noncitizens' documents with DHS before a SSN card is issued to a noncitizen.

### **Rejection of Documentation:**

The PHA may reject documentation of the SSN provided by the applicant or participant for only the following reasons:

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

The PHA should explain to the applicant or participant, the reason(s) the document is not acceptable and request the individual to obtain acceptable documentation of the SSN and submit it to the PHA within a specified time frame.

### **Verification of the SSN:**

The PHA shall verify each disclosed SSN by:

- a. Obtaining the documentation listed above from applicants and participants (including each member of the household);
- b. Making a copy of the original documentation submitted, returning it to the individual, and retaining the copy in the file folder; and
- c. Recording the SSN on line 3n of the form HUD-50058, and transmitting the form HUD-50058 to HUD within a timely manner. PHAs are encouraged to transmit the form HUD-50058 within 30 calendar days of completing the form, to enable HUD to initiate its computer matching efforts. **Note: not applicable to applicants.**

HUD, via its computer matching program with the SSA, will validate the SSN (along with the individual's name and date of birth) against the SSA's database. EIV will report the status of the identity verification process as **Verified, Failed, Not Verified, or Deceased** on the household **Summary Report**. Below is a summary of the action the PHA should take for each identity verification status.

- a. Verified. If the information matches the SSA database, the individual's identity verification status will be **Verified**. No action is required by the PHA.
- b. Failed. If the information does not match the SSA database, the identity verification status will be **Failed**.
- c. Not Verified. If an individual's identity verification status is **Not Verified**, this means that HUD has not yet sent the tenant's personal identifiers to SSA for validation. No action is required by the PHA.

d. Deceased. If an individual's identity verification status is **Deceased**, this means that SSA's records indicate the person is deceased. The PHA should confirm the death with the family's head of household or listed emergency contact person. If the individual is deceased and the only household member (single member household), the PHA should complete an End of Participation (EOP) action on form HUD-50058, and discontinue assistance and/or tenancy. If there are remaining household members, update the family composition accordingly, complete an Interim Reexamination action on form HUD-50058, and take any other action in accordance with HUD guidance and PHA-established policies.

The PHA is required to retain the EIV **Summary Report** or **Income Report** in each family file as confirmation of compliance with the SSN disclosure, documentation and verification requirements.

Once the individual's verification status is classified as **verified**, the PHA should remove and destroy, by no later than the next reexam of family income or composition, the copy of the documentation referenced above. Paper documentation should be destroyed by either shredding or burning. Electronic documentation should be destroyed by erasing or permanently deleting the file. Additional guidance related to destruction of records is available in HUD Handbook 2400.25, Rev. 2: *HUD Information Technology Security Policy*, dated October 1, 2008. The handbook is available online at: <http://www.hud.gov/offices/adm/hudclips/handbooks/admh/2400.25/index.cfm>.

The retention of the aforementioned EIV report in the tenant file is adequate. PHAs are permitted to maintain EIV reports in the tenant file for the duration of tenancy, and no longer than three years from the end of participation date. This will minimize the risk of exposing the individual's SSN. PHAs are encouraged to minimize the number of tenant records that contain documents which display the full nine-digit SSN.

#### **Verification of Medical Need or Larger Unit**

A written certification that a larger unit is necessary must be obtained from a reliable, knowledgeable professional.

### **K. Verification of Suitability for Admission**

Sources to be used to determine suitability include but are not limited to:

1. Criminal History Reports
2. Prior landlord references
3. Physicians, social workers, and other health professionals
4. Other PHAs to whom the family may owe debt (See Chapter 2, Eligibility)
5. Ability to meet financial obligations under the lease
6. All applicants will be subject to the following procedures to ensure their ability to meet financial obligations under the lease.

The PHA will complete a rental history check on all applicants. In the event that applicant does not have a verifiable rental history, references will be used in lieu of a rental history. A credit check may be completed.

The PHA will determine if applicants owe any monies from previous tenancy or participation in any HUD housing program.

The PHA will independently verify the rent-paying history of all applicants.

Drug-related or violent criminal activity.

The PHA will complete a criminal background check of all applicants including other adult members in the household, or any member for which criminal records are available.

### **Housekeeping**

The PHA will obtain references from prior landlords to determine acceptable housekeeping standards.

The PHA may conduct a home visit prior to admission for all applicants.

## **Chapter 8      Transfer Policy**

### **INTRODUCTION**

The transferring of families is very costly procedure, both to the PHA and to the families. However, it is the policy of the PHA to permit a resident to transfer within or between housing developments when it is necessary to comply with occupancy standards or when it will help accomplish the Affirmative Housing goals of the PHA. The transfer policy will be carried out in a manner that does not violate fair housing.

For purposes of this transfer policy, the “losing development” refers to the unit from which the family is moving and the “gaining development” refers to the unit to which the family is transferring.

#### **A.    *General Statement***

It is the policy of the PHA to require to permit resident transfers, within and/or between PHA public housing developments for the following reasons:

##### **Emergency:**

Mandatory transfer to abate dangerous and/or substandard living conditions to include; the resident’s unit has been damaged by fire, flood, or other causes to such a degree that the unit is not habitable.

To alleviate a verified medical condition of a life-threatening nature.

To protect the safety of an individual who is or has been the victim of domestic violence, dating violence, or stalking and who reasonably believes he or she would be imminently threatened by harm from further violence if he or she remains in the assisted dwelling unit. When an individual seeks to assert VAWA’s protections, the PHA may request that the individual provide one of any of the three types of documentation as outlined in Chapter 12, Section C “Protections for Victims of Abuse (VAWA)” on page 151 under Certifications of Domestic Violence, Dating Violence and Stalking.

*Emergency transfers are initiated by the PHA and/or written family request. These transfers shall take priority over new admissions.*

##### **Reasonable Accommodation:**

Mandatory transfer to accommodate a disabled family member and/or to permit a family that requires a unit with accessible features to occupy such a unit.

Verification of reasonable accommodation transfers will follow guidelines according to Fair Housing Laws and regulations.

*Reasonable Accommodation transfers shall take priority over new admissions. Transfers are initiated by request from the family.*

**Occupancy Standard Transfers (underhoused/overhoused):**

If there is a required change in the size of unit needed, it will be necessary for the resident to move to a unit of an appropriate size and a new lease will be executed.

If an appropriate size unit is not available, the resident will be placed on a transfer list and moved to such a unit when it becomes available.

Transfer will be within the housing development unless the size and type of unit required does not exist within that development's inventory.

If the resident wishes to remain in their current unit regardless of being underhoused, the family will be permitted to do so as long as it does not cause a substantial overcrowding or health and safety concern. The family will need to sign a statement indicating they were offered a larger unit, but wish to remain underhoused.

*Transfers are initiated by the PHA. Requests from residents will be taken into consideration and addressed by the date/time when received.*

**Special Circumstances Transfer:**

The PHA will authorize transfers under special circumstances. Special Circumstance transfer will include, but not limited to the resident's unit is being modernized or significantly remodeled.

***B. Eligibility for Transfer***

In order to be determined eligible to receive a transfer, residents must submit the requisite documentation to the PHA, to substantiate their request, and must be in good standing with the PHA.

Families transferring to another development must have paid the security deposit in full at the losing development.



Prior to approval of a transfer request, the Property Specialist will conduct an inspection to determine if the resident is in compliance with PHA policy. If inspection fails, a transfer will not be permitted.

Except in emergency situations, transfers will be avoided when the family is:

1. Delinquent in its rent;
2. In the process of reexamination to determine rent and eligibility; or
3. About to be asked to move for reasons other than non-payment of rent
4. Not in good standing with the PHA due to rental history or a history of disturbances

The PHA will not grant a transfer request solely to accommodate neighbors who “cannot get along”.

### ***C. Mandatory Transfers:***

If a family that is required to move refuses the offered unit, the PHA will evaluate the reason for the refusal and determine if it is one of good cause. If the PHA determines that there is no good cause, the PHA will begin lease termination proceedings.

The PHA will consider the living area for occupancy standards so that the family may avoid losing their assistance.

The PHA will offer the family an opportunity for an informal conference before terminating the family’s lease. The family will have ten (10) business days from the issue date of the Notice to Terminate to request an informal conference.

### ***D. Priority of Transfers***

The Transfer List will be maintained in rank order according to the date and time of the transfer request and the following priorities:

#### **Emergency**

Executed within 24 hours of documentation, verification and approval.

Transfer will be within the housing development unless emergency transfer cannot be accomplished in this manner.

#### **Reasonable Accommodation**

Transfer will be within the housing development unless appropriate unit is not available to meet the family’s needs within the development.

### ***E. Moving Costs***

The resident, except when the transfer is due to uninhabitability, through no fault of the resident, or when the transfer is due to the need of the PHA, will pay all moving costs related to the transfer.

### ***F. Security Deposits***

The family will be required to pay a new deposit and upon acceptance of a unit will be informed of the manner in which it is to be paid.

If a new deposit will create a financial hardship for the family the PHA will enter into a payment agreement with the family. Any unused portion of the deposit from the family's current unit will be applied to the balance on the new security deposit and the family will be required to fulfill the remaining portion of the payment agreement until the security deposit on the new unit has been paid in full.

The PHA will require a new security deposit of all families. Security deposits will always be transferred from the old unit/development to the new unit/development minus any damage or cleaning charges applicable to the old unit no later than twenty-one (21) days from the date of move-out.

The resident will be billed for any charges that occur as a result of the resident moving out of the apartment.

### ***G. Processing Transfers***

Transfers will be processed as follows:

1. The resident will be informed that once the family has leased up and been issued the keys, the family will be charged rent on both units until the keys from the old unit are turned in.
2. Both old and new unit/development involved must have a definite agreement as to when the old unit/development will move the resident out and the new unit/development will move the resident in.

## ***H. Transfer Request Procedure***

Residents applying for a transfer must provide a request in writing stating the reason a transfer is being requested. The PHA will evaluate the request to determine if a transfer is justified.

All transfers will be maintained on the transfer list in a manner that allows the PHA to easily distinguish the need of each transfer.

The resident will be informed of the security deposit procedures. A new security deposit is required on transfers between projects/locations and transfers within a current project/location.

If the request is denied, the family will be sent a letter stating the reason for denial, and offering the family an opportunity for an informal conference if they disagree with the decision.

## ***I. Rent Adjustments of Transferred Residents***

Residents who have had a change in income since the last reexamination will have their rent set at the applicable amount beginning with the first day of the new lease.

The PHA will notify the resident of the rent change by use of the Notice of Rent Adjustment Letter.

## ***J. Reexamination Date***

The date of transfer changes the reexamination date.

## **Chapter 9 Leasing**

[24 CFR 966.4]

### **INTRODUCTION**

It is the PHA's policy that all units must be occupied pursuant to a dwelling lease agreement that complies with HUD's regulations [24 CFR Part 966]. This Chapter describes pre-leasing activities and the PHA's policies pertaining to lease execution, security deposits, other charges, and additions to the lease.

#### **A. Lease Orientation**

Prior to execution of the lease, a PHA representative will provide a lease orientation. All adult members of the family must be present during the execution of the lease agreement.

The family must attend an orientation before taking occupancy of the unit.

#### **Orientation Agenda**

When families attend the lease orientation, they will be provided with:

1. A copy of the Lease
2. A copy of the PHA's lease and grievance procedure
3. Pet Policy

Topics to be discussed will include, but are not limited to:

1. Applicable deposits and other charges
2. Provisions of the Lease
3. Family Choice of Rents
4. Orientation to the community
5. Unit maintenance and work orders
6. Explanation of occupancy forms
7. Terms of occupancy
8. Community Service (when community service is required)
9. Pet Policy
10. Inspections
  - a. Mandatory annual and quarterly inspections
  - b. Housekeeping and lease enforcement inspections as needed

## **B. Lease Requirements**

The initial term of the lease will be for twelve (12) months. The lease will renew automatically for twelve (12) month terms except for noncompliance with the community service requirement, as described in the chapter on community service (when community service is required).

Because the lease automatically renews for terms of twelve (12) months, an annual signing process is not required.

## **C. Execution of Lease**

The lease shall be executed by the head of household, all other adult members of the household, and by an authorized representative of the PHA, prior to admission.

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

An appointment will be scheduled for the parties to execute the lease. One executed copy of the lease will be given to the tenant, and the PHA will retain one in the tenant's file. The lease is incorporated into this policy by reference. The lease document will reflect current PHA policies as well as applicable Federal, State and Local Law.

The following provisions govern lease execution and amendments:

1. A lease is executed at the time of admission for all new tenants.
2. A new lease is executed at the time of the transfer of a tenant from one PHA unit to another, an annual reexamination is done, and the annual reexamination date will change to the first day of the month in which the new lease is effective.
3. If, for any reason, any signer of the lease ceases to be a member of the household, a new lease will be executed.
4. Lease signers must be persons legally eligible to execute contracts. If no member of the household is qualified to sign a lease, a legal guardian may cosign the lease, subject to PHA approval.
5. The names and dates of birth of all household members will be listed on the lease at initial occupancy. Only those persons listed on the most recent certification shall be permitted to occupy a dwelling unit.
6. Changes to tenant rents are made upon the preparation and execution of a "Notice of Rent Adjustment" by the PHA, which becomes amendment to the lease. Documentation will be included in the tenant file to support proper notice.
7. Households that include a Live-In Attendant are required to execute a lease addendum authorizing the arrangement and describing the status of the attendant.
8. Households that include a Live-In Attendant will contain file documentation that the Live-In Attendant is not a party to the lease and is not entitled to PHA

assistance, with the exception of occupancy while service as the attendant for the participant family member.

The PHA may modify its form of lease from time to time, giving tenants an opportunity to comment on proposed changes and advance notice of the implementation of any changes. A tenant's refusal to accept permissible and reasonable lease modifications, or those modifications required by HUD, is grounds for termination of tenancy.

#### **D. Additions to the Lease**

Requests for the addition of a new member of the household must be approved by the PHA, prior to the actual move-in by the proposed new member.

Following receipt of a family' request for approval, the PHA will conduct a pre-admission screening, including the Criminal History Report, of the proposed new member. Only new members approved by the PHA will be added to the household.

##### **Factors Determining Household Additions which are Subject to Screening:**

1. Resident plans to marry
2. Resident is awarded custody of a child over the age for which juvenile justice records are available
3. Resident desires to add a new family member to the lease, employ a live-in aide, or take in a foster child(ren)
4. A unit is occupied by a remaining family member(s) under age 18 (not an emancipated minor) and an adult who was not a member of the original household requests permission to take over as the head of household

##### **Factors Determining Household Additions that are not Subject to Screening:**

Children born to a family member or whom a family member legally adopts are exempt from the pre-screening process.

##### **Factors Determining Household Additions that may be subject to Screening, depending on PHA discretion:**

Children below the age under which juvenile justice records are made available, who are added through a kinship care arrangement are exempt from the pre-screening process.

The PHA will request that the public housing tenant provide the PHA with a signed consent form from the parent(s) or legal guardian allowing the PHA to check the juvenile records of the child. Sources to be checked may include any of the following:

1. School Records (attendance/behavior)
2. Juvenile Probation/Court Records
3. Police Records

Residents who fail to notify the PHA of additions to the household, or who permit persons to join the household without undergoing screening, are in violation of the lease. Such persons are considered to be unauthorized occupants by the PHA, and the entire household will be subject to eviction [24 CFR 966.4(f)(2 and 3)].

Family members age 18 and over who move from the dwelling unit to establish new households shall be removed from the lease. The tenant must notify the PHA of the move-out within ten (10) business days of its occurrence.

The resident may not allow visitors to stay overnight more than fourteen (14) days in a twelve-month period.

The family must request PHA approval prior to visitors arriving who will be in the unit in excess of fourteen (14) consecutive days in a year.

Visitors who remain beyond this period shall be considered unauthorized household members, and their presence constitutes a breach of the lease and may be grounds for termination of the lease.

If an individual other than a lease holder is representing to an outside agency that they are residing in the lessee's unit, the person will be considered an unauthorized member of the household.

Roomers and lodgers are not permitted to occupy a dwelling unit, nor are they permitted to move in with any family occupying a dwelling unit.

Residents are not permitted to allow a former tenant of the PHA who has been evicted to occupy the unit for any period of time.

Residents must advise the PHA when they will be absent from the unit for more than fourteen (14) consecutive calendar days. Residents shall secure the unit and provide a means for the PHA to contact the resident in the event of an emergency. Failure to advise the PHA of extended absences is grounds for termination of the lease.

### ***E. Leasing Units with Accessible or Adaptable Features***

[24 CFR 8.27(a)(1)(2) and (b)]

Before offering a vacant accessible unit to a non-disabled applicant, the PHA will offer such units:

First to a current occupant of another unit of the same development, or other public housing developments under the PHA's control who has a disability that requires the special features of the vacant unit.

Second, to an eligible qualified applicant on the waiting list having a disability that requires the special features of the vacant unit.

The PHA will require a non-disabled applicant or resident to move to an available non-accessible unit within thirty (30) calendar days when either a current resident or an applicant needs the features of the unit and there is another unit available for the applicant. This requirement will be a provision of the lease agreement.

## ***F. Utility Services***

Tenants responsible for direct payment of utilities must abide by any and all regulations of the specific utility company, including regulations pertaining to advance payments of deposits.

Failure to maintain utility services during tenancy is a lease violation and grounds for termination of the lease.

The tenant shall be charged if the PHA receives a utility bill that is the responsibility of the tenant. Payments received shall be applied to utility charges before rent.

## ***G. Security Deposits***

### **Security Deposit**

New tenants must pay a security deposit to the PHA at the time of admission.

The amount of the Security Deposit required is:

1-BR	\$300
2-BR	\$400
3-BR	\$475
4-BR	\$525
5-BR	\$575

When initially occupying a home and requesting permission to have a pet or the addition of a pet to a home, PHA approval is required before the pet is permitted to occupy and will require an increase in the Security Deposit. (See Chapter 10 – Pet Policy).

The PHA may permit installment payments of security deposits when a new tenant demonstrates a financial hardship to the satisfaction of the PHA. However, no less than one-third (1/3) of the required deposit must be paid before occupancy. The security deposit payment will be due on the 15<sup>th</sup> (fifteenth) of each month until paid in full. Renegotiation of the security deposit installment payments will be up to the discretion of the Housing Authority if it is a financial hardship to pay the security deposit in three (3) payments or less.



The deposit must be paid within sixty (60) calendar days. If not paid, a fourteen (14) day notice will be served. Payments shall be applied to security deposit agreements before rent.

The PHA will hold the security deposit for the period the tenant occupies the unit.

The PHA will refund to the Tenant the amount of the security deposit, less any amount needed to pay the cost of:

1. Unpaid Rent
2. Damages listed on the Move-Out Inspection Report that exceed normal wear and tear
3. Other charges under the Lease
4. Unpaid utility bills charged to the PHA that are the tenant's responsibility

The PHA will refund the Security Deposit less any amounts owed, within twenty-one (21) days after move out and tenant's notification of new address.

The PHA will refund the Deposit for pet(s) to the tenant, less any damage caused by the pet to the dwelling unit, upon removal of the pet or the owner from the unit.

The PHA will return the Deposit for pet(s) to the former tenant or to the person designated as the beneficiary by the former tenant in writing in the event of the former tenant's incapacitation or death.

The PHA will provide the tenant or the person designated by the former tenant in the event of the former tenant's incapacitation or death with a written list of any charges against the security or deposit for pet(s). If the tenant disagrees with the amount charged to the security or deposit for pet(s), the PHA will provide a meeting to discuss the charges.

The resident must leave the dwelling unit in a clean and undamaged (beyond normal wear and tear) condition and must furnish a forwarding address to the PHA. All keys to the unit must be returned to Management upon vacating the unit.

The PHA will not use the security deposit for payment of rent or other charges while the tenant is living in the unit.

If the tenant transfers to another unit, the PHA will refund the security deposit, less damages, and collect the balance of the new deposit for the unit within twenty-one (21) days. In any case, the cumulative security deposit collected will be no less than one-third (1/3) of the total at any time. If applicable, the tenant will be informed of the new deposit amount.

## **H. Rent Payments**

The tenant rent is due and payable at the PHA-designated location on the first day of every month. If the first day of the month falls on a weekend or holiday, the rent is due and payable on the first business day thereafter. Rent payments will be accepted by mail, in person from 8:00 A.M. to 4:30 P.M., Monday through Friday, except holidays (as posted), at HACB Main Office located at 2039 Forest Ave., Chico, CA 95928 or dropped in the appropriate receptacle at the HACB Main Office, 2039 Forest Ave., Chico, CA.

Payment may be made by personal check, cashier's check or money order made payable to the HACB. No Cash is accepted.

Maintenance and repair charges are due and payable within 30 days of the maintenance invoice date.

There is a grace period of five (5) business days for payment of rent and/or maintenance and repair charges.

If the PHA does not receive payment by the end of the grace period, a "Fourteen-Day Notice" will be sent in accordance with Section I below.

Payments received will be applied in the following order: 1. Security deposit agreements. 2. Repayment agreements. 3. Utility charges. 4. Maintenance charges, then rent.

## **I. Fees and Non-Payment Penalties**

If the tenant fails to make payment by the fifth (5<sup>th</sup>) business day of the month, and the PHA has not agreed to accept payment at a later date, a Combination Fourteen Day Notice to Pay Rent or Quit and a Three Day notice to Pay Rent or Quit will be delivered to the Tenant. The three (3) days' notice is intended to and does run concurrently with the fourteen (14) days' notice and that the three (3) day period shall expire at the end of fourteen (14) day period. The Tenant may request a grievance hearing, as set forth in the lease. The Tenant has five (5) business days of receipt of this notice to request a hearing. The Hearing will occur within fourteen (14) days of this notice. Any request for a grievance hearing does not prohibit the HACB from proceeding in filing a legal action if the Tenant remains in default. If payment is not received within 14 days, the Notice will have expired and Unlawful Detainer (Eviction) will be filed.

A charge of twenty-five dollars (\$25.00) will be assessed against the tenant for checks, which are returned for non-sufficient funds (NSF), or checks written on a closed account, stopped payments on Money Orders or other financial instruments. Submission of a bad check may require all future payments be made by M.O. or cashier's check.

The PHA will always consider the rent unpaid when a check is returned as NSF or a check is written on a closed account.

If the PHA has not agreed to accept payment at a later date, a *Notice to Vacate* will be issued for failure to pay rent.

Any payment received will be applied to the oldest charges in the resident's account with the exception of debts currently under a payment agreement.

A late fee in the amount of \$25.00 will be assessed for late rent payments received after the 5<sup>th</sup> of the month.

### **J. Schedules of Special Charges**

Schedules of special charges for services, repairs, utilities and rules and regulations which are required to be incorporated into the lease by reference shall be publicly posted in a conspicuous manner in the project office, and they will be provided to applicants and tenants upon request.

### **K. Modifications to the Lease**

Schedules of special charges and rules and regulations are subject to modification or revision. Residents and resident organizations will be provided at least thirty (30) calendar days written notice of the reason(s) for any proposed modifications or revisions, and they will be given an opportunity to present written comments. Comments will be taken into consideration before any proposed modifications or revisions become effective.

A copy of such notice shall be posted in the central office, and:

1. Hand delivered to the dwelling unit.
2. Mailed by first class mail to the tenant.
3. Posted in at least two conspicuous places within each structure or building in which tenants affected by the modifications or revisions are located.

After the proposed changes have been incorporated into the lease and approved by the Board, each family will be notified of the effective date of the new lease.

Any modifications of the lease must be accomplished by a written addendum to the lease and signed by both parties.

## ***L. Cancellation of the Lease***

Cancellation of the tenant's lease is to be in accordance with the provisions contained in the lease agreement and as stated in this policy.

## ***M. Death of a Tenant***

In the event of the death of a Tenant, the on-site manager, property specialist or maintenance staff will change the locks on the unit if there is only one (1) member of the household. The emergency contacts listed in the file for the resident will be contacted. A person seeking access to the premises will be required to present either a court document appointing them as Executor or Administer of the estate, a notarized Affidavit of Small Estate, or documentation of authorization provided in writing by the tenant. Rent will be charged through the date of the death or until all personal property is removed, whichever is later.

If there is a surviving spouse or children, they would be allowed to reside in the unit provided they qualify as remaining members of the household.

## ***N. Inspection of Public Housing Units***

### **Move-In Inspections**

The PHA and the family will inspect the premises prior to occupancy of the unit in order to determine the condition of the unit and equipment in the unit. A copy of the move-in inspection, signed by the PHA and the tenant, will be kept in the tenant file.

### **Initial Inspections Before Tenant Moves Out**

Once a resident has given a 30 day notice to vacate, the Property Specialist will give the resident a 48 hour notice of intent to enter for an inspection. An inspection will be conducted alongside maintenance staff to determine time, labor and materials needed for turnover.

A tenant may ask the landlord to inspect the rental unit before the tenancy ends to identify defects or conditions that justify deductions from the tenant's security deposit. The purpose of this initial inspection is to give the tenant an opportunity to repair the defects or do the cleaning identified during the inspection in order to avoid deductions from the tenant's security deposit. The tenant has the right to be present during the inspection.

The tenant will receive written notice of the tenant's right to request an initial inspection of the rental and to be present during the inspection. The initial inspection will be scheduled and the tenant must try to agree on a mutually convenient date and cannot be scheduled earlier than two weeks before the end of the tenancy or lease term. The tenant will receive an itemized statement of repairs or cleaning that the landlord or

agent believes the tenant should perform in order to avoid deductions from the tenant's security deposit. The landlord or agent must give the statement to the tenant if the tenant is present for the inspection, or leave it inside the unit if the tenant is not present. The landlord or agent also must give the tenant a copy of the sections of California's security deposit statute that list lawful uses of tenants' security deposits.

### **Vacate Inspections**

The PHA Public Housing staff and/or Maintenance staff will perform a move-out inspection when the family vacates the unit, and will encourage the family to participate in the move-out inspection.

The purpose of this inspection is to determine necessary maintenance and whether there are damages that exceed normal wear and tear. The PHA will determine if there are tenant caused damages to the unit. Tenant caused damages may affect part or all of the family's security deposit.

The move-out inspection also assists the PHA in determining the time and extent of the preparation and repairs necessary to make the unit ready for the next tenant.

The Head of Household is encouraged to participate in the move-out inspection.

### **Annual Inspections**

The PHA will inspect all units annually using HUD's Uniform Physical Condition Standards (UPCS) as a guideline.

The unit will be considered to have failed HUD's Uniform Physical Condition Standards if there are any life-threatening Health and Safety deficiencies [or if:]

- There is one or more non-life-threatening Health and Safety deficiencies.
- There are two or more Level 2 (major) deficiencies.

If a unit fails inspection due to housekeeping or tenant-caused damages will be given thirty (30) calendar days to correct noted items, after which a follow-up inspection will be conducted.

Residents will be issued a copy of the inspection report with required corrections.

If necessary to bring the unit into UPCS compliance, needed repairs will be completed by the PHA.

All inspections will include a check of all smoke alarms to ensure proper working order.

Inspection report will indicate whether required corrections are to be charged to the resident or covered by the PHA.

Required corrections, which are considered emergencies, will be abated by the PHA immediately and functionality will be restored within twenty-four (24) hours of the inspection date.

Required corrections, which are considered non-emergency will be repaired by the PHA within twenty-one calendar days of the inspection date.

Resident will be notified at least twenty-four (24) hours before the date of the required repairs.

Damages beyond “normal wear and tear” will be billed to the tenant.

Residents who repeatedly “fail” the inspection or cause excessive damage to the unit will be considered in violation of their lease and subject to eviction.

### **Special / Interim Inspections**

Housing management staff may request the Housing Inspector or Maintenance Manager or other appropriate PHA staff member to conduct a special inspection for housekeeping to include pest infestation, unit condition, and/or actual or suspected lease violation(s).

### **REAC/HOME Inspections**

HUD representatives or local government officials may review PHA operations periodically and as a part of their monitoring may inspect a sampling of the PHA’s unit inventory.

### **Other Inspections**

The PHA will periodically conduct windshield and/or walk-through inspections to determine whether there may be lease violations, adverse conditions or local code violations.

Playground inspections are conducted monthly to determine playground safety.

Building exterior and grounds inspections are conducted at all Public Housing properties to determine hazardous conditions as well as to assist in budget preparation.

### **Emergency Inspections**

Housing management staff, including PHA inspectors may initiate an emergency inspection report to generate a work order if they believe that an emergency exists in the unit or on a Public Housing site. In addition, the inspector may conduct an emergency inspection without a work order and generate a work order after the inspection has been conducted (see Entry of Premises Notice in this chapter). Repairs are to be completed within twenty-four (24) hours from the time the work order is issued.

### **Emergency Repairs to be Completed in Less than Twenty-four (24) Hours**

The following items are to be considered emergency in nature and require immediate (less than 24 hours) response:

1. Escaping gas or smell of fumes
2. Plumbing leaks which have the capacity to create flooding or cause damage to the unit
3. Inoperable PHA-owned air conditioner/heater(seasonal)
4. Inoperable smoke detectors will be treated as a 24-hour emergency and will be made operable by the PHA if the smoke detector is in need of repair.
5. Natural gas leaks or smell of fumes
6. Backed-up sewage
7. Electrical hazard
8. Fire Damage

Residents who disengage smoke detectors for convenience purposes will be cited (See "Housekeeping Citations" below).

### **Entry of Premises Notices**

The PHA will provide the family with at least forty-eight (48) hour notice prior to entering the unit for non-emergency reasons and the annual inspection.

If no person is at home, the inspector will enter the unit and conduct the inspection.

Where the PHA is conducting regular annual examinations of its housing units, the family will receive reasonable advance notice of the inspection to allow the family to prepare and be able to pass the inspection.

Reasons the PHA will enter the unit are:

1. Inspections and maintenance
2. To make improvements and repairs
3. To show the premises for leasing
4. In cases of emergency

The PHA will reschedule the inspection no more than twice unless the resident has a verifiable medical reason that has hindered the inspection. The PHA may request verification.

### **Non-Inspection Emergency Entry**

The PHA staff will allow access to the unit to proper authorities when issues of health or safety of the tenant are concerned.

### **Family Responsibility Allow Inspection**

The PHA must be allowed to inspect the unit at reasonable times with reasonable notice. Forty-eight (48) hour written notice will be considered reasonable in all cases.

The resident is given written notification of the inspection appointment.

If the resident refuses to allow the inspection, the resident will be in violation of the lease and the PHA will notify the family of its intended action. If the resident refuses to allow the inspection, the resident will be in violation of the lease and subject to eviction.

## ***O. Inspections / Lease Enforcement Issues***

### **1. Housekeeping Citations**

Residents who “fail” an inspection due to housekeeping will be issued a Housekeeping Citation, and a re-inspection will be conducted within fifteen (15) calendar days by housing management staff. Housekeeping inspections will be conducted no less than once per lease term.

If the family fails to comply with the re-inspection, it can result in lease termination.

### **2. Smoke Detector Care / Lease Violation**

Citations will be issued to residents who purposely and disengage or remove smoke detectors located anywhere within the unit. Serious or repeated citations will be considered a violation of the lease.

### **3. Yard Care Inspections / Lease Violation**

- a. Residents are responsible to keep their yards regularly mowed, watered and free of debris.
- b. Personal items are not to be stored outside of the unit unless a storage space is provided.
- c. Interior furniture is not allowed to be used as “outside” furniture.
- d. Residents are not allowed to plant any item on site without written approval from the Housing Director. Items planted without approval are subject to removal without notice from the PHA to the family.

Failure to comply with that noted above will result in receipt of a lease violation notice. The family will have 5 calendar days from the date of the notice to be in compliance.

### **4. Motorized Vehicle Inspection / Lease Violation**

- a. All vehicles parked on agency owned property are to be registered and in working, (running), order.
- b. Tenants are responsible to remove all inoperative motorized vehicles which includes but is not limited to cars, trucks, motor cycles and “off road” vehicles.



- c. Vehicles that cannot be currently registered in the State of California must be removed from PHA property.
- d. Vehicles parked around or adjacent to PHA owned property not in conformance with the above criteria will be reported by PHA staff to the appropriate municipal department to be towed.
- e. Vehicles may not be driven on or parked on lawns at any time.
- f. Damaged caused by a family owned vehicle to a lawn owned by the PHA will be repaired by the PHA and billed to the family. The cost for such repairs must be paid to the PHA within 30 days.

**5. Exterior – Site Inspection Conditions / Lease Enforcement**

- a. Residents are primarily responsible to pick up all trash and debris within their front and rear yards. Residents not in compliance will be sent a lease violation notice and be given 5 calendar days from the date of the notice to remove the trash and debris.
- b. Residents may not throw cigarettes butts onto the ground to “accumulate” as debris as identified under REAC definitions. Residents will be issued a lease violation notice by the PHA and must remove the debris within 7 calendar days from the date of the lease violation notice.
- c. Trash and debris which accumulates anywhere outside a residence is a lease and REAC violation. The resident will be issued a lease enforcement notice and be given 5 calendar days from the date of the notice to remove the debris and trash.
- d. Residents are responsible to remove any debris or trash from their yard or site around their residence which was caused by the action of a guest or visitor. Residents will be issued a lease violation notice and be given 5 calendar days from the date of the notice to remove the debris.
- e. Residents can anonymously report to the PHA debris that is being accumulated in the yard or the site around the residence of another family residing in a PHA owned unit at their project.
- f. Residents are responsible to clean up after themselves when using laundry facilities provided by the PHA. Residents not in compliance will be issued a lease violation notice and may be restricted from use of agency owned laundry facilities.

**6. Satellite Dishes / Cable TV**

- a. Residents must call and obtain written authorization from the PHA to request a vendor to install a satellite dish or cable TV box on PHA property. A written authorization form will be sent to the family and a copy of the authorization placed into the tenant file upon approval of the PHA.
- b. It is the responsibility of the resident to ensure the installer conforms to agency policy in any installation. A PHA maintenance staff employee may be present to direct the vendor in placement of any hardware for satellite and cable TV service.
- c. Failure to request and receive written authorization from the PHA will result in a lease violation notice and the resident will have 5 calendar days from the date of the notice to be in compliance with the policy.
- d. Satellite dishes may not be attached to any PHA owned structure. This includes but is not limited to the rental unit and any fencing or fence gates on PHA owned property.

**Tenant Damages**

Repeated failed inspections of the home documented by PHA staff or HUD mandated inspections, (REAC), due to damages of the unit which exceed normal wear and tear may be considered serious and repeated lease violations for which the PHA may proceed to terminate public housing assistance for the family.

“Beyond normal wear and tear” is defined as items that could be charged against the tenant’s security deposit under state law or court practice.

## **Chapter 10 Pet Policy**

[24 CFR Part 5, Subpart C and 24 CFR Part 960, Subpart G]

### **INTRODUCTION**

The purpose of this policy is to establish the PHA's policy and procedures for ownership of pets in Public Housing units and to ensure that no applicant or resident is discriminated against regarding admission or continued occupancy because of ownership of pets. It also establishes reasonable rules governing the keeping of common household pets.

This policy does not apply to animals that are used to assist, support, or provide service to persons with disabilities, or to service animals that visit public housing developments.

### **ANIMALS THAT ASSIST PERSONS WITH DISABILITIES**

Pet rules will not be applied to animals that assist persons with disabilities. This exclusion applies to both service animals and companion animals as reasonable accommodation for persons with disabilities. This exclusion applies to such animals that reside in public housing and that visit these developments.

To be approved for a companion/service animal, the resident must complete a reasonable accommodation request and provide the contact information for the medical professional that will verify the need of the accommodation.

The PHA will send the reasonable accommodation request either by fax or mail to the medical professional. The medical professional will verify that the resident (1) is disabled and (2) has a direct need for the companion/service animal. The medical professional will return the reasonable accommodation request and a letter approving or denying the request will be mailed to the resident.

### ***A. Management Approval of Pets***

All pets must be approved in advance of occupancy of the pet by the PHA.

The pet owner must submit and enter into a Pet Agreement with the PHA prior to the occupancy of the pet.

### **Registration of Pets**

Pets must be registered with the PHA before they are brought onto the premises. Registration includes certificate signed by a licensed veterinarian that the pet has received all inoculations required by State or local law, that the pet has no communicable disease(s) and is pest-free and the pet has been spayed or neutered.

Registration must be renewed annually and will be coordinated with the Tenants annual reexamination date and Proof of license and inoculation will be submitted at least thirty (30) calendar days prior to annual reexamination.

Execution of a Pet Agreement with the PHA stating that the tenant acknowledges complete responsibility for the care and cleaning of the pet will be required.

Owner must supply one clear 3 x 5 photo of the pet to be permanently placed in the owner's file for future reference.

Each pet owner must display a "Pet" sticker, provided by the PHA, which will be displayed on the front door or a front window of the unit at all times.

### **Refusal to Register Pets**

The PHA may not refuse to register a pet based on the determination that the pet owner is financially unable to care for the pet. If the PHA refuses to register a pet, a written notification will be sent to the pet owner stating the reason for denial and shall be served in accordance with HUD Notice requirements.

The PHA will refuse to register a pet if:

1. The pet is not a common household pet as defined in this policy
2. Keeping the pet would violate any House Pet Rules
3. The pet owner fails to provide complete pet registration information, or fails to update the registration annually
4. The PHA reasonably determines that the pet owner is unable to keep the pet in compliance with the pet rules and other lease obligations. The pet's temperament and behavior may be considered as a factor in determining the pet owner's ability to comply with provisions of the lease.
5. The family is unable or unwilling to comply with Security Deposit increases under PHA policy associated with pet ownership.

The notice of refusal may be combined with a notice of a pet violation.

## ***B. Standards for Pets***

### **Types of Pets Allowed**

Tenants are permitted to have only one (1) pet, with the exception of fish and birds, with prior PHA approval.

A resident may keep no types of pets other than the following:

1. Dogs

- a) Maximum number: One (1) per household
- b) Maximum adult weight/height: 25 pounds/20" tall measured as shoulder
- c) Must be housebroken
- d) Must be spayed or neutered
- e) Must have all required inoculations
- f) Must be licensed as specified now by State law and local ordinance
- g) Vicious or dangerous dogs will not be permitted.

"Any dog with a known propensity or disposition which attacks or shall have at any time attacked, bites or shall have bitten, or in any way harms or shall have harmed, injures or shall have injured, any person or any animal without provocation shall be deemed to be vicious, ferocious or dangerous."

2. Cats

- a) Maximum number: One (1) per household
- b) Must be spayed or neutered
- c) Must have all required inoculations
- d) Must be trained to use a litter box or other waste receptacle
- e) Must be licensed as specified now or by State law or local ordinance.

3. Birds

- a) Maximum number: Two (2) unless prior PHA approval has been granted
- b) Must be enclosed in a cage at all times

4. Fish

- a) Maximum aquarium size twenty-five (25) gallons
- b) Must be maintained on an approved stand

5. Rodents (rabbit, guinea pig, hamster or gerbil ONLY)

- a) Maximum number: One (1)

b) Must be enclosed in an acceptable cage at all times

6. Turtles

a) Maximum number: One (1)

b) Must be enclosed in an acceptable cage or container at all times

The following are NOT considered “common household pets”:

- Animals who would be allowed to produce offspring for sale.
- Wild, feral, or any other animals that are not amenable to routine human handling.
- Any poisonous animals of any kind.
- Non-human primates.
- Animals whose climatologically needs cannot be met in the unaltered environment of the individual dwelling unit.
- Pot-bellied pigs.
- Ferrets or other animals whose natural protective mechanisms pose a risk of serious bites and/or lacerations to small children.
- Hedgehogs or other animals whose protective instincts and natural body armor produce a risk of serious puncture injuries to children
- Chicks or other animals that pose a significant risk of salmonella infection to those who handle them.
- Pigeons, doves, mynahs, parrots and birds of other species that are hosts to the organisms that cause parrot fever in humans.
- Snakes or other kinds of reptiles.

### **C. *Pet Agreement***

Residents who have been approved to have a pet must enter into a Pet Agreement with the PHA. The security deposit for a family requesting and receiving written authorization to have a pet in the rental dwelling will be increased.

The Resident will certify, by signing the Pet Agreement that the Resident will adhere to the following rules:

- Agree that the resident is responsible and liable for all damages caused by their pet(s).
- All complaints of cruelty and all dog bites will be referred to animal control or applicable agency for investigation and enforcement.
- All common household pets are to be fed inside the apartment. In order to prevent stray animals from frequenting the property, leaving pet food on porches, patios or any outside area is strictly prohibited.
- Residents shall not feed any stray animals: doing so, or keeping stray or unregistered animals, will be considered having a pet without permission.
- No animals may be tethered or chained outside or inside the dwelling unit.
- When outside the dwelling unit, all pets must be on a leash or in an animal transport enclosure and under the control of a responsible individual.
- All fecal matter deposited by the pet(s) must be promptly and completely removed from any common area. Failure to do so will result in a Pet Waste Removal charge of \$25.00. All animal waste or the litter from litter boxes shall be picked up immediately by the pet owner disposed of in sealed plastic trash bags and placed in a trash bin. Litter shall not be disposed of by being flushed through a toilet. Residents will be charged for plumbing repairs for litter disposed of in this way and also receive a lease violation notice. The family must pay the maintenance charge within 30 days or further action may be initiated.
- The pet owner shall take precautions to ensure that the pet does not urinate on Authority buildings. Where the Authority has determined that such deposits pose a health hazard or detract from the appearance of the buildings, the pet owner will either be responsible for the related cleanup or receive a bill for the direct cost thereof and will have 30 days to pay the PHA for work completed to repair any damage.
- Litter boxes shall be stored inside the resident's dwelling unit or in animal enclosures maintained within dwelling units AND must be removed and/or replaced regularly. Failure to do so will result in a Pet Waste Removal charge.
- The Resident/Pet Owner shall be responsible for the removal of waste from any animal or pet exercise area by placing it in a sealed plastic bag and disposing of it in an outside trash bin immediately. The resident/pet owner shall take adequate precautions to eliminate any animal or pet odors within or around the unit and to maintain the unit in a sanitary condition at all times.
- The right of management to enter dwelling unit when there is evidence that an animal left alone is in danger or distress or is creating a nuisance.

- The right of management to seek impoundment and sheltering of an animal found to be maintained in violation of housing rules, pending resolution of any dispute regarding such violation, at owner's expense. The resident shall be responsible for any impoundment fees, and the PHA accepts no responsibility for pets so removed.
- That failure to abide by any animal-related requirement or restriction constitutes a violation of the "Resident Obligations" in the resident's Lease Agreement.
- Residents will prevent disturbances by their pets that interfere with the quiet enjoyment of the premises of other residents in their units or in common areas. This includes, but is not limited to, loud or continuous barking, howling, whining, biting, scratching, chirping or other such activities.
- Residents/pet owners shall not alter their unit, patio, premises or common areas to create an enclosure for any animal. Installation of pet doors is prohibited.

***D. Pets/Other***

1. Pets that are not owned by a tenant will not be allowed.
2. This rule excludes visiting pet programs sponsored by a humane society or other non-profit organizations and approved by the PHA.
3. This rule excludes service animals, which are assisting visiting persons with disabilities.
4. State or local laws governing pets temporarily in dwelling accommodations shall prevail.
5. Residents are prohibited from feeding or harboring stray animals.

***E. Pets and Increase in Family Security Deposit***

The resident/pet owner shall be required to pay a refundable deposit of one hundred fifty dollars (\$150) for cinder block units and two hundred dollars (\$200) for all other housing units for the purpose of defraying all reasonable costs directly attributable to the presence of a dog or cat as follows:

1. Deposits will be made in three (3) equal payments. The first payment must be made on or prior to the date the pet is properly registered and brought into the apartment,

The PHA reserves the right to change or increase the required deposit by amendment to these rules.



The PHA will place the Deposit in account and will refund the deposit to the tenant, less any damage caused by the pet to the dwelling unit, upon removal of the pet or the owner from the unit.

The PHA will return the Deposit to the former tenant or to the person designated by the former tenant in the event of the former tenant's incapacitation or death.

The PHA will provide the tenant or designee identified above with a written list of any charges against their deposit. If the tenant disagrees with the amount charged to their security deposit, the PHA will provide a meeting to discuss the charges.

All reasonable expenses incurred by the PHA as the result of damages directly attributable to the presence of the pet will be the responsibility of the resident, including, but not limited to:

1. The cost of repairs and replacements to the dwelling unit;
2. Fumigation of the dwelling unit.
3. Common areas of the project if applicable.

If the tenant is in occupancy when such costs occur, the tenant shall be billed for such costs as a current charge and will have 30 days to pay the charges.

If such expenses occur as the result of a move-out inspection, they will be deducted from the deposit. The resident will be billed for any amount that exceeds the deposit.

The expense of flea de-infestation shall be the responsibility of the resident.

#### ***F. Pet Care***

No pet (excluding fish) shall be left unattended in any apartment for a period in excess of twenty-four (24) hours.

All residents/pet owners shall be responsible for adequate care, nutrition, exercise and medical attention for his/her pet. Residents/pet owners must recognize that other residents may have chemical sensitivities or allergies related to pets, or may be easily frightened or disoriented by animals. Pet owners must agree to exercise courtesy with respect to other residents.

#### ***G. Responsible Parties/Emergency Caregiver***

Any resident seeking approval under this policy must designate an individual not living in the unit as a responsible party for the pet. Name, address, and telephone number of this emergency caregiver must be on file with the PHA. This person must assume responsibility for the pet in the absence of the pet owner. A signed certification on file with the PHA from the emergency caregiver is required indicating their willingness and

acceptance of the responsibilities as an emergency caregiver. Any changes in emergency caregiver must be reported by the pet owner and kept current at all times.

## **H. Inspections**

The PHA may, after reasonable notice to the tenant during reasonable hours, enter and inspect the premises, in addition to other inspections allowed in order to determine whether or not pets are present and the condition of the pet and/or apartment.

The PHA may enter and inspect the unit only if a documented complaint is received alleging that the conduct or condition of the pet in the unit constitutes a nuisance or threat to the health or safety of the pet, of the other occupants or other persons in the community under applicable State or local law.

### **I. Pet Rule Violation Notice**

If a determination is made on objective facts supported by written statements, that a resident/pet owner has violated the Pet Rule Policy, written notice will be served.

The Notice will contain a brief statement of the factual basis for the determination and the pet rule(s) that were violated. The notice will also state:

1. That the resident/pet owner has fourteen (14) business days from the effective date of the service of notice to correct the violation or make written request for a meeting to discuss the violation;
2. That the resident pet owner is entitled to be accompanied by another person of his or her choice at the meeting; and
3. That the resident/pet owner's failure to correct the violation, request a meeting, or appear at a requested meeting may result in initiation of procedures to terminate the pet owner's tenancy.

If the pet owner requests a meeting within the fourteen (14) day period, the meeting will be scheduled no later than three (3) business days before the effective date of service of the notice, unless the pet owner agrees to a later date in writing.

### **J. Notice for Pet Removal**

If the resident/pet owner and the PHA are unable to resolve the violation at the meeting or the pet owner fails to correct the violation in the time period allotted by the PHA, the PHA may serve notice to remove the pet.

The Notice shall contain:

1. A brief statement of the factual basis for the PHA's determination of the Pet Rule that has been violated.
2. The requirement that the resident/pet owner must remove the pet within fourteen (14) days of the notice; and
3. A statement that failure to remove the pet may result in the initiation of termination of tenancy procedures.

### ***K. Termination of Tenancy***

The PHA may initiate procedures for termination of tenancy based on a pet rule violation if:

1. The pet owner has failed to remove the pet or correct a pet rule violation within the time period specified; and
2. The pet rule violation is sufficient to begin procedures to terminate tenancy under terms of the lease.
3. The resident violations Section D, Part #6.

### ***L. Pet Removal***

If the death or incapacity of the pet owner threatens the health or safety of the pet, or other factors occur that render the owner unable to care for the pet, the situation will be reported to the Responsible Party designated by the resident/pet owner (includes pets who are poorly cared for or have been left unattended for over seventy-two (72) hours).

If the responsible party is unwilling or unable to care for the pet, or if the PHA, after reasonable efforts, cannot contact the responsible party, the PHA may contact the appropriate State or local agency and request the removal of the pet.

If the pet is removed as a result of any aggressive act on the part of the pet, the pet will not be allowed back on the premises.

### ***M. Emergencies***

The PHA will take all necessary steps to insure that pets that become vicious, display symptoms of severe illness, or demonstrate behavior that constitutes an immediate threat to the health or safety of others, are referred to the appropriate State or local entity authorized to remove such animals.

If it is necessary for the PHA to place the pet in a shelter facility, the cost will be the responsibility of the tenant/pet owner.

This Pet Policy will be incorporated by reference into the Dwelling Lease signed by the resident, and therefore, violation of the above Policy will be grounds for termination of the lease.

## **Chapter 11 Recertifications**

[24 CFR 5.613, 24 CFR 5.615, 24 CFR Part 960 Subpart C]

### **INTRODUCTION**

HUD requires that the PHA offer all families the choice of paying income-based rent or flat rent at least annually. Families who choose to pay flat rent are required to complete Recertifications of income, deductions and allowances at least once every three years. To determine the amount of income-based rent, it is necessary for the PHA to perform a Recertification of the family's income. At the annual Recertification, families who choose to pay income-based rent must report their current household composition, income, deductions and allowances. Between regular annual Recertifications, HUD requires that families report all changes in household composition, but the PHA decides what other changes must be reported and the procedures for reporting them. This Chapter defines the PHA's policy for conducting annual Recertifications. It also explains the interim reporting requirements for families, and the standards for timely reporting.

#### ***A. Eligibility for Continued Occupancy***

Residents who meet the following criteria will be eligible for continued occupancy:

1. Qualify as a family as defined in this policy
2. Are in full compliance with the obligations and responsibilities described in the dwelling lease
3. Whose family members, age six (6) and older, each have submitted their Social Security numbers or have certifications on file that they do not have a Social Security number
4. Whose family members have submitted required citizenship/eligible immigration status/non-contending documents.
5. Whose family members satisfy the PHA's requirements regarding criminal and drug-related activity. (A background check will be completed for all household members 18 or older using available resources including the Butte County Superior Court website).

#### ***B. Annual Recertifications***

In order to be re-certified, families are required to provide current and accurate information on income, assets, allowances and deductions and family composition.

Families who choose flat rent are to be re-certified every three years.

For families who move in on the first of the month, the annual reexaminations will be completed within twelve (12) months of the anniversary of the move-in date. (Example: If family moves in August 1, the annual Recertification will be conducted to be effective on August 1 of the following year.)

For families who move in during the month, the annual Recertification will be completed no later than the first of the month in which the family moved in, the following year. (Example: If family moves in August 15, the effective date of the next annual reexamination is August 1.)

When families' transfer to another dwelling unit the HACB will conduct a Recertification and the anniversary date will be changed.

### **Recertification Notice to the Family**

All families will be notified of their obligation to re-certify by first class mail. The notification shall be sent approximately one hundred and twenty (120) calendar days in advance of the anniversary date. If requested as an accommodation by a person with a disability, the PHA will provide the notice in an accessible format. The PHA will also mail the notice to a third party, if requested as reasonable accommodation for a person with disabilities. These accommodations will be granted upon verification that they meet the need presented by the disability.

The notification shall explain family choice of income-based or flat rent.

If the family has chosen flat rent at their previous recertification no recertification appointment will be necessary until the flat rent contract ends at the end of three years.

### **Methodology**

If the family chooses income-based rent, or if the family has paid the flat rent for three (3) years, the PHA will schedule the specific date and time of appointments, for Recertification, in the written notification to the family.

### **Persons with Disabilities**

Persons with disabilities, who are unable to come to the PHA's office, will be granted an accommodation to conduct the interview at the person's home, upon verification that the accommodation requested meets the need presented by the disability.

### **Collection of Information**

The family is required to complete the annual Recertification packet.

The PHA representative will interview the family and enter the information provided by the family in the computer system.

### **Requirements to Attend**

All adult household members will be required to attend the Recertification interview and sign the application for continued occupancy.

If the head of household is unable to attend the interview, the spouse may recertify for the family, provided that the head come in within ten (10) business days to recertify.

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

The written notification will explain which family members are required to attend the reexamination interview. The family may call to request another appointment date up to five (5) days prior to the interview.

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

If the family fails to appear for the second appointment, and has not rescheduled or made prior arrangements, no further appointments will be made and the family will be sent a notice of intent to terminate the lease.

The PHA may make exceptions to these policies if the family is able to document an emergency situation that prevented them from canceling or attending the appointment.

### **Information Required From the Family**

In the notification letter to the family, the PHA will include instruction for the family to bring the following:

1. Information on all sources of income for all family members.
2. Information of liquid and non-liquid assets.
3. Information on deductions or allowances.
4. Person Declaration Form completed by Head of Household.

### **Verification of Information**

All information that affects the family's continued eligibility for the program, and the family's Total Tenant Payment (TTP) will be verified in accordance with the verification procedures and guidelines described in this Policy. Verifications used for Recertification must be less than one hundred and twenty (120) days old. All verifications will be placed in the file, which has been established for the family.

When the information has been verified, it will be analyzed to determine:

1. The continued eligibility of the resident as a *family* or as the *remaining member* of a family
2. The unit size required by the family

3. The amount of rent the family should pay

### **Changes in Tenant Rent**

If there is any change in rent, including change in family's choice in rent, the lease will be amended, or a new lease will be executed, or a Notice of Rent Adjustment will be issued [24 CFR 966.4 (c)].

### **Tenant Rent Increases**

If tenant rent increases, a thirty-day notice will be mailed to the family prior to the effective date of the change.

If less than thirty (30) calendar days are remaining before the effective date of the change, the tenant rent increase will be effective on the first of the second month following the thirty-day notice.

If there has been a misrepresentation or a material omission by the family, or if the family causes a delay in the Recertification processing, there will be a retroactive increase in rent to the effective date of the change.

### **Tenant Rent Decreases**

If tenant rent decreases, it will be effective on the first day of the month following the date that the decrease was reported.

If the family causes a delay so that the processing of the Recertification is not complete by the anniversary date, rent change will be effective on the first day of the month following completion of the reexamination processing by the PHA.

If tenant rent decreases and the change occurred within a month prior to the Recertification appointment, but the family did not report the change as an interim adjustment, the decrease will be effective on the Recertification anniversary date.

If the tenant rent decreases and the tenant reported the change within a month prior to the annual Recertification anniversary date or between the annual Recertification anniversary date and the effective date of the annual Recertification, the change will be treated as an interim. The change will be effective the first of the following month that the family reported the change. If necessary, the PHA will run another HUD 50058 as an annual reexamination.

## **C. *Interim Recertifications***

Families must report in writing all changes in household composition to the PHA, in writing, between annual Recertifications. This includes additions due to birth, adoption and court-awarded custody. The family must obtain PHA approval prior to all other additions to the household.



When there is a change in head of household or a new adult family member is added, the PHA will complete an application for continued occupancy and re-verify, using the same procedures the PHA would use for an annual reexamination, except for effective dates of changes. In such case, the Interim Recertification Policy would be used.

The U.S. citizenship/eligible immigrant status of additional family members must be declared and verified prior to the approval by the PHA of the family member being added to the lease.

### **Interim Recertification Policy**

#### **Increases in Income to be Reported:**

Families paying flat rent are not required to report and increases in income or assets.

The PHA will conduct interim Recertifications for families that have an increase in income if they have previously reported Zero Income.

Families on Zero Income will be required to report all increases in income/assets within ten (10) business days of the increase.

#### **Increases in Income and Rent Adjustments**

The PHA will conduct a Recertification to determine such additional income and will make the appropriate adjustment in the tenant rent and family unit size.

Rent increases (except those due to misrepresentation) will become effective after a thirty (30)-calendar days notice. If there has been a misrepresentation or a material omission by the family, there will be a retroactive increase in rent to the effective date the change would have occurred.

#### **Decreases in Income and Rent Adjustments**

Residents may report a decrease in income and other changes, such as an increase in allowances or deductions that would reduce the amount of the total tenant payment.

The PHA will process the rent adjustment unless the PHA confirms that the decrease in income will last less than thirty (30) calendar days.

Rent decreases will become effective the first of the month after the change was reported.

### ***D. Income Changes Resulting from Welfare Program Requirements***

*The PHA will not reduce the public housing rent for families whose welfare assistance is reduced due to a "specified welfare benefit reduction", which is a reduction in welfare benefits due to:*

1. Fraud by a family member in connection with the welfare program; or

2. Noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program

A “specified welfare benefit reduction” does not include a reduction of welfare benefits due to:

1. The expiration of a lifetime time limit on receiving benefits; or
2. A situation where the family has complied with welfare program requirements but cannot or has not obtained employment, such as:

The family has complied with welfare program requirements, but the durational time limit, such as a cap on the length of time a family can receive benefits, causes the family to lose their welfare benefits.

3. Noncompliance with other welfare agency requirements.

**Definition of Covered Family:**

A household that receives benefits for welfare or public assistance from a State or public agency program which requires, as a condition of eligibility to receive assistance, the participation of a family member in an economic self-sufficiency program.

**Definition of “Imputed Welfare Income”:**

The amount of annual income, not actually received by a family, as a result of a specified welfare benefit reduction, that is included in the family’s income for purposes of determining rent.

The amount of imputed welfare income is determined by the PHA, based on written information supplied to the PHA by the welfare agency, including:

1. The amount of the benefit reduction
2. The term of the benefit reduction
3. The reason for the reduction
4. Subsequent changes in the term or amount of benefit reduction

Imputed welfare income will be included at annual and interim Recertifications during the term of reduction of welfare benefits.

The amount of imputed welfare income will be offset by the amount of additional income a family receives that begins after the sanction was imposed. When additional income is at least equal to the imputed welfare income, the imputed income will be reduced to zero.

If the family was not an assisted resident of public housing when the welfare sanction began, imputed welfare income will not be included in annual income.

### **Verification Before Denying a Request to Reduce Rent**

The PHA will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance *before* denying the family's request for rent reduction.

The PHA will rely on the welfare agency's written notice to the PHA regarding welfare sanctions.

### **Cooperation Agreements**

The PHA has an unwritten cooperation agreement in place with the local welfare agency that assists the PHA in obtaining the necessary information regarding welfare sanctions.

The PHA has taken a proactive approach to culminating an effective working relationship between the PHA and the local welfare agency for the purpose of targeting economic self-sufficiency programs through the community that are available to public housing residents.

The PHA and the local welfare agency have mutually agreed to notify each other of any economic self-sufficiency and/or other appropriate programs of services that would benefit public housing residents.

### **Family Dispute of Amount of Imputed Welfare Income**

If the family disputes the amount of imputed income and the PHA denies the family's request to modify the amount, the PHA will provide the tenant with a notice of denial, which will include:

1. An explanation for the PHA's determination of the amount of imputed welfare income
2. A statement that the tenant may request a grievance hearing.
3. A statement that the information received from the welfare agency cannot be disputed at the grievance hearing, and the issue to be examined at the grievance hearing will be the PHA's determination of the amount of imputed welfare income, not the welfare agency's determination to sanction the welfare benefits
4. A statement that if the tenant requests a grievance hearing, the tenant will not be required to pay an escrow deposit pursuant to 966.55(e) for the portion of tenant rent attributable to the imputed welfare income
5. The amount of escrow deposit the tenant will be required to pay (if any) if a grievance hearing is requested

If the tenant requests a grievance hearing, the tenant is not required to pay an escrow deposit pursuant to 966.55(e) for the portion of tenant rent attributable to the imputed welfare income.

## ***E. Other Interim Reporting Issues***

An interim Recertification does not affect the date of the annual Recertification.

An interim Recertification will be scheduled for families with zero/unstable income every three (3) months.

The family must report any new members who are added to the household. If the new family member has income, the addition of this member will result in an interim Recertification.

Any changes reported by participants other than those listed in this Chapter will be noted in the file by the staff person but will not be processed between regularly scheduled annual Recertifications.

### **PHA Errors**

If the PHA makes a calculation error at admission to the program or at an annual or interim Recertification, an interim Recertification will be conducted to correct the error, but the family will not be charged retroactively.

## ***F. Timely Reporting of Changes in Income (and Assets)***

### **Standard for Timely Reporting of Changes**

The PHA requires that families report interim changes, in writing, to the PHA within ten (10) business days of when the change occurs.

If the change is not reported within the required time period, or if the family fails to provide signatures, certifications or documentation, within the time period requested by the PHA, this will constitute untimely reporting.

### **Procedures when the Change is Reported in a Timely Manner**

The PHA will notify the family of any changes in Tenant Rent to be effective according to the following guidelines:

1. Increases in the Tenant Rent are effective on the first of the month following at least thirty (30) calendar day's notice.
2. Decreases in the Tenant Rent are effective the first of the month following the month in which the change is reported.

The change will not be made until the third party or alternate form of verification is received.

### **Procedures when the Change is not Reported by the Tenant in a Timely Manner**

If the family does not report the change as described under Timely Reporting, the family will have caused an unreasonable delay in the interim Recertification processing and the following guidelines will apply:

- Increase in Tenant Rent will be effective retroactive to the first day of the month following the date of the change in income. The family will be liable for any underpaid rent, and may be required to sign a Repayment Agreement (if the family is not already obligated to an earlier repayment agreement) or make a lump sum payment.
- The PHA will not execute a payment agreement if the monthly pay back amount is so much that it will take the family longer than twelve (12) months to complete the agreement.
- Decrease in Tenant Rent will be effective on the first of the month following completion of processing by the PHA and not retroactively.

### **Procedures when the Change is not Processed by the PHA in a Timely Manner**

“Processed in a timely manner” means that the change goes into effect on the date it should when the family reports the change in a timely manner. If the change cannot be made effective on that date, the change is not processed by the PHA in a timely manner.

Therefore, an increase will be effective on the first day of the month after the required thirty (30) calendar day’s notice after completion of processing by the PHA.

If the change resulted in a decrease, the change in rent will be made retroactively to the first day of the month following the date the change was reported.

## ***G. Reporting of Changes in Family Composition***

The members of the family residing in the unit must be approved by the PHA. The family must submit a written request to the PHA for approval of additional family members, before they can move into the home. Families allowing persons to move in without formal written authorization by the PHA are subject to associative sanctions up to and including loss of eligibility for continued assistance. Eligible persons include additions requested due to birth, adoption, marriage, or court-awarded custody.

The PHA will not approve the addition of family members other than by birth, adoption, marriage or court-awarded custody where the occupancy standards would require a larger size unit.

Families are required to notify the PHA in writing when an occupant has moved out of the household. Moreover, if an adult family member is declared permanently absent by

the head of household, the written notice to the PHA must contain a certification by the head of household or spouse that the member (who may be the head of household) removed will remain permanently absent. If at a later date the person whom left the home wants to return, a written request must be submitted to and approved by the PHA according to Section E, paragraph one.

### **Increase in Family Size**

The PHA will consider a unit transfer if needed under the Occupancy Guidelines) for additions to the family in the following cases:

1. Addition by marriage/or marital-type relation
2. Addition of a minor who is a member of the family who had been living elsewhere
3. Addition of a PHA-approved live-in attendant
4. Addition of any relation of the Head or Spouse
5. Addition due to birth, adoption or court-awarded custody
6. Additions required due to a disability of a household member which is certified by a qualified professional

If a change due to birth, adoption, court-awarded custody, or need for a live-in attendant requires a larger size unit due to overcrowding, the change in unit size shall be made effective upon availability of an appropriately sized unit.

### **Definition of Temporarily/Permanently Absent**

The PHA must compute all applicable income of every family member who is on the lease, including those who are temporarily absent.

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

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

### **Absence of Entire Family**

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

Families are required to notify the PHA before they move out of a unit in accordance with the lease and to give the PHA information about any family absence from the unit.

Families must notify the PHA if they are going to be absent from the unit for more than fifteen (15) consecutive calendar days. A person with a disability may request an extension of time as an accommodation.

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

In order to determine if the family is absent from the unit, the PHA may:

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

If the entire family is absent from the unit, without PHA permission, for more that thirty (30) consecutive calendar days, or more than thirty (30) consecutive calendar days beyond the agreed-upon period, the unit will be considered to be vacant and the PHA will terminate tenancy.

As a reasonable accommodation for a person with a disability, the PHA may approve an extension. (See Absence Due to Medical Reasons for other reasons to approve an extension). During the period of absence, the rent and other charges must remain current.

If the absence that resulted in termination of tenancy was due to a person’s disability, and the PHA can verify that the person was unable to notify the PHA in accordance with the lease provisions regarding absences, and if a suitable unit is available, the PHA may reinstate the family as an accommodation if requested by the family.

### **Absence of Any Member**

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

### **Absence due to Medical Reasons**

If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, the PHA will seek advice from a reliable qualified source as to the likelihood and timing of their return. If the verification indicates that the family

member will be permanently confined to a nursing home, the family member will be considered permanently absent. If the verification indicates that the family member will return in less than ninety (90) consecutive calendar days, the family member will not be considered permanently absent, as long as rent and other charges remains current. If the person who is determined to be permanently absent is the sole member of the household, assistance will be terminated in accordance with the PHA's "Absence of Entire Family" policy.

### **Absence due to Incarceration**

If the sole member is incarcerated for more than ninety (90) consecutive calendar days, s/he will be considered permanently absent. Any member of the household, other than the sole member, will be considered permanently absent if s/he is incarcerated for three (3) consecutive months.

The PHA will determine if the reason for incarceration is for drug-related or violent criminal activity.

### **Foster Care and Absences of Children**

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

If the time period is to be greater than six (6) months from the date of removal of the child(ren), the family will be required to move to a smaller size unit unless the family is in the process of family reunification, at which time it will be up to the discretion of the PHA to determine acceptable documentation and time period permitted. If all children are removed from the home permanently, the unit size will be reduced in accordance with the PHA's occupancy guidelines.

### **Absence of Adult**

If neither parent remains in the household and social services and/or the juvenile court has determined that another adult is to be brought into the unit to care for the children for an indefinite period, the PHA will treat that adult as a visitor for the first fourteen (14) consecutive calendar days.

If, by the end of that period, court-awarded custody or legal guardianship has been awarded to the caretaker, the lease will be transferred into the guardian's name.

If the appropriate agency cannot confirm the guardianship status of the caretaker, the PHA will review the status at thirty (30) calendar day intervals.

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

If custody is awarded for a limited time in excess of stated period, the PHA will state in writing that the transfer of the lease is for that limited time or as long as they have



custody of the children. The PHA will use discretion as deemed appropriate in determining any further assignation of the lease on behalf of the children.

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

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

If a member of the household is subject to a court order that restricts him/her from the home for more than three (3) consecutive months, the person will be considered permanently absent.

Full time students who attend school away from the home will be treated in the following manner:

- If the student is considered temporarily absent from the household, applicable income for that person will be counted.
- Full time students who attend school away from the home and live with the family during school recess will be considered permanently absent from the household.

#### **Visitors (See Chapter on Leasing)**

Any adult not included on the HUD 50058 who has been in the unit more than fourteen (14) consecutive calendar days, or a total of fifteen (15) cumulative days in the month will be considered to be living in the unit as an unauthorized household member.

Absence of evidence of any other address will be considered verification that the visitor is an unauthorized household member.

Statement from neighbors and/or PHA staff will be considered in making the determination.

#### **The PHA will consider:**

- Statements from neighbors and/or PHA staff
- Vehicle license plate verification
- Post Office records
- Drivers license verification
- Security and Resident Agent Reports
- Law enforcement reports

- Credit reports

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

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

Minors and college students who were part of the family but who now live away from home during the school year and are not considered members of the household may visit for up to ninety (90) calendar days per year without being considered a member of the household.

In a joint custody agreement, if the minor is in the household less than one-hundred eighty-three (183) calendar days per year, the minor will be considered to be an eligible visitor and not a family member. If both parents participate in subsidized housing programs, only one parent would be able to claim the child for program participation. In the event two (2) households have been awarded 50% custody of the minor and it cannot be established that the child is living in one of the households at least one-hundred and eighty-three (183) days in a calendar year, then housing assistance for the minor shall be determined as follows: first, household membership for the minor shall be maintained with a household already participating in the program and for which the minor has already been determined a household member; second, in the event both households are program participants, the housing membership for the minor shall be awarded to the household having first received assistance; third where neither household is a program participant, the housing membership for the minor shall be awarded to the household with the highest wait list ranking; and fourth, in the event both households have the same date of program admission and/or the same date of application, or in the event the above criteria cannot determine to which household the minor belongs, the PHA shall determine household membership for the minor based on evidence provided by the two (2) households, such determination to be made in the best interest of the child, such determination to be at the sole discretion of the PHA.

#### ***H. Remained Member of Tenant Family – Retention of Unit***

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

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

In order for a minor child to continue to receive assistance as a remaining family member:

1. The court has to have awarded emancipated minor status to the minor; or
2. The PHA has to have verified that social services and/or the Juvenile Court has arranged for another adult to be brought into the unit to care for the child(ren) for an indefinite period.

A reduction in family size may require a transfer to an appropriate unit size per the Occupancy Standards.

### ***I. Changes in Unit Size***

The PHA shall grant exceptions from the occupancy standards if the family requests and the PHA determines the exceptions are justified according to this policy.

The PHA will not assign a larger bedroom size due to additions of family members other than by birth, adoption, marriage or court-awarded custody.

The PHA will consider the size of the unit and the size of the bedrooms, as well as the number of bedrooms, when an exception is requested. When an approvable change in the circumstances in a tenant family requires another unit size, the family's move depends upon the availability of a suitable size and type of unit. If the unit is not available at the time it is requested, the family will be placed on the Transfer List. (Reference chapter on Occupancy Standards)

### ***J. Continuance of Assistance for "Mixed" Families***

Under the Non-citizens Rule, "Mixed" families are families that include at least one citizen or eligible immigrant and any number of ineligible members.

"Mixed" families who were participants on June 19, 1995, shall continue to receive full assistance if they meet the following criteria:

1. The head of household, co-head or spouse is a U.S. citizen or has eligible immigrant status; AND
2. The family does not include any ineligible immigrants other than the head or spouse, or parents or children of the head, co-head or spouse.

Mixed families who qualify for continued assistance after 11/29/96 may receive prorated assistance only.

If they do not qualify for continued assistance, the member(s) that cause the family to be ineligible for continued assistance may move, or the family may choose prorated assistance (See Chapter titled "Factors Related to Total Tenant Payment Determination"). The PHA may no longer offer temporary deferral of termination (See Chapter on "Lease Termination").

## **Chapter 12 Lease Terminations**

[24 CFR 966.4]

### **INTRODUCTION**

The PHA may terminate tenancy for a family because of the family's action or failure to act in accordance with HUD regulations [24 CFR 966.4 (1)(2)], and the terms of the lease. This Chapter describes the PHA's policies for notification of lease termination and provisions of the lease.

#### ***A. Termination by Tenant***

The tenant may terminate the lease by providing the PHA with a written thirty- (30) calendar day advance notice as defined in the lease agreement.

The public housing tenant will not be eligible for transfer to another PHA housing program until after one year of continuous current residency under the PHA's Public Housing Program.

#### ***B. Termination by PHA***

Termination of tenancy will be in accordance with the PHA's lease.

The public housing lease is automatically renewable, EXCEPT the public housing lease shall have a 12-month term for community service and will not be renewed in the case of noncompliance with the community service requirements (when required by HUD). See Chapter on Community Service, including the notice on suspension of the community service requirement for fiscal year 2002.

The lease may be terminated by the PHA at any time by giving written notice for serious or repeated violation of material terms of the lease, such as, but not limited to the following:

1. Nonpayment of rent or other charges due under the Lease, or repeated chronic late payment of rent
2. Failure to provide timely and accurate statements of income, assets, expenses and family composition at Admission, Interim, Special or Annual Rent Reexamination
3. Assignment or subleasing of the premises or providing accommodation for boarders or lodgers

4. Use of the premises for purposes other than solely as a dwelling unit for the Tenant and Tenant's household as identified in this Lease, or permitting its use for any other purposes
5. Failure to abide by necessary and reasonable rules made by the PHA for the benefit and well being of the housing project and the Tenants
6. Failure to abide by applicable building and housing codes materially affecting health or safety
7. Failure to dispose of garbage waste and rubbish in a safe and sanitary manner
8. Failure to use electrical, plumbing, sanitary, heating, ventilating, air conditioning and other equipment, including elevators, in a safe manner
9. Acts of destruction, defacement or removal of any part of the premises, or failure to cause guests to refrain from such acts
10. Failure to pay reasonable charges (other than for normal wear and tear) for the repair of damages to the premises, project buildings, facilities, equipment, or common areas
11. The Tenant, any member of the Tenant's household, or a guest or other person under the Tenant's control shall not engage in criminal activity, including drug-related criminal activity, *on or off* public housing premises (as defined in the lease), while the Tenant is a Tenant in public housing, and such criminal activity shall be cause for termination of tenancy. The term "drug-related criminal activity" means the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute, or use, a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).
12. If contraband or a controlled substance is seized on the leased premises, incidental to a lawful search or arrest, (the PHA) will commence unlawful detainer procedures to terminate the Lease.
13. Alcohol abuse that the PHA determines interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.
14. Non-compliance with Non-citizen Rule requirements.
15. Failure of a family member to comply with community service provisions, as grounds only for non-renewal of the lease and termination of tenancy at the end of the 12-month lease term; (when required by HUD)
16. Discovery after admission of facts that made the tenant ineligible.
17. Discovery of material false statements or fraud by the tenant in connection with an application for assistance or with reexamination of income;

18. Failure to accept the PHA's offer of a lease revision to an existing lease that is on a form adopted by the PHA in accordance with HUD regulations, with written notice of the offer of the revision at least 60 calendar days before the lease revision is scheduled to take effect; and with the offer specifying a reasonable time limit within that period for acceptance by the family.
19. Engaging in or threatening abusive behavior toward PHA staff, public safety officers, contractors or neighbors.

The PHA when making the decision whether or not to terminate the lease, will consider whether disability-related behavior is a mitigating factor in the family's inability to meet family's obligations. If there are such mitigating circumstances, the PHA will determine if a reasonable accommodation would make it possible for the family to remain in compliance with its lease obligations.

### **C. *Protections for Victims of Abuse [VAWA]***

An incident or incidents of actual or threatened domestic violence, dating violence, or stalking will not be construed as serious or repeated violations of the lease or other "good cause" for termination of the assistance, tenancy, or occupancy rights of such a victim.

Criminal activity directly relating to abuse, engaged in by a member of a tenant's household or any guest or other person under the tenant's control, shall not be cause for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenant's family is the victim or threatened victim of domestic violence, dating violence, or stalking.

Notwithstanding any restrictions on admission, occupancy, or terminations of occupancy or assistance, or any Federal, State or local law to the contrary, a PHA, owner or manager may "bifurcate" a lease, or otherwise remove a household member from a lease, without regard to whether a household member is a signatory to the lease, in order to evict, remove, terminate occupancy rights, or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others. This action may be taken without evicting, removing, terminating assistance to, or otherwise penalizing the victim of the violence who is also a tenant or lawful occupant. Such eviction, removal termination of occupancy rights, or termination of assistance shall be effected in accordance with the procedures prescribed by Federal, State, and local law for the termination of leases or assistance under the public housing program.

Nothing in this section may be construed to limit the authority of a public housing agency, or manager, when notified, to honor court orders addressing rights of access or control of the property, including civil protection orders issued to protect the victim and issued to address the distribution or possession of property among the household members in cases where a family breaks up.

Nothing in this section limits any otherwise available authority of an owner or manager to evict or the public housing agency to terminate assistance to a tenant for any violation of a lease of a lease not premised on the act or acts of violence in question against the tenant or a member of the tenant's household, provided that the owner, manager, or public housing agency does not subject an individual who is or has been a victim of domestic violence, dating violence, or stalking to a more demanding standard than other tenants in determining whether to evict or terminate.

Nothing in this section may be construed to limit the authority or manager to evict, or the public housing agency to terminate assistance, to any tenant if the manager, or public housing agency can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if the tenant is not evicted or terminated from assistance.

### Certification of Domestic Violence, Dating Violence and Stalking

When an individual seeks to assert VAWA's protections, the PHA may request that the individual provide one of any of the following three types of documentation:

1. A HUD-approved certification form verifying that the individual is a victim of domestic violence, dating violence, or stalking, and that the incident or incidents in question are bona fide incidents of actual or threatened abuse. Such certification shall include the name of the perpetrator; or
2. Documentation signed by an employee, agent, or volunteer of a victim service provider, an attorney, or a medical professional, from whom the victim has sought assistance in addressing domestic violence, dating violence, or stalking, or the effects of the abuse, in which the professional attests under penalty of perjury (28 USC 1746) to the professional's belief that the incident or incidents in question are bona fide incidents of abuse, and the victim of domestic violence, dating violence, or stalking has signed or attested to the documentation; or
3. A Federal, State, tribal, territorial, or local police or court record.

The individual shall provide certification within 14 business days after the individual receives a written request for such certification from the PHA. If the individual does not provide the certification within 14 business days after the individual has received a request in writing for such certification, the PHA may evict any tenant who commits violations of a lease. The PHA may extend the 14-day deadline at its discretion if good cause is demonstrated.

The PHA is not required to demand that an individual produce official documentation or physical proof of the individual's status as a victim of domestic violence, dating violence or stalking in order to receive any of VAWA's protections. At its discretion, the PHA

may provide benefits to the individual based solely on the individual's statement or other corroborating evidence.

### Confidentiality

The PHA shall keep confidential any information an individual provides regarding his or her status as a victim of domestic violence, dating violence, or stalking, except if the disclosure is: (1) requested in writing by the individual; (2) required for use in an eviction proceeding; or (3) otherwise required by law. See 42 USC 1437d(u)(2)(A); 42 USC 1437 f(ee)(2)(A).

### Definitions of Domestic Violence, Dating Violence, and Stalking

[VAWA; 42 USC 13925(a)(6), (8); 42 USC 1437f(f)(10); Cal Family Code 6211]

VAWA defines "domestic violence" as felony or misdemeanor crimes of violence committed by:

- (1) a current or former spouse of the victim;
- (2) a person with whom the victim shares a child in common;
- (3) a person who is cohabiting with or has cohabited with the victim as a spouse;
- (4) a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies;
- (5) any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction (i.e., California).

California law defines "domestic violence" as abuse perpetrated against the victim by:

- (1) The victim's spouse or former spouse.
- (2) Someone the victim lives with or lived within the past.
- (3) Someone the victim is dating or has dated.
- (4) Someone the victim has a child with.
- (5) Someone to whom the victim is related by blood, marriage, or adoption (including the victim's parent, grandparent, child, grandchild, brother, or sister).

VAWA defines "dating violence" as violence committed by a person:

- (1) who is or has been in a social relationship of a romantic or intimate nature with the victim; and
- (2) where the existence of such a relationship shall be determined based on a consideration of the following factors:
  - a. The length of the relationship.
  - b. The type of relationship.
  - c. The frequency of interaction between the persons involved in the relationship.



VAWA defines “stalking” as:

- (1) To follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass or intimidate another person; or
- (2) To place under surveillance with the intent to kill, injure, harass, or intimidate another person,

AND

- (3) In the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to:
  - a. That person;
  - b. A member of the immediate family of that person; or
  - c. The spouse or intimate partner of that person.

#### **D. Notification Requirements**

The PHA’s written Notice of Lease Termination will state the reason for the proposed termination, the date that the termination will take place, and it will offer the resident all of the rights and protections afforded by the regulations and this policy (See Chapter on Complaints, Grievances and Hearings).

Notices of lease termination shall be in writing delivered to tenant or adult member of the household, posted on entry door if tenant is not at home and sent by first class mail properly addressed to tenant. The notice shall contain a statement describing the resident’s right to meet with the manager to an informal conference.

#### **Disclosure of Criminal Records to Family**

Before the PHA terminates the lease based on a criminal conviction record, the tenant and subject of record will be provided with a copy of the criminal record. Tenants may dispute the accuracy and relevance of that record at the grievance hearing or court hearing.

#### **Timing of the Notice**

If the PHA terminates the lease, written notice will be given as follows:

1. At least fourteen (14) calendar days prior to termination in the case of failure to pay rent
2. At a reasonable time, defined in the lease as three (3) calendar days according to State law, considering the seriousness of the situation.

If the health or safety of other residents, PHA employees, or persons residing in the immediate vicinity of the premises is threatened; or

If any member of the household has engaged in any drug-related criminal activity or violent criminal activity; or

If any member of the household has been convicted of a felony.

3. At least thirty (30) calendar days prior to termination in all other cases.

The PHA shall notify the Post Office that mail should no longer be delivered to the person who was evicted for criminal activity, including drug-related criminal activity.

### **Criminal Activity**

The PHA will immediately terminate tenancy of persons convicted of manufacturing or producing methamphetamine on the premises of the assisted housing project in violation of any Federal or State law. "Premises" is defined as the building or complex in which the dwelling unit is located, including common areas and grounds.

The PHA will terminate assistance of participants in cases where the PHA determines there is reasonable cause to believe that the person is illegally using a controlled substance or engages in drug-related or other criminal activity. The same will apply if it is determined that the person abuses alcohol in a way that interferes with the health, safety or right to peaceful enjoyment of the premises by other residents. This includes cases where the PHA determines that there is a pattern of illegal use of controlled substances or a pattern of alcohol abuse.

The PHA will consider the use of a controlled substance or alcohol to be a *pattern* if there is more than one incident during the previous three (3) months.

"Engaged in or engaging in or recent history of" drug related criminal activity means any act within the past five (5) years by applicants or participants, household members, or guests which involved drug-related criminal activity including, without limitation, drug-related criminal activity, possession and/or use of narcotic paraphernalia, which did or did not result in the arrest and/or conviction of the applicant or participant, household members, or guests.

"Engaged in or engaging in or recent history of" criminal activity means any act within the past five (5) years by applicants or participants, household members, or guests which involved criminal activity that would threaten the health, safety or right to peaceful enjoyment of the public housing premises by other residents or employees of the PHA, which did or did not result in the arrest and/or conviction of the applicant or participant, household members, or guests.

In evaluating evidence of negative behavior, the PHA will give fair consideration to the seriousness of the activity with respect to how it would affect other residents, and/or likelihood of favorable conduct in the future that could be supported by evidence of rehabilitation.

The PHA will waive the requirement regarding drug-related criminal activity if:

1. The person demonstrates successful completion of a credible rehabilitation program approved by the PHA, or
2. The individual involved in drug-related criminal activity is no longer in the household because the person has died or is incarcerated.

The PHA may permit continued occupancy provided the family accepts imposed conditions that the involved family member(s) does not reside in the unit. The PHA will consider evidence that the person is no longer in the household such as a divorce decree/incarceration/death/copy of a new lease for the person including the owner's telephone number and address/or other substantiating evidence.

### **Fugitive felon or parole violator**

The PHA may terminate the tenancy if a tenant is fleeing to avoid prosecution, or custody or confinement after conviction, for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees; or violating a condition of probation or parole imposed under Federal or State law.

### **Furnishing False or Misleading Information Concerning Illegal Drug Use or Alcohol Abuse or Rehabilitation [24 CFR 966.4(1)(5)(vi)(B)]**

The PHA will terminate the lease if the PHA determines that a household member has furnished false or misleading information concerning illegal drug use, alcohol abuse, or rehabilitation of illegal drug users or alcohol abusers.

The PHA will consider all credible evidence, including but not limited to, any record of arrests or convictions of household members related to the use of illegal drugs or the abuse of alcohol, and any records or other documentation (or lack of records or documentation) supporting claims of rehabilitation of illegal drug users or alcohol abusers.

## ***E. Record Keeping***

A written record of every termination and/or eviction shall be maintained by the PHA and shall contain the following information:

1. Name of resident, number and identification of unit occupied
2. Date of the Notice of Lease Termination and any other notices required by State or local law; these notices may be on the same form and will run concurrently
3. Specific reason(s) for the Notices, citing the lease section or provision that was violated, and other facts pertinent to the issuing of the Notices described in detail (other than the Criminal History Report)
4. Date and method of notifying the resident
5. Summaries of any conferences held with the resident including dates, names of conference participants, and conclusions

The PHA in accordance with the PHA's Records Retention Policy will keep records for persons whose leases were terminated for any reason.

***F. Terminations Due to Ineligible Immigration Status***

[24 CFR 5.514]

If the PHA determines that a family member has knowingly permitted an ineligible individual to reside in the family's unit on a permanent basis, the family's assistance will be terminated for twenty-four (24) months. This provision does not apply to a family if the eligibility of the ineligible individual was considered in calculating any pro-ration of assistance provided for the family.

## **Chapter 13 Complaints, Grievances and Appeals**

[24 CFR 966, Subpart B]

### **INTRODUCTION**

The hearing requirements defined in HUD regulations are applicable to participating families who disagree with an action, decision, or inaction of the PHA. This Chapter describes the policies to be used when families disagree with a PHA decision. It is the policy of the PHA to ensure that all families have the benefit of all protections due to them under the law.

Grievances shall be handled in accordance with the PHA's approved Grievance Procedures. The written grievance procedure is incorporated into this document by reference and is the guideline to be used for grievances and appeals.

#### **A. Complaints**

The PHA will respond promptly to all complaints. Each complaint regarding physical condition of the units may be reported by phone to the Housing Director/Section 504 Coordinator Larry Guanzon, (530) 895-4474 Ext. 226. Anonymous complaints are checked whenever possible. The PHA does not require that complaints be put in writing.

##### **Complaints from Families**

If a family disagrees with an action or inaction of the PHA, complaints will be referred to the Housing Director/Section 504 Coordinator Larry Guanzon, (530) 895-4474 Ext. 226.

##### **Complaints from Staff**

If a staff person reports a family is violating or has violated a lease provision or is not complying with program rules, the complaints will be referred to the referred to the Housing Director/Section 504 Coordinator Larry Guanzon, (530) 895-4474 Ext. 226.

##### **Complaints from the General Public**

Complaints or referrals from persons in the community in regard to the PHA or a family will be referred to the Housing Director/Section 504 Coordinator Larry Guanzon, (530) 895-4474 Ext. 226 or the Fraud Hot Line. Anonymous complaints will be checked whenever possible.

#### **B. Appeals by Applicants**

Applicants who are determined ineligible, who do not meet the PHA's admission standards, or where the PHA does not have an appropriate size and type of unit in its

inventory will be given written notification promptly, including the reason for the determination.

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

Applicants must submit their request for an informal hearing in writing to the PHA within ten (10) business days from the date of the notification of their ineligibility.

If the applicant requests an informal hearing, the PHA will provide an informal hearing within ten (10) business days of receiving the request. The PHA will notify the applicant of the place, date, and time.

Informal hearings will be conducted by an impartial hearing officer. The person who is designated as the hearing officer cannot be the person who made the determination of ineligibility or a subordinate of that person.

The applicant may bring to the hearing any documentation or evidence s/he wishes and the evidence along with the data compiled by the PHA will be considered by the hearing officer.

The hearing officer will make a determination based upon the merits of the evidence presented by both sides. Within thirty (30) calendar days of the date of the hearing, the hearing officer will mail a written decision to the applicant and place a copy of the decision in the applicant's file. The grievance procedures for Public Housing tenants do not apply to PHA determinations that affect applicants.

### **C. Appeals by Tenants**

Grievances or appeals concerning the obligations of the tenant or the PHA under the provisions of the lease shall be processed and resolved in accordance with the Grievance Procedure of the PHA, which is in effect at the time such grievance or appeal arises. (See the PHA's Grievance Procedure contained in this chapter.)

### **D. Hearing and Appeal Provisions – “Restrictions on Assistance to Non-Citizens”**

Assistance to the family may not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of the decision on the INS appeal. Assistance to a family may not be terminated or denied while the PHA hearing is pending but assistance to an applicant may be delayed pending the PHA hearing.

### **INS Determination of Ineligibility**

If a family member claims to be an eligible immigrant and the INS SAVE system and manual search do not verify the claim, the PHA will notify the applicant or tenant within ten (10) business days of their right to appeal to the INS within thirty (30) calendar days or to request an informal hearing with the PHA either in lieu of or subsequent to the INS appeal.

If the family appeals to the INS, they must give the PHA a copy of the appeal and proof of mailing or the PHA may proceed to deny or terminate. The time period to request an appeal may be extended by the PHA for good cause.

The request for a PHA hearing must be made within fourteen (14) calendar days of receipt of the notice offering the hearing or, if an appeal was made to the INS, within fourteen (14) calendar days of receipt of that notice.

After receipt of a request for an informal hearing, the hearing is conducted as described in the "Grievance Procedures" section of this chapter for both applicants and participants. If the hearing officer decides that the individual is not eligible, and there are no other eligible family members the PHA will:

1. Deny the applicant family
2. Terminate the participant

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

All other complaints related to eligible citizen/immigrant status will be processed as follows:

1. If any family member fails to provide documentation or certification as required by the regulation, that member is treated as ineligible. If all family members fail to provide documentation the family will be denied or terminated for failure to provide.
2. Participants whose assistance is pro-rated (either based on their statement that some members are ineligible or due to failure to verify eligible immigration status for some members after exercising their appeal and hearing rights described above) are entitled to a hearing based on the right to a hearing regarding determinations of Tenant Rent and Total Tenant Payment.

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

## **E. Grievance Procedures**

### **Definitions**

**Grievance.** Any dispute which a tenant may have with respect to a Housing Authority action or failure to act in accordance with the individual tenant's lease or PHA regulations which adversely affect the individual tenant's rights, duties, welfare, or status.

**Complainant.** Any tenant whose grievance is personally presented to the PHA's Main Office orally or in writing.

**Hearing Officer/Hearing Panel.** A person or persons selected in accordance with this grievance procedure to hear grievances and render a decision with respect thereto.

**Tenant.** A lessee or the remaining head of household of any tenant family residing in housing accommodations owned or leased by the PHA.

**Elements of Due Process.** An eviction action or a termination of tenancy in a State or local court in which the following procedural safeguards are required:

1. Adequate notice to the tenant of the grounds for terminating the tenancy and for eviction
2. Right of the tenant to be represented by counsel
3. Opportunity for the tenant to refute the evidence presented by the PHA including the right to confront and cross-examine witnesses and to present any affirmative legal or equitable defense which the tenant may have
4. A decision on the merits

### **Applicability**

This Grievance Procedure applies to all individual grievances between the tenant and the PHA, except any grievance concerning a termination of tenancy or eviction that involves:

- Any activity, not just criminal activity, that threatens the health, safety, or right to peaceful enjoyment of the premises of other residents or PHA employees, or
- Any drug-related criminal activity *on or near* such premises.

The PHA grievance procedure shall not be applicable to disputes between tenants not involving the PHA or to class grievances. The grievance procedure is not intended as a forum for initiating or negotiating policy changes between a group or groups of tenants and the PHA's Board of Commissioners.

### **Informal Settlement of Grievance**

Any grievance must be presented orally or in writing to the PHA office that sent the notice on which the grievance is based, so that the grievance may be discussed



informally and settled without a hearing. A summary of such discussion shall be prepared within five (5) business days, and will be sent to the tenant by a PHA representative. One copy will be filed in the tenant's file.

The summary will include:

1. Names of Participants
2. Date of the Meeting
3. Nature of the Proposed Disposition
4. Specific Reasons for the Disposition

The summary will also specify the steps by which a Formal Hearing can be obtained if the tenant is not satisfied.

#### **Dissatisfaction with Informal Conference**

If the tenant is dissatisfied with the proposed disposition of the grievance, s/he shall submit a written request for a Formal Hearing within ten (10) business days of the date of the summary of the informal conference.

The written request for a Formal Hearing must be presented to the PHA's Housing Director and/or Housing Assistant specifying:

1. The reason for the grievance request, and
2. The relief sought.

#### **Failure to Request a Formal Hearing**

If the tenant does not request a Formal Hearing within ten (10) business days, s/he waives his/her right to a Formal Hearing, and the PHA's proposed disposition of the grievance will become final. This section in no way constitutes a waiver of the tenant's right to contest the PHA's disposition in an appropriate judicial proceeding.

#### **Formal Hearing**

After exhausting the informal conference procedures and the tenant does request a Formal Hearing before a hearing officer the Tenant (head of household) or other adult household member(s) must attend the hearing.

If rescheduling of the hearing is necessary by the tenant, the hearing must be rescheduled at least twenty- four (24) hours in advance of the scheduled hearing time or the tenant waives their right to the hearing.

If the tenant fails to appear within twenty (20) minutes of the scheduled hearing time, the tenant waives their right to the hearing.

The PHA will provide reasonable accommodation for persons with disabilities to participate in the hearing. The PHA must be notified within twenty-four (24) hours of the scheduled time if special accommodations are required.

### **Selection of Hearing Officer**

A grievance hearing shall be conducted by an impartial person or persons appointed by the PHA other than the person who made or approved the PHA action under review, or a subordinate of such person.

### **Procedures to Obtain a Formal Hearing**

#### **Informal Prerequisite**

All grievances must be personally presented orally or in writing pursuant to the informal Settlement of Grievance procedure as a prerequisite to the Formal Hearing.

The hearing officer may waive the prerequisite informal conference if, and only if, the tenant can show good cause why s/he failed to proceed informally.

#### **Escrow Deposit**

Before a hearing is scheduled in any grievance involving an amount of rent the PHA claims is due, the tenant shall pay to the PHA all rent due and payable as of the month proceeding the month in which the act or failure to act took place.

The tenant shall thereafter deposit the same amount of the monthly rent in an escrow account each month until the grievance is resolved by decision of the hearing officer or panel.

The PHA must waive these escrow deposit requirements for grievances concerning imputed welfare benefits and minimum rents.

Unless so waived, failure to make the required escrow payments shall result in termination of the grievance procedure.

Failure to make such payments does not constitute a waiver of any right the tenant may have to contest the PHA's disposition of the grievance in any appropriate judicial proceeding.

#### **Scheduling**

If the tenant complies with the procedures outlines above, a Formal Hearing shall be scheduled by the hearing officer within ten (10) business days at a time and place reasonable convenient to the tenant and the PHA.

A written notification of the date, time, place, and procedures governing the hearing shall be delivered to the tenant and the appropriate PHA official.

### **Procedures Governing the Formal Hearing**

**The hearing shall be held before a hearing officer or hearing panel.**

The tenant shall be afforded a fair hearing and be provided the basic safeguards of due process to include:

1. The opportunity to examine and to copy before the hearing, at the expense of the tenant, all documents, records and regulations of the PHA that are relevant to the hearing with at least a twenty-four (24) hour notice to HACB prior to the hearing, and any document not so made available after request by the tenant may not be relied upon by the PHA at the hearing
2. The PHA shall also have the opportunity to examine and to copy at the expense of the PHA all documents, records and statements that the family plans to submit during the hearing to refute the PHA's inaction or proposed action, and any documents not so made available to the PHA may not be relied upon at the hearing
3. The right to a private hearing unless otherwise requested by the tenant
4. The right to be represented by counsel or other person chosen as a representative and make statements on the tenant's behalf.
5. The right to present evidence and arguments in support of the tenant's, to controvert evidence presented by the PHA, and to confront and cross-examine all witnesses upon whose testimony or information the PHA relies, limited to the issues for which the tenant has received the opportunity for a formal hearing
6. The right to a decision based solely and exclusively upon the facts presented at the hearing

If the hearing officer determines that the issue has been previously decided in another proceeding, a decision may be rendered without proceeding with the hearing.

If the tenant or PHA fail to appear at the scheduled hearing, the hearing officer may make a determination that the party has waived his/her right to a hearing.

Such a determination in no way waives the tenant's right to appropriate judicial proceedings in another forum.

At the hearing, the tenant must first make a showing of an entitlement to the relief sought and thereafter the PHA must sustain the burden of justifying the PHA action or failure to act against which the complaint is directed.

The hearing shall be conducted informally by the hearing officer or panel and oral and documentary evidence pertinent to the facts and issues raised by the complaint may be received without regard to admissibility under the rules of evidence applicable to judicial proceedings;

**Formal:**

The hearing officer shall require the PHA, tenant, counsel, and other participants and spectators to conduct themselves in an orderly manner. The failure to comply with the directions of the hearing officer/panel to maintain order will result in the exclusion from the proceedings, or a decision adverse to the interests of the disorderly party and granting or denial of the relief sought, as appropriate.

The PHA must provide reasonable accommodations for persons with disabilities to participate in the hearing. Reasonable accommodations may include qualified sign language interpreters, readers, accessible locations, or attendant.

If the tenant is visually impaired, any notice to the tenant that is required must be in an accessible format.

The PHA shall document each Formal Hearing by means of audio recording device, such documentation to become part of the tenant file and record.

### **Decisions of the Hearing Officer/Panel**

The hearing officer shall give the PHA and the tenant a written decision, including the reasons for the decision, within thirty (30) calendar days following the hearing. The written decision will be sent to the address provided at the hearing. The PHA will place one copy in the tenant file. A copy of such decision, with all names and identifying references deleted, shall also be maintained on file by the PHA and made available for inspection by the tenant, tenant representative, or the hearing officer/panel.

The decision of the hearing officer shall not be binding on the PHA unless it violates law or regulations which shall take all actions necessary to carry out the decision.

A decision by the hearing officer/panel in favor of the PHA or which denies the relief requested by the tenant in whole or part shall not constitute a waiver of, nor affect in any manner whatever, the rights of the tenant to a trial or judicial review in any proceedings which may thereafter be brought in the matter. In such event, upon request for assistance in securing legal services, the HACB shall provide the participant with referral/contact information to Northern California Legal Services, or other legal services entities serving low-income and/or disadvantaged households.

### **Housing Authority Eviction Actions**

If a tenant has requested a hearing in accordance with these duly adopted Grievance Procedures on a complaint involving a PHA notice of termination of tenancy, and the hearing officer upholds the PHA action, the PHA shall not commence an eviction action unless it has previously served or until it has served a notice of intent to terminate the lease on the tenant.

After the decision of the Hearing Officer/Panel, a Notice to Vacate may be issued and must be in writing specifying that if the tenant fails to vacate the premises within the applicable statutory period, or on the termination date as stated in the notice of termination, whichever is later, appropriate action will be brought against the tenant. The tenant may be required to pay court costs and attorney fees.

## **Chapter 14 Family Debts to the PHA**

[24 CFR 982.552]

### **OVERVIEW**

This part describes the PHA's policies for recovery of monies that have been underpaid by families.

#### **PHA Policy**

When an action or inaction of a resident family results in the underpayment of rent or other amounts, the PHA holds the family liable to return any underpayments to the PHA.

The PHA will enter into repayment agreements in accordance with the policies contained in this part as a means to recover underpayments. The term *repayment agreement* refers to a formal document signed by a tenant and provided to the PHA in which a tenant acknowledges a debt in a specific amount and agrees to repay the amount due at specific time periods.

When a family refuses to repay monies owed to the PHA, the PHA will utilize other available collection alternatives including, but not limited to, the following:

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

### **A. *Repayment Policy***

#### **Family Debts to the PHA**

Any amount due to the PHA by a public housing family must be repaid. If the family is unable to repay the debt within 30 days, the PHA will 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, the PHA will terminate the family's tenancy in accordance with the policies in Chapter 12. The PHA will also use other means of collection.

#### **Repayment Agreement Guidelines**

##### ***Down Payment Requirement***

Prior to the execution of a repayment agreement, the family must pay 10 percent of the balance owed to the PHA, subject to the family's ability to pay as reasonably determined by the Housing Director.

**Payment Thresholds**

Amounts between \$3,000 and the Federal or State threshold for criminal prosecution must be repaid within 36 months.

Amounts between \$2,000 and \$2,999 must be repaid within 30 months.

Amounts between \$1,000 and \$1,999 must be repaid within 24 months.

Amounts under \$1,000 must be repaid within 12 months.

**Execution of the Agreement**

The head of household and spouse/co-head (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 15<sup>th</sup> 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 by the PHA, the PHA will send the family a delinquency notice giving the family 10 business days to make the late payment. If the payment is not received by the due date of the delinquency notice, it will be considered a breach of the agreement and the PHA will terminate tenancy in accordance with the policies in Chapter 12.

If a family receives three delinquency notices for unexcused late payments in a 12 month period, the repayment agreement will be considered in default, and the PHA will terminate tenancy in accordance with the policies in Chapter 12.

**No Offer of Repayment Agreement**

The PHA will not enter into a repayment agreement if there is already a repayment agreement in place with the family, or the amounts owed by the family exceed the Federal or State threshold for criminal prosecution.

**B. Debts Due to Fraud/Non-Reporting of Information**

HUD's definition of program fraud and abuse is a single act or pattern of actions that constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead.

### **Family Error/Late Reporting**

Families who owe money to the PHA due to the family's failure to report increases in income will be required to repay in accordance with the guidelines in the Payment Section of this Chapter.

### **Program Fraud**

Families who owe money to the PHA due to program fraud will be required to repay in accordance with the guidelines in Section A of this Chapter.

If a family owes an amount that equals or exceeds ten thousand dollars (\$10,000) as a result of program fraud, the case will be referred to the District Attorney and/or Inspector General. Where appropriate, the PHA will refer the case for criminal prosecution.

### **Payment Procedures for Program Fraud**

Families who commit program fraud will be subject to repayment in full and termination of tenancy.

## **C. *Writing Off Debts***

Debts shall be written off if:

1. After four (4) years all methods of collection have been exhausted and the debtor's whereabouts are unknown.
2. Four (4) years have passed.
3. The debtor is deceased and there is no estate.
4. The debtor is confined to an institution indefinitely or for more than four (4) years.
5. An effort has been made to collect and the Debt is less than or equal to the authorized write off amount established by Board Resolution.

Regardless of the method used; debts may not be formally written off unless the debtor has vacated or cannot be located and all methods of collection have been exhausted.

## **D. *Debts owed and EIV***

The U.S. Department of Housing and Urban Development maintains a national repository of debts owed to PHAs and adverse termination of former participants. This information is maintained within HUD's Enterprise Income Verification (EIV) system, which is used by the PHA to verify employment and income information of program participants, as well as, to reduce administrative and rental assistance payment errors. The EIV system is designed to assist PHAs and HUD in ensuring that families are eligible to participate in HUD rental assistance program and determining the correct amount of rental assistance a family is eligible for. All PHAs are required to use this system.

The following information is collected once participation in the housing program has

ended or for a move-out of an assisted unit:

1. Amount of any balance owed to the PHA (up to \$500,000); and
2. Whether or not the family has entered into a repayment agreement for the amount owed the PHA; and
3. Whether or not the family has filed for bankruptcy; and
4. The negative reason for the end of participation in the housing program (for example: abandoned unit, fraud, criminal activity, failure to comply with lease, etc.)

This information will be available to HUD employees, PHA employees, and contractors of HUD and PHAs.

PHAs will have access to this information during the time of application for rental assistance. PHAs will be able to access this information to determine a family's suitability for rental assistance, and avoid providing limited Federal housing assistance to families who have previously been unable to comply with HUD program requirements. If the reported information is accurate, future requests for HUD rental assistance may be denied for a period of up to ten years from the date of moved out of an assisted unit or termination from a housing program.

In accordance with the Federal Privacy Act of 1974, as amended (5 USC 552a) and HUD regulations pertaining to its implementation of the Federal Privacy Act of 1974 (24 CFR Part 16), tenants have the following rights:

1. To have access to their records maintained by HUD.
2. To have an administrative review of HUD's initial denial of the request.
3. To have incorrect information in the record corrected upon written request.
4. To file an appeal request of an initial adverse determination on correction or amendment of record request within 30 calendar days after the issuance of the written denial.
5. To have the record disclosed to a third party upon receipt of written and signed request.

Families should contact the PHA reporting the negative information in writing if they disagree with the reported information. They should inform the PHA why they dispute the information and provide any documentation that supports the dispute. Filing bankruptcy will not result in the removal of debt owed or termination information from HUD's EIV system. However, if the family has included this debt in their bankruptcy



filing and/or this debt has been discharged by the bankruptcy court, the record will be updated to include the bankruptcy indicator. The PHA will notify the family of its action regarding the dispute. If the PHA determines that the disputed information is incorrect, the PHA will update or delete the record. If the PHA determines that the disputed information is correct, the PHA will provide a written explanation as to why the information is correct.

## **Chapter 15 Community Service**

[24 CFR 960 Subpart F and 24 CFR 903.7(1)]

### **A. Requirement**

Each adult resident (including ineligible Non Citizens) of the PHA shall:

1. Contribute 8 hours per month of community service (not including political activities) within the community in which that adult resides; or
2. Participate in an economic self-sufficiency program (defined below) for eight (8) hours per month.
3. Perform eight (8) hours per month of combined activities (community service and economic self-sufficiency program).

### **B. Exemptions**

The PHA shall provide an exemption from the community service requirement for any individual who:

1. Is sixty-two (62) years of age or older
2. Is a blind or disabled individual, as defined under section 216[l][l] or 1614 of the Social Security Act, and who is unable to comply with this section, or is a primary caretaker of such individual
3. Is engaged in a work activity as defined in section 407 [d] of the Social Security Act. To be considered exempt from community service due to working, the family member must be working at least thirty (30) hours per week. If the family member is working less than thirty (30) hours per week, they are required to fulfill the community service requirement. If a household member is seasonally employed community service requirement applies during "non seasonal" periods.
4. Meets the requirements for being exempted from having to engage in a work activity under the State program funded under part A of Title IV of the Social Security Act, or under any other welfare program of the State in which the public housing agency is located, including a State-administered welfare-to-work program; or
5. Is in a family receiving assistance under a State program funded under part A of Title IV of the Social Security Act, or under any other welfare program of the State in which the PHA is located, including a State-administered welfare-to-work

program, and has not been found by the State or other administering entity to be in noncompliance with such program

The PHA will verify exemption status annually except in the case of an individual who is sixty-two (62) years of age or older.

The PHA will permit residents to change exemption status during the year if status changes.

Women who are pregnant will not be automatically exempt from Community Service. The PHA will temporarily exempt pregnant individuals with written verification from a physician for up to 6 months after the birth of the child. Individuals will be required to make up their community service hours after the exemption period within a reasonable time frame not to exceed 12 months.

### ***C. Eligible Community Service and Self-Sufficiency Activities***

For purposes of satisfying the community service requirement, participating in an economic self-sufficiency program is defined, in addition to the exemption definitions described above, by HUD as: Any program designed to encourage, assist, train or facilitate economic independence of assisted families or to provide work for such families.

These economic self-sufficiency programs can include job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, or any other program necessary to ready a participant to work (such as substance abuse or mental health treatment).

Community Service activities that can be performed include, but are not limited to:

Work at a local public or non-profit institution, including but not limited to: school, Head Start, other before or after school programs, child care centers, hospitals, clinics, hospice, nursing homes, recreation centers, adult day care programs, homeless shelter, feeding programs, food banks (distributing either donated or commodity foods), or clothes closet (distributing donated clothing), etc.;

Work with a non-profit organization that serves PHA residents or their children, including but not limited to : Boy Scouts, Girl Scouts, Boys or Girls Club, 4-H Club, PAL, other children's recreation, mentoring, or education programs, Big Brothers or Big Sisters, Garden Center, Community clean-up programs, Beautification programs, etc.;

Work with any program funded under the Older Americans Act, including but not limited to: Green Thumb, Service Corps of Retired Executives, Senior meals programs, Senior Center, Meals on Wheels, etc;

In addition to the HUD definition above, the PHA definition includes any of the following:

1. Participating in the Family Self-Sufficiency Program and being current in the steps outlined in the individual Training and Services Plan.
2. Participating in an educational or vocational training program designed to lead to employment, at least thirty (30) hours per week.
3. Working through a resident organization to help other residents with problems.
4. Volunteer work in a local school, hospital, childcare center, homeless shelter, or other community service organization;
5. Working with public or non-profit youth or senior organizations;
6. Helping neighborhood groups on special projects;
7. Providing childcare services to allow a Public Housing program participant to complete their community service (Maximum time limit of four (4) hours).
8. Participating in programs that develop and strengthen resident self-responsibility such as:
  - a. Drug and alcohol abuse counseling and treatment
  - b. Budgeting and Credit Counseling
  - c. GED Classes
  - d. English proficiency or literacy (reading) classes
  - e. Job readiness or training programs
  - f. Skills training programs
  - g. Other activities as approved by the PHA on a case-by-case basis

The PHA will give residents the greatest choice possible in identifying community service opportunities.

The PHA will consider a broad range of self-sufficiency opportunities.

#### ***D. Annual Determinations***

For each public housing resident subject to the requirement of community service, the PHA shall, at least thirty (30) calendar days before the expiration of each lease term, review and determine the compliance of the resident with the community service requirement.

Such determination shall be made in accordance with the principles of due process and on a nondiscriminatory basis.

The PHA will verify compliance annually. If qualifying activities are administered by an organization other than the PHA, the PHA will obtain verification of family compliance from such third parties.

Family members will not be permitted to self-certify that they have complied with community service requirements.

### ***E. Noncompliance***

If the PHA determines that a resident subject to the community service requirement has not complied with the requirement, the PHA shall notify the resident of such noncompliance including:

1. That the determination of noncompliance is subject to the administrative grievance procedure under the PHA's Grievance Procedures; and
2. That unless the resident enters into an agreement to comply with the community service requirement, the resident's lease will not be renewed, and
3. That the PHA may not renew or extend the resident's lease upon expiration of the lease term and shall take such action as is necessary to terminate the tenancy of the household, unless the PHA enters into an agreement, before the expiration of the lease term, with the resident providing for the resident to cure any noncompliance with the community service requirement, by participating in economic self-sufficiency program for or contributing to community service as many additional hours as the resident needs to comply in the aggregate with such requirement over the twelve (12) month term of the lease.
4. The head of household and the noncompliant adult must sign the agreement to cure.

### **Ineligibility for Occupancy for Noncompliance**

The PHA shall not renew or extend any lease, or provide any new lease, for a dwelling unit for any household that includes an adult member who was subject to the community service requirement and failed to comply with the requirement.

### ***F. PHA Responsibility***

The PHA will ensure that all community service programs are accessible for persons with disabilities.

1. The conditions under which the work is to be performed are not hazardous
2. The work is not labor that would be performed by the PHA's employees responsible for essential maintenance and property services
3. The work is not otherwise unacceptable.

## ***G. PHA Implementation of Community Service Requirement***

**The PHA's Community Service program is described in the PHA Plan.**

The PHA will administer its own community service program, with cooperative relationships with other entities.

## **Chapter 16 Program Integrity**

### **INTRODUCTION**

The U.S. Department of HUD conservatively estimates that 200 million dollars is paid annually to program participants who falsify or omit material facts in order to gain more rental subsidy than they are entitled to under the law. HUD further estimates that 12% of all HUD-assisted families are either totally ineligible, or are receiving benefits that exceed their legal entitlement. The PHA is committed to assure that the proper level of benefits is paid to all tenants, and that housing resources reach only income-eligible families so that program integrity can be maintained.

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

This Chapter outlines the PHA's policies for the prevention, detection and investigation of program abuse and tenant fraud..

#### ***A. Criteria for Investigation of Suspected Abuse and Fraud***

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

The PHA will initiate an investigation of a tenant family only in the event of one or more of the following circumstances:

- Referrals, Complaints, or Tips:

The PHA will follow up on referrals from other agencies, companies or persons which allege that a tenant family is in non-compliance with, or otherwise violating the lease or the program rules. Such follow-up will be made providing that the referral contains at least one item of information that is independently verifiable. A copy of the allegation will be retained in the tenant file.

- Internal File Review

A follow-up will be made if PHA staff discovers (as a function of a reexamination, an interim re-determination, or a quality control review), information or facts which conflict

with previous file data, the PHA's knowledge of the family, or is discrepant with statements made by the family.

- Verification or Documentation:

A follow-up will be made if the PHA receives independent verification or documentation, which conflicts with representations in the tenant file (such as public record information or credit bureau reports, reports from other agencies). The PHA will move forward to work collaboratively with the postal service Inspector General for all municipalities where the PHA owns property in order to confirm the names of all people receiving mail at an assisted residence.

## ***B. Steps the PHA Will Take to Prevent Program Abuse and Fraud***

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

### 1. Things You Should Know.

The program integrity bulletin (created by HUD's Inspector General) will be furnished and explained to all applicants to promote understanding of program rules, and to clarify the PHA's expectations for cooperation and compliance.

### 2. Program Orientation Session:

A Housing Authority Representative will conduct mandatory orientation sessions for all prospective tenants whether prior to or upon execution of the lease. At the conclusion of all Program Orientation Sessions, the family representative will be required to sign a "Program Briefing Certificate" to confirm that all rules and pertinent regulations were explained to them.

### 3. Resident Counseling:

The PHA will routinely provide tenant counseling as a part of every reexamination interview in order to clarify any confusion pertaining to program rules and requirements.

### 4. Review and Explanation of Forms:

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



5. Use of Instructive Signs and Warnings:

Instructive signs will be conspicuously posted in common areas and interview areas to reinforce compliance with program rules and to warn about penalties for fraud and abuse.

6. Tenant Certification:

All family representatives will be required to sign a "Tenant Certification" form, or equivalent, as contained in HUD's Tenant Integrity Program Manual.

**C. Steps the PHA Will Take to Detect Program Abuse and Fraud**

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

1. Quality Control File Reviews:

Prior to initial certification, and at the completion of all subsequent reexaminations, each tenant file will be reviewed. Such reviews shall include, but are not limited to:

- a) Changes in reported Social Security Numbers or dates of birth
- b) Authenticity of File Documents
- c) Ratio between reported income and expenditures
- d) Review of signatures for consistency with previously signed file documents

2. Observation:

The PHA Management and Occupancy Staff (to include maintenance personnel) will maintain high awareness of circumstances that may indicate program abuse or fraud, such as unauthorized persons residing in the household and unreported income.

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

4. State Wage Data Record Keepers:

Inquiries to State Wage and Employment record keeping agencies as authorized under Public Law 1000-628, the Stewart B. McKinley Homeless Assistance Amendments Act of 1988, may be made annually in order to detect unreported wages or unemployment compensation benefits

## 5. Credit Bureau Inquiries

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

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

### ***D. The PHA's Handling of Allegations of Possible Abuse and Fraud***

The PHA staff will encourage all tenant families to report suspected abuse to the Housing Director or the Fraud Hot Line. All such referrals, as well as referrals from community members and other agencies, will be thoroughly documented and placed in the tenant file. All allegations, complaints and tips will be carefully evaluated in order to determine if they warrant follow-up. The PHA will not follow up on allegations that are vague or otherwise non-specific. They will only review allegations that contain one or more independently verifiable facts.

#### **File Review**

An internal file review will be conducted to determine if the subject of the allegation is a tenant of the PHA and, if so, to determine whether or not the information reported has been previously disclosed by the family.

It will then be determined if the PHA is the most appropriate authority to do a follow-up (more so than police or social services). Any file documentation of past behavior as well as corroborating complaints will be evaluated.

#### **Conclusion of Preliminary Review**

If at the conclusion of the preliminary file review there is/are fact(s) contained in the allegation which conflict with file data, and the fact(s) are independently verifiable, the PHA will initiate an investigation to determine if the allegation is true or false.

### ***E. How the PHA Will Investigate Allegations of Possible Abuse and Fraud***

If the PHA determines that an allegation or referral warrants follow-up, either the staff person who is responsible for the file or a person designated by the PHA to monitor the program compliance will conduct the investigation. The steps taken will depend upon the nature of the allegation and may include, but are not limited to, the items listed

below. In all cases, the PHA will secure the written authorization from the program participant for the release of information.

### **Credit Bureau Inquiries**

In cases involving previously unreported income sources. A CBI inquiry may be made to determine if there is financial activity that conflicts with the reported income of the family.

### **Verification of Credit**

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

### **Employers and Ex-Employers**

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

### **Neighbors/Witnesses**

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

### **Other Agencies**

Investigators, caseworkers or representatives of other benefit agencies may be contacted.

### **Public Records**

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

### **Interviews with Head of Household or Family Members**

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

## ***F. The Placement of Documents, Evidence, and Statements Obtained by the PHA***

Documents and other evidence obtained by the PHA during the course of an investigation will be considered "work product" and will either be kept in the tenant file, or in a separate "work file." In either case, the tenant file or work file shall be kept in a locked file cabinet. Such cases under review will not be discussed among PHA Staff

unless they are involved in the process, or have information that may assist in the investigation.

### ***G. Conclusion of the PHA's Investigative Review***

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

### ***H. Evaluation of the Findings***

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

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

### ***I. Action Procedures for Violations Which Have Been Documented***

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

#### **Procedural Non-Compliance**

This category applies when the tenant "fails to" observe a procedure or requirement of the PHA, but does not misrepresent a material fact, and there is no retroactive rent owed by the family. Examples on non-compliance violations are:

1. Failure to appear at a pre-scheduled appointment.
2. Failure to return verification in time period specified by the PHA

#### **Warning Notice to the Family**

In such cases a notice will be sent to the family that contains the following:

1. A description of the non-compliance and the procedure, policy or obligation that was violated
2. The date by which the violation must be corrected, or the procedure complied with

3. The action that will be taken by the PHA if the procedure of obligation is not complied with by the date specified by the PHA
4. The consequences of repeated (similar) violations

### **Procedural Non-Compliance – Retroactive Rent**

When the tenant owes money to the PHA for failure to report changes in income or assets, the PHA will issue a Notification of Underpaid Rent. This Notice will contain the following:

1. A description of the violation and the date(s)
2. Any amounts owed to the PHA
3. A two (2) day response period
4. The right to disagree and to request an informal conference with instructions for such conference

### **Tenant Fails to Comply with PHA's Notice**

If the Tenant fails to comply with the PHA's notice, and a material provision of the lease has been violated, the PHA will initiate termination of tenancy.

Tenant Complies with PHA's Notice. When a tenant complies with the PHA's notice, the staff person responsible will meet with him/her to discuss and explain the obligation or lease provision that was violated. The staff person will complete a Tenant Counseling Report, give one copy to the family and retain a copy in the tenant file.

### **Intentional Misrepresentations**

When a tenant falsifies, misstates, omits or otherwise misrepresents a material fact that results (or would have resulted) in an underpayment of rent by the tenant, the PHA will evaluate whether or not;

1. The tenant had knowledge that his/her actions were wrong, and
2. That the tenant willfully violated the lease or the law

### **Knowledge that the Action or Inaction was Wrong**

This will be evaluated by determining if the tenant was made aware of program requirements and prohibitions. The tenant's signature on various certification, briefing certificate, Person Declaration and Things You Should Know are adequate to establish knowledge of wrongdoing.

### **The Tenant Willfully Violated the Law**

Any of the following circumstances will be considered adequate to demonstrate willful intent:

1. An admission by the tenant of the misrepresentation

2. That the act was done repeatedly
3. If a false name or Social Security Number was used
4. If there were admissions to others of the illegal action or omission
5. That the tenant omitted material facts that were known to them (e.g., employment of self or other household member)
6. That the tenant falsified, forged or altered documents
7. That the tenant uttered and certified to statements at a rent (re)determination which were later independently verified to be false

### **The Tenant Conference for Serious Violations and Misrepresentations**

When the PHA has established that a material misrepresentation(s) has occurred, a Tenant Conference will be scheduled with the family representative and the PHA staff person who is most knowledgeable about the circumstances of the case.

This conference will take place prior to any proposed action by the PHA. The purpose of such conference is to review the information and evidence obtained by the PHA with the tenant, and to provide the tenant an opportunity to explain any document findings which conflict with representations in the tenant file. Any documents or mitigating circumstances presented by the tenant will be taken into consideration by the PHA. The tenant will be given ten (10) business days to furnish any mitigating evidence.

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

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

### **Dispositions of Cases Involving Misrepresentations**

In all cases of misrepresentations involving efforts to recover monies owed, the PHA may pursue, depending upon its evaluation of the criteria stated above, one or more of the following actions;

1. Criminal Prosecution:

If the PHA has established criminal intent, and the case meets the criteria for prosecution, the PHA may refer the case to the local State or District Attorney, notify HUD's OIG, and terminate rental assistance.

2. Administrative Remedies:

The PHA may:

- a) Terminate tenancy and demand payment of restitution in full
- b) Terminate tenancy and pursue restitution through civil litigation
- c) Permit continued occupancy at the correct rent and execute an administrative repayment agreement in accordance with the PHA's repayment policy

**Notification to Tenant of Proposed Action**

The PHA will notify the tenant of the proposed action no later than ten (10) business days after the tenant conference by First Class Mail.

## **GLOSSARY A – TERMS USED IN DETERMINING RENT**

**ANNUAL INCOME** [(24 CFR 5.609)]. Annual income is the anticipated total income from all sources. This includes net income derived from assets, received by the family head and spouse (even if temporarily absent) and by each additional family member for the 12 month period following the effective date of initial determination or reexamination of income. It does not include income that is temporary, non-recurring, or sporadic as defined in this section, or income that is specifically excluded by other federal statute.

Annual income includes:

1. The full amount before any payroll deductions, or wages and salaries, overtime pay, commissioner's fees, tips and bonuses, and other compensation for personal services.
2. The net income from operation of a business or profession, including any withdrawal of cash or assets from the operation of the business. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining the net income from a business. An allowance for the straight-line depreciation of assets used in a business or profession may be deducted as provided in IRS regulations. Withdrawals of cash or assets will not be considered income when used to reimburse the family for cash or assets invested in the business.
3. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for the straight-line depreciation of real or personal property is permitted. Withdrawals of cash or assets will not be considered income when used to reimburse the family for cash or assets invested in the property.
4. When the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets, or a percentage of the value of such assets based on the current passbook savings rate as determined by HUD.
5. The full amount of periodic payments received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts.

*NOTE: Treatment of lump sum payments for delayed or deferred periodic payment of social security or SSI benefits is dealt with later in this section.*



6. Payments in lieu of earnings, such as unemployment and disability compensation, workers' compensation, and severance pay.
7. All welfare assistance payments received by or on behalf of any family member. (24 CFR 913.106(b)(6) contains rules applicable to "as-paid" States).
8. Periodic and determinable allowances, such as alimony and child care support payments, and regular cash contributions or gifts received from persons not residing in the dwelling.
9. All regular pay, special pay and allowances of a member of the Armed Forces (except special pay to a family member serving the Armed Forces who is exposed to hostile fire).

**EXCLUSIONS FROM ANNUAL INCOME** (24 CFR 5.609). Annual income does not include the following:

1. Income from the employment of children (including foster children) under the age of 18 years
2. Payments received for the care of foster children or foster adults (usually individuals with disabilities, unrelated to the resident family, who are unable to live alone)
3. Lump sum additions to family assets, such as inheritances, insurance payments (including payments under health, and accident insurance and workers' compensation) capital gains, and settlement for personal property losses
4. Amounts received by the family that are specifically for, or in reimbursement of the cost of medical expenses for any family member
5. Income of a live-in aide, provided the person meets the definition of a live-in aide
6. The full amount of student financial assistance paid directly to the student or the educational institution
7. The special pay to a family member service in the Armed Forces who is exposed to hostile fire
8. Amounts received under HUD funded training programs (e.g. Step-up program) – excludes stipends, wages, transportation payments and child care vouchers for the duration of the training
9. Amounts received by a person with disabilities that are disregarded for a limited time for purposed of Supplemental Security Income and benefits that are set aside for use under a Plan to Attain Self Sufficiency (PASS)

10. Amounts received by a participant in other publicly assisted programs that are specifically for, or in reimbursement of, out of pocket expenses incurred for items such as special equipment, clothing, transportation and child care, to allow participation in a specific program
11. Amount received as a resident services stipend. A modest amount (not to exceed \$200 per month) received by a public housing resident for performing a service for the PHA, on a part-time basis, that enhances the quality of life in public housing. (Such services may include but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as the resident member of the PHA governing Board). No resident may receive more than on one such stipend during the same period of time.
12. Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of family members as resident management staff. Amount excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program.
13. Temporary, non-recurring, or sporadic income (including gifts)
14. Reparation payments paid by foreign governments pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era. (For all initial determinations and reexaminations of income on or after April 23, 1993)
15. Earnings in excess of \$480 for each full-time student 18 years old or older, (excluding the head of household and spouse)
16. Adoption assistance payments in excess of \$480 per adopted child
17. The earnings and benefits to any resident resulting from the participation in a program providing employment training and supportive services in accordance with the Family Support Act of 1988 (42 U.S.C. 1437 et seq.) or any comparable Federal, State or local law during the exclusion period. For purposes of this paragraph the following definitions apply:

**Comparable Federal, State or local law** means a program providing employment training and supportive services that:

- a) Is authorized by a Federal, State or local law
- b) Is funded by the Federal, State or local government
- c) Is operated or administered by a public agency

- d) Has as its objective to assist participants in acquiring job skills

**Exclusion period** means the period during which to resident participates in a program as described in this section plus 18 months from the date the resident begins the first job acquired by the resident after completion of such program that is not funded by public housing assistance under the U.S. Housing Act of 1937. If the resident is terminated from employment without good cause, the exclusion period shall end.

**Earnings and benefits** mean the incremental earnings and benefits resulting from a qualifying employment training program or subsequent job.

- 18. Deferred periodic payments from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts.
- 19. Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit.
- 20. Amounts paid by a State agency to a family with a developmentally disabled family member living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home.
- 21. Amounts specifically excluded by any other Federal Statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the United States Housing Act of 1937 (A notice will be published by HUD in the Federal Register identifying the benefits that qualify for this exclusion).

The following benefits are excluded by other Federal Statute as of August 3, 1933:

- 1. The value of the allotment provided to an eligible household for coupons under the Food Stamp Act of 1977
- 2. Payments to volunteers under the Domestic Volunteer Service Act of 1973;
  - a) The Retired Senior Volunteer Program (RSVP)
  - b) Foster Grandparent Program (FGP)
  - c) Senior Companion Program (SCP)
  - d) Older American Committee Service Program
  - e) National Volunteer Antipoverty Programs such as:
  - f) VISTA
  - g) Peace Corps

- h) Service Learning Program
  - i) Special Volunteer Programs
  - j) Small Business Administration Programs such as:
  - k) National Volunteer Program to Assist Small Businesses
  - l) Service Corps of Retired Executives
3. Payments received under the Alaska Native Claims Settlement Act. [43 USC 1626(a)]
  4. Income derived from certain sub-marginal land of the United States that is held in trust for certain Indian tribes. [25 USC 459e]
  5. Payments or allowances made under the Department of HHS' Low Income Home Energy Assistance Program. [42 USC 8624 (f)]
  6. Payments received under programs funded in whole or in part under the Job Training Partnership Act [29 USC 1552 (b)]
  7. Income derived from the disposition of funds of the Grand River Band of Ottawa Indians (Pub. L. 94-540)
  8. The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the Court of Claims [25 USC 1407-08], or from funds held in trust for an Indian Tribe by the Secretary of Interior
  9. Amounts of scholarships funded under Title IV of the Higher Education Act of 1965 including awards under the Federal work-study program or under the Bureau of Indian Affairs student assistance programs. [20 USC 1087] Examples: Basic Educational Opportunity Grants (Pell Grants), Supplemental Opportunity Grants, State Student Incentive Grants, College-Work Study, and Byrd Scholarships
  10. Payments received under programs funded under Title V of the Older Americans Act of 1965 [42 USC 3056 (f)] Examples include Senior Community Services Employment Program, National Caucus Center on the Black Aged, National Urban League; Association National Pro Personas Mayores, National Council on Aging American Association of Retired Persons, National Council on Senior Citizens, and Green Thumb
  11. Payments received after January 1, 1989 from the Agent Orange Settlement Fund or any other fund established in the In-Re Orange Product Liability litigation.

12. The value of any childcare provided or arranged (or any amount received as payment for such care or reimbursement for costs of incurred in such care) under the Child Care and Development Block Grant Act of 1990. [42 USC 9858q]
13. Earned income tax credit refund payments received on or after January 1, 1991. [26 USC 32](j).
14. Living allowances under Americorps Program (Nelson Diaz Memo to George Latimer 11/15/94)

**ADJUSTED INCOME.** Annual income, less allowable HUD deductions

All Families are eligible for the following:

**Child Care Expenses:** A deduction of amounts anticipated to be paid by the family for the care of children under 13 years of age for the period for which the Annual Income is computed. Childcare expenses are only allowable when such care is necessary to enable a family member to be gainfully employed or to further his/her education. Amounts deducted must be unreimbursed expenses and shall not exceed: (1) The amount of income earned by the family member released to work, or (2) an amount determined to be reasonable by the PHA when the expense is incurred to permit education.

**Dependent Deduction:** An exemption of \$480 for each member of the family resident in the household (other than the head or spouse, live-in aide, foster child) who is under eighteen years of age or who is eighteen years of age or older and disabled, handicapped, or a full-time student.

**Expenses of the Disabled:** A deduction of unreimbursed amounts paid for attendant care or auxiliary apparatus expenses for family members with disabilities where such expenses are necessary to permit a family member(s), including the member with disability/ies to be employed. In no event may the amount of the deduction exceed the employment income earned by the family member(s) freed to work.

Equipment and auxiliary apparatus may include but are not limited to: wheelchairs, lifts, reading devices for visually impaired, and equipment added to cars and vans to permit use by the family member with disability/ies.

**For non-elderly families and elderly families without medical expense:** The amount of the deduction equals the cost of all unreimbursed expenses for care and equipment for the family member with disability/ies less three percent (3%) of Annual Income, provided the amount so calculated does not exceed the employment income earned.

**For elderly families with medical expenses:** The amount of the deduction equals the cost of all unreimbursed expenses for care and equipment for the family member with disability/ies less three percent of Annual Income, (provided the amount does not exceed earnings) plus medical expenses as defined below.

**For Elderly and Disabled Families Only:**

**Medical Expenses:** A deduction for unreimbursed medical expenses, including insurance premiums anticipated for the period for which Annual Income is computed. Medical expenses include, but are not limited to: services of physicians and other health care professionals, services of health care facilities; insurance premiums, including the cost of Medicare), prescription and non-prescription medicines, transportation to and from treatment, dental expenses, eyeglasses, hearing aids and batteries, attendant care (unrelated to employment of family members), and payments on accumulated medical bills. To be considered by the PHA for the purpose of determining a deduction from the income, the expenses claimed must be verifiable.

**For elderly families without disability expenses:** The amount of the deduction shall equal total medical expenses less 3% of Annual Income.

**For elderly families with both disability and medical expenses:** The amount of expense for disability related expenses is calculated first, then medical expenses are added.

**Elderly/Disabled Household Exemption:** An exemption of \$400 per household

## **GLOSSARY B – HOUSING TERMS**

**ACCESSIBLE DWELLING UNITS.** When used with respect to the design, construction or alteration of an individual dwelling unit, means that the unit is located on an accessible route, and when designed, constructed, or altered, can be approached, entered, and used by individuals with physical disabilities. A unit that is on an accessible route and is adaptable and otherwise in compliance with the standards set forth in 24 CFR 8.32 & 40, (the Uniform Federal Accessibility Standards) is “accessible” within the meaning of this paragraph.

**ACCESSIBLE FACILITY.** All or any portion of a facility other than an individual dwelling unit used by individuals with physical disabilities.

**ACCESSIBLE ROUTE.** For persons with a mobility impairment, a continuous, unobstructed path that complies with space and reach requirements of the Uniform Federal Accessibility Standards (UFAC). For persons with hearing or vision impairments, the route need not comply with requirements specific to mobility.

**ADAPTABILITY.** Ability to change certain elements in a dwelling unit to accommodate the needs of persons with disabilities or persons without disabilities; or ability to meet the needs of persons with different types and degrees of disability.

**ADMISSION.** Admission to the program is the effective date of the lease. The point at which a family becomes a resident.

**ALLOCATION PLAN.** The plan submitted by the PHA and approved by HUD under which the PHA is permitted to designate a building, or portion of a building, for occupancy by Elderly Families or Disabled Families.

**ANNUAL INCOME AFTER ALLOWANCES.** The Annual Income (described above) less the HUD-approved allowances.

**APPLICANT (or applicant family).** A family that has applied for admission to a program, but is not yet a participant in the program.

**“AS-PAID” STATES.** States where the welfare agency adjusts the shelter and utility component of the welfare grant in accordance with actual housing costs.

**ASSETS.** (See Net Family Assets).

**AUXILIARY AIDS.** Services or devices that enable persons with impaired sensory, manual, or speaking skills to have an equal opportunity to participate in and enjoy the benefits of programs and activities.

**CEILING RENT.** An amount that reflects the reasonable market value of the housing unit, but not less than the sum of the month per-unit operating costs and a deposit to a

replacement reserve. The family pays the lower of the ceiling rent or the formula tenant rent.

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

**COVERED FAMILIES.** The statutory term “covered families” designates the universe of families who are required to participate in a welfare agency economic self-sufficiency program and may, therefore, be the subject of a welfare benefit sanction for noncompliance with this obligation. “Covered families” means families who receive welfare assistance or other public assistance benefits from a State or other public agency under a program or which Federal, State, or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for the assistance.

**DEPENDENT.** A member of the family household (excluding foster children) other than the family head or spouse, who is under 18 years of age or is a Person with disability/ies, or is a full-time student 18 years of age or older.

**DESIGNATED FAMILY.** The category of family for whom the PHA elects to designate a project (e.g. elderly family in a project designated for elderly families) in accordance with the 1992 Housing Act (24 CFR 945.105).

**DISABILITY ASSISTANCE EXPENSE.** Reasonable expenses that are anticipated, during the period for which Annual Income is computed, for attendant care and or auxiliary apparatus for a disabled family member and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.

**DISABLED FAMILY.** A family whose head, spouse, or sole member is a person with disabilities. A disabled family may include two or more persons with disabilities living together, or one or more persons with disabilities living with one or more live-in aides.

**DISABLED PERSON.** See Person with Disabilities. F Rights Act [42 USC 6001(7)].

**DISALLOWANCE.** Exclusion from Annual Income.

**DISPLACED FAMILY.** A family in which each member, or whose sole member, is a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal Disaster relief laws.

**DOMICILE.** The legal residence of the household head or spouse as determined in accordance with State and local law.



**DRUG-RELATED CRIMINAL ACTIVITY.** Term means Drug-trafficking or illegal use, or possession for personal use of a controlled substance (as defined in section 102 of the Controlled Substances Act [21 USC 802]).

**DRUG TRAFFICKING.** The illegal manufacture, sale, distribution or the possession with intent to manufacture, sell, or distribute a controlled substance (as defined in section 102 of the Controlled Substances Act [21 USC 802]).

**ECONOMIC SELF-SUFFICIENCY PROGRAM.** Any program designed to encourage, assist, train, or facilitate the economic independence of assisted families or to provide work for such families. Economic self-sufficiency programs can include job training, employment counseling, work placement, basic skills training, education, English proficiency, Workfare, financial or household management, apprenticeship, and other program necessary to ready a participant to work (such as: substance abuse or mental health treatment. Economic self-sufficiency program includes any work activities as defined in the Social Security Act ([42 USC 607 (d)]. See the definition of work activities at Sec. 5.603(c). The new definition of the term “economic self-sufficiency program” is used in the following regulatory provisions, pursuant to the Public Housing Reform Act: family income includes welfare benefits reduced because of family failure to comply with welfare agency requirements to participate in an economic self-sufficiency program; and the requirement for public housing residents to participate in an economic self-sufficiency program or other eligible activities.

**ELDERLY FAMILY.** A family whose head or spouse or shoes sole member is a least 62 years old, or two or more persons who are at least 62 years of age or a person with disabilities. It may include two or more elderly, disabled persons living together or one or more such persons living with one or more live-in aides.

**ELDERLY PERSON.** A person who is at least 62 years old.

**ELIGIBLE FAMILY (Family).** A family is defined by the PHA in the Admission and Continued Occupancy Plan.

**EXCEPTIONAL MEDICAL OR OTHER EXPENSES.** Prior to the regulation change in 1982, this meant medical and/or unusual expenses as defined in Part 889 that exceeded 25% of the Annual Income. It is no longer used.

**EXCESS MEDICAL EXPENSES.** Any medical expenses incurred by elderly families only in excess of three percent (3%) of Annual Income which are not reimbursable from any other source.

**EXTREMELY LOW-INCOME FAMILY.** A family whose Annual Income does not exceed 30 percent (30%) of the median income for the area, as determined by HUD, with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or variations are necessary because of unusually high or low family incomes.

**FAMILY.** The applicant must qualify as a family as defined by the PHA.

**FAMILY OF VETERAN OR SERVICE PERSON.** A family is a “family of veteran or service person” when:

- The veteran or service person is
  - a) Is either the head of household or is related to the head of the household; or
  - b) Is deceased and was related to the head of the household, and was a family member at the time of death
- The veteran or service person, unless deceased, is living with the family or is only temporarily absent unless s/he was:
  - a) Formerly the head of the household and is permanently absent because of hospitalization, separation, or desertion, or is divorced; provided, the family contains one or more persons for whose support s/he is legally responsible and the spouse has not remarried; or
  - b) Not the head of the household but is permanently hospitalized; provided, that s/he was a family member at the time of hospitalization and there remain in the family at least two related persons

**FAMILY SELF-SUFFICIENCY PROGRAM (FSS PROGRAM).** The program established by a PHA to promote self-sufficiency of assisted families, including the provision of supportive services.

**FLAT RENT.** Rent for a public housing dwelling unit that is based on the market rent. The market rent is the rent charged for comparable units in the private, unassisted rental market at which the PHA could lease the public housing unit after preparation for occupancy.

**FOSTER CHILD CARE PAYMENT.** Payment to eligible households by state, local, or private agencies appointed by the State, to administer payments for the care of foster children.

**FULL-TIME STUDENT.** A person who is attending school or vocational training on a full-time basis.

**EXPENSES FOR ASSISTANCE TO PERSONS WITH DISABILITIES.** Anticipated costs for care attendants and auxiliary apparatus for a family member with disability/ies that enable a family member (including the family member with disability(ies) to work.

**HANDICAPPED PERSON.** (Replaced by the language “Person with a Disability”). A person having a physical or mental impairment that is expected to be of long continued and indefinite duration; substantially impedes his or her ability to live independently; and is of such a nature that such ability could be improved by more suitable housing conditions.

**HEAD OF HOUSEHOLD.** The person who assumes legal and financial responsibility for the household and is listed on the application as head.

**HOUSING AGENCY.** A state, country, municipality or other governmental entity or public body authorized to administer the program. The term “PHA” includes an Indian Housing Authority (IHA). (“IHA” and “PHA” mean the same thing.)

**HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974.** The Act in which the U.S. Housing Act of 1937 was re-codified.

**HOUSING ASSISTANCE PLAN.** A Housing Assistance Plan submitted by a local government participating in the Community Development Block Program as part of the block grant application, in accordance with the requirements of 570.303 (c) submitted by a local government not participating in the Community Development Block Grant Program and approved by HUD. A Housing Assistance Plan meeting the requirements of 570.303(c) submitted by a local government not participating in the Community Development Block Grant Program and approved by HUD.

**HOUSING QUALITY STANDARDS (HGS).** The HUD minimum quality standards for housing assisted under the Public Housing and Section 8 programs.

**HUD.** The Department of Housing and Urban Development or its designee.

**HUD REQUIREMENTS.** HUD requirements for the Public Housing programs. HUD requirements are issued by HUD headquarters as regulations. Federal Register notices or other binding program directives.

**HURRA.** The Housing and Urban/Rural Recovery Act of 1983 legislation that resulted in most of the 1984 HUD Regulation changes to the definition of income, allowances, and rent calculations.

**IMPUTED ASSET.** Asset disposed of for less than Fair Market Value during two years preceding examination or reexamination.

**IMPUTED INCOME.** HUD passbook rate times the total cash value of assets, when assets exceed \$5,000.

**IMPUTED WELFARE INCOME.** The amount of Annual Income not actually received by a family, as a result of a specified welfare benefit reduction, that is nonetheless included in the family’s Annual Income. This amount is included in family Annual Income and, therefore, reflected in the family rental contribution based on this income.

**INCOME.** Income from all sources of each member of the household as determined in accordance with criteria established by HUD.

**INCOME-BASED RENT.** The tenant rent paid to the PHA that is based on family income and the PHA rental policies. The PHA uses a percentage of family income or some other reasonable system to set income-based rents. The PHA has broad

flexibility in deciding how to set income-based rent for its tenants. However, the income-based tenant rent plus the PHA's allowance for tenant paid utilities may not exceed the "total tenant payment" as determined by a statutory formula.

**INCOME FOR ELIGIBILITY.**

**INCOME TARGETING.** Annual Income.

**INDEPENDENT STUDENT.** A student that must meet one or more of the following criteria, must be at least 24 years old by December 31 of the award year or older for which aid is sought; be an orphan or a ward of the court thought the age of 18; be a veteran of the U.S. Armed Forces; have legal dependents other than a spouse; be a graduate or professional student; or, be married.

**INDIAN.** Any person recognized as an Indian or Alaska Native by an Indian Tribe, the Federal Government, or any State.

**INDIAN HOUSING AUTHORITY (IHA).** A housing agency established either:

- a) By exercise of the power of self-government of an Indian Tribe, independent of State law, or
- b) By operation of State law providing specifically for housing authorities for Indians.

**INTEREST REDUCTION SUBSIDIES.** The monthly payments or discounts made by HUD to reduce the debt service payments and, hence, rents required on Section 236 and 221 (d)(3) BMIR projects. Includes monthly interest reduction payments made to mortgagees of Section 236 projects and front-end loan discounts paid on BMIR projects.

**INVOLUNTARILY DISPLACED PERSON.** Involuntarily Displaced Applicants are applicants who meet the HUD definition for the local preference, formerly known as a federal preference.

**LANDLORD.** Either the legal owner of the property, or the owner's representative or managing agent as designated by the owner.

**LEASE.** A written agreement between an owner and an eligible family for the leasing of a housing unit.

**LIVE-IN AIDE.** A person who resides with an elderly person or disabled person and who:

- 1. Is determined to be essential to the care and well-being of the person
- 2. Is not obligated for the support of the person
- 3. Would not be living in the unit except to provide necessary supportive services

**LOCAL PREFERENCE.** A preference used by the PHA to select among applicant families without regard to their date and time of application.

**LOW-INCOME FAMILY.** This definition replaces a previous statutory reference. Generally, “low-income” designates a family whose income does not exceed 80 percent (80%) of area median income, with certain adjustments.

**MARKET RENT.** The rent HUD authorizes the owner of FHA insured/subsidized multi-family housing to collect from families ineligible for assistance. For unsubsidized units in an FHA-insured multi-family project in which a portion of the total units receive project-based rental assistance, under the Rental Supplement or Section 202/Section 8 Programs, the Market Rate Rent is that rent approved by HUD and is the Contract Rent for a Section 8 Certificate holder. For BMIR units, Market Rent varies by whether the project is a rental or cooperative.

**MEDICAL EXPENSES.** Those total medical expenses anticipated during the period for which Annual Income is computed, and which are not covered by insurance (only Elderly Families qualify). The allowances are applied when medical expenses exceed 3% of Annual Income.

**MINIMUM RENT.** An amount established by the PHA between zero and \$50.00.

**MINOR.** A member of the family household (excluding foster children) other than the family head or spouse who is under 18 years of age.

**MONTHLY ADJUSTED INCOME.** 1/12 of the Annual Income after Allowances.

**MONTHLY INCOME.** 1/12 of the Annual Income before allowances.

**NEAR-ELDERLY FAMILY.** A family whose head, spouse, or sole member is a least 50, but less than 62 years of age. The term includes two or more near-elderly persons living together and one or more such persons living with one or more live-in aides.

**NET FAMILY ASSETS.** The net cash value of equity in savings, checking, IRA and Keogh accounts, real property, stocks, bond, and other forms of capital investment.

**OCCUPANCY STANDARDS (Now referred to as Subsidy Standards).** Standards established by a PHA to determine the appropriate number of bedrooms for families of different sizes and compositions.

**PARENTS.** The person(s) who acts as a parent in rearing a child. (For the purposes of the student eligibility restrictions) may be the biological or adoptive parents, guardians (e.g., grandparents, aunt/uncle, godparents, etc.)

**PARTICIPANT.** A family that has been admitted to the PHA program, and is currently assisted in the program.

## **PERSON WITH DISABILITIES.**

1. A person who has a disability, as defined in 42 USC 423, and is determined, under HUD regulations, to have a physical, mental, or emotional impairment that is expected to be of long-continued and indefinite duration, substantially impedes the ability to live independently, and is of such a nature that the ability to live independently could be improved by more suitable housing conditions.
2. A person who has a developmental disability as defined in 42 USC 6001.
3. An “individual with handicaps”, as defined in 24 CFR 8.3, for purposes of reasonable accommodation and program accessibility for persons with disabilities.
4. Does not exclude persons who have AIDS or conditions arising from AIDS.
5. Does not include a person whose disability is based solely on any drug or alcohol dependence (for low income housing eligibility purposes).

**PREMISES.** The building or complex in which the dwelling unit is located including common areas and grounds.

**PREVIOUSLY UNEMPLOYED.** Includes a person who has earned, in the twelve months previous to employment, no more than would be received for ten (10) hours of work per week for fifty (50) weeks at the established minimum wage.

**PUBLIC ASSISTANCE.** Welfare or other payments to families or individuals, based on need, which are made under programs funded, separately or jointly, by Federal, state, or local governments.

**PUBLIC HOUSING AGENCY (PHA).** A state, county, municipality, or other governmental entity or public body authorized to administer the programs. The term “PHA” includes an Indian Housing Authority (IHA). (“IHA” and “PHA” mean the same thing.)

**QUALIFIED FAMILY.** A family residing in public housing whose annual income increases as a result of employment of a family member who was unemployed for one or more years previous to employment; or increased earnings by a family member during participation in any economic self-sufficiency or on the job training program; or new employment or increased earnings of a family member, during or within 6 months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the PHA in consultation with the local TANF agency and Welfare to Work programs. TANF includes income and benefits & services such as one-time payments, wage subsidies & transportation assistance, as long as the total amount over a six (6) month period is at least \$500.

**QUALITY HOUSING AND WORK RESPONSIBILITY ACT OF 1998.** The Act that amended the U.S. Housing Act of 1937 and is known as the Public Housing Reform Bill. The Act is directed at revitalizing and improving HUD's Public Housing and Section 8 assistance programs.

**RECERTIFICATION.** Sometimes called reexamination. The process of securing documentation of total family income used to determine the rent the tenant will pay for the next 12 months if no interim changes are reported by the family.

**REMAINING MEMBER OF TENANT FAMILY.** Person left in assisted housing after other family members have left and become unassisted.

**RESIDENCY PREFERENCE.** A local preference for admission of persons who reside in a specified geographic area.

**RESPONSIBLE ENTITY.** For the public housing, Section 8 tenant-based assistance, project-based certificate assistance and moderate rehabilitation program, the responsible entity means the PHA administering the program under an ACC with HUD. For all other Section 8 programs, the responsible entity means the Section 8 owner.

**SECRETARY.** The Secretary of Housing and Urban Development.

**SECURITY DEPOSIT.** A dollar amount which can be collected from the family by the owner upon termination of the lease and applied to unpaid rent, damages or other amounts owed to the owner under the lease according to State or local law.

**SERVICE PERSON.** A person in the active military or naval service (including the active reserve) of the United States.

**SINGLE PERSON.** A person living alone or intending to live alone who is not disabled, elderly, or displaced, or the remaining member of a tenant family.

**SPECIFIED WELFARE BENEFIT REDUCTION.** Those reductions of welfare agency benefits (for a covered family) that may not result in a reduction of the family rental contribution. "Specified welfare benefit reduction" means a reduction of welfare benefits by the welfare agency, in whole or in part, for a family member, as determined by the welfare agency, because of fraud by family member in connection with the welfare program; or because of welfare agency sanction against a family member for noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

**SPOUSE.** The marriage partner of the head of the household.

**STUDENTS.** Enrolled either full-time or part-time at an institution of higher education.

**SUBSIDIZED PROJECT.** A multi-family housing project (with the exception of a project owned by a cooperative housing mortgage corporation or association) that receives the benefit of subsidy in the form of:

1. Below-market interest rates pursuant to Section 221(d)(3) and (5) or interest reduction payments pursuant to Section 236 of the National Housing Act; or
2. Rent supplement payments under Section 101 of the Housing and Urban Development Act of 1965; or
3. Direct loans pursuant to Section 202 of the Housing Act of 1959; or
4. Payments under the Section 23 Housing Assistance Payments Program pursuant to Section 23 of the United States Housing Act of 1937 prior to amendment by the Housing and Community Development Act of 1974; or
5. Payments under the Section 8 Housing Assistance Payments Program pursuant to Section 8 of the United States Housing Act after amendment by the Housing and Community Development Act unless the project is owned by a Public Housing Agency; or
6. A Public Housing Project

**SUBSIDY STANDARDS.** Standards established by a PHA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

**TENANT.** (Synonymous with RESIDENT). The person or persons who executes the lease as lessee of the dwelling unit.

**TENANT RENT.** The amount payable monthly by the family as rent to the PHA.

**TOTAL TENANT PAYMENT (TTP).** The total amount the HUD rent formula requires the tenant to pay toward rent and utilities.

**UNIT / HOUSING UNIT.** Residential space for the private use of a family. The size of a unit is based on the number of bedrooms contained within the unit and generally ranges from zero bedrooms to six bedrooms.

**UTILITIES.** Utilities mean water, electricity, gas, other heating, refrigeration, cooking fuels, trash collection and sewage services. Telephone service is not included as a utility.

**UTILITY ALLOWANCE.** The PHA's estimate of the average monthly utility bills for an energy-conscious household. If all utilities are included in the rent, there is no utility allowance. The utility allowance will vary by unit size and type of utilities.

**UTILITY REIMBURSEMENT PAYMENT.** The amount, if any, by which the Utility Allowance for the unit, if applicable, exceeds the Total Tenant Payment for the family occupying the unit.



**VERY LARGE LOWER-INCOME FAMILY.** Prior to the change in the 1982 regulations this meant a lower-income family that included eight or more minors. (Term no longer used).

**VERY LOW INCOME FAMILY.** A Low-Income Family whose Annual Income does not exceed 50% of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50% of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes.

**VETERAN.** A person who has served in the active military or naval service of the United States at any time and who shall have been discharged or released therefrom under conditions other than dishonorable.

**VIOLENT CRIMINAL ACTIVITY.** Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.

**WAITING LIST.** A list of families organized according to HUD regulations and PHA policy that are waiting for subsidy to become available.

**WELFARE ASSISTANCE.** Welfare or other payments to families or individuals, based on need, that are made under programs funded, separately or jointly, by Federal, state or local government. "Welfare assistance" means income assistance from Federal or State welfare programs, and includes only cash maintenance payments designed to meet a family's ongoing basic needs. The definition borrows from the Department of Health and Human Services' TANF definition of "assistance" and excludes nonrecurring short-term benefits designed to address individual crisis situations. For FSS purposes, the following do not constitute welfare assistance: food stamps; emergency rental and utilities assistance; and SSI, SSDI, and Social Security.

**ZERO INCOME FAMILY.** A family who, at its most recent declaration of income to the Housing Authority, stated that they receive no income from any source.

## **GLOSSARY C – TERMS USED IN THE NON-CITIZENS RULE**

**CHILD.** A member of the family other than the family head or spouse who is under 18 years of age.

**CITIZEN.** A citizen or national of the United States.

**EVIDENCE.** Evidence of citizenship or eligible immigration status means the documents that must be submitted to evidence citizenship or eligible immigration status.

**HEAD OF HOUSEHOLD.** The adult member of the family who is the head of the household for purpose of determining income eligibility and rent.

**HUD.** Department of Housing and Urban Development.

**INS.** The U.S. Immigration and Naturalization Service.

**MIXED FAMILY.** A family whose members include those with citizenship or eligible immigration status and those without citizenship or eligible immigration status.

**NATIONAL.** A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession.

**NONCITIZEN.** A person who is neither a citizen nor national of the United States.

**PHA.** A housing authority that operates Public Housing.

**RESPONSIBLE ENTITY.** The person or entity responsible for administering the restrictions on providing assistance to non-citizens with ineligible immigration status (the PHA).

**SECTION 214.** Section 214 restricts HUD from making financial assistance available for non citizens unless they meet one of the categories of eligible immigration status specified in Section 214.

**SPOUSE.** Spouse refers to the marriage partner, either a husband or wife, who is someone you need to divorce in order to dissolve the relationship. It includes the partner in a common-law marriage. It does not cover or boyfriends, girlfriends, significant others.